

Social Security Programs Throughout the World: Europe, 2008



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



issa

Preface

This first issue in the current four-volume series of *Social Security Programs Throughout the World* reports on the countries of Europe. The combined findings of this series, which also includes volumes on Asia and the Pacific, Africa, and the Americas, are published at 6-month intervals over a 2-year period. Each volume highlights features of social security programs in the particular region.

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

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

Previous editions of this report, which date back to 1937, were issued as one volume and were prepared by SSA staff. With the introduction of the four-volume format in 2002, however, the research and writing has been contracted out to the ISSA. The ISSA has conducted the research largely through its numerous country-based correspondents, as well as its Social Security World-wide Database and a myriad of other types of data that must be drawn together to update this report. Members of the ISSA's Social Security Observatory 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 the ISSA and SSA with regard to legislation in effect in January 2008, or the last date for which information has been received.

Your suggestions and comments on this report are welcome. Any suggestions, comments, or 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:

International Social Security Association
Social Security Observatory
Case postale 1
4 route des Morillons
CH-1211 Geneva 22
Switzerland

This report and other publications are available at <http://www.socialsecurity.gov/policy>. For additional copies, please e-mail op.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. Staff of the Division of Information Resources edited and produced the report and prepared the print and Web versions.

Manuel de la Puente
Associate Commissioner
for Research, Evaluation, and Statistics

September 2008

Contents

Guide to Reading the Country Summaries

Sources of Information	1
Types of Programs	
Employment-Related	2
Universal	3
Means-Tested	3
Other Types of Programs	3
Format of Country Summaries	
Old Age, Disability, and Survivors	4
Sickness and Maternity	8
Work Injury	11
Unemployment	13
Family Allowances	15
Tables	
1. Types of social security programs	17
2. Types of mandatory systems for retirement income	19
3. Demographic and other statistics related to social security, 2008	21
4. Contribution rates for social security programs, 2008	23

Country Summaries

Albania	27	Latvia	185
Andorra	32	Liechtenstein	193
Austria	36	Lithuania	200
Belarus	42	Luxembourg	206
Belgium	48	Malta	212
Bulgaria	55	Moldova	218
Croatia	60	Monaco	224
Cyprus	67	Netherlands	230
Czech Republic	74	Norway	236
Denmark	80	Poland	244
Estonia	87	Portugal	251
Finland	95	Romania	259
France	104	Russia	266
Germany	115	San Marino	272
Greece	124	Serbia	276
Guernsey	132	Slovak Republic	282
Hungary	138	Slovenia	289
Iceland	147	Spain	296
Ireland	153	Sweden	305
Isle of Man	161	Switzerland	312
Italy	169	Ukraine	319
Jersey	178	United Kingdom	325

Guide to Reading the Country Summaries

This first issue in the current four-volume series of *Social Security Programs Throughout the World* reports on the countries of Europe. The combined findings of this series, which also includes volumes on Asia and the Pacific, Africa, and the Americas, are published at 6-month intervals over a 2-year period. Each volume highlights features of social security programs in the particular region.

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

In this volume on Europe, the data reported are based on laws and regulations in force in January 2008 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 17.

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.

¹The 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.

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 (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 that responded to the survey, see page 2.) Important sources of published information include the ISSA Documentation Service; 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 European Commission, the Organisation for Economic Co-operation and Development, the World Bank, the International Monetary Fund, and the United Nations Development Programme. 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

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

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

of the cost of a program, or pay a subsidy to make up any deficit of an insurance fund. In some cases, the government pays the contributions for low-paid workers. These arrangements are separate from obligations the government may have as an employer under systems that cover government employees. Social security contributions and other earmarked income are kept in a dedicated fund and are shown as a separate item in government accounts. (For further details on the government's role in financing social security, see Source of Funds under Old Age, Disability, and Survivors.)

Universal

Universal programs provide flat-rate cash benefits to residents or citizens, without consideration of income, employment, or means. Typically financed from general revenues, these benefits may apply to all persons with 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 those delivered, mainly through financial services providers (mandatory individual accounts, mandatory occupational pensions, and mandatory private insurance), publicly operated provident funds, and employer-liability systems.

Programs Delivered by Financial Services Providers

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

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

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

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

Provident Funds. These funds, which exist primarily in developing countries, are essentially compulsory savings programs in which regular contributions withheld from employees' wages are enhanced, and often

matched, by employers' contributions. The contributions are set aside and invested for each employee in a single, publicly managed fund for later repayment to the worker when defined contingencies occur. Typically, benefits are paid out in the form of a lump sum with accrued interest, although in certain circumstances drawdown provisions enable partial access to savings prior to retirement or other defined contingencies. On retirement, some provident funds also permit beneficiaries to purchase an annuity or opt for a pension. Some provident funds provide pensions for survivors.

Employer-Liability Systems. Under these systems, workers are usually protected through labor codes that require employers, when liable, to provide specified payments or services directly to their employees. Specified payments or services can include the payment of lump-sum gratuities to the aged or disabled; the provision of medical care, paid sick leave, or both; the payment of maternity benefits or family allowances; the provision of temporary or long-term cash benefits and medical care in the case of a work injury; or the payment of severance indemnities in the case of dismissal. Employer-liability systems do not involve 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 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 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. Quali-

lying 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 steps toward creating a social security system have commonly been to cover wage and salary workers against loss of income due to work injury, and then old age and, 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 systems) are financed at least in part by employer and employee contributions. Many derive their funds

from all three sources. Contributions are determined by applying a percentage to salaries or wages up to a certain maximum. In many cases the employer pays a larger share.

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

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

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

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

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

Old-age benefits generally become payable between ages 60 and 65. In some countries, length-of-service benefits are payable at any age after a certain period of employment, most commonly between 30 and 40 years. In recent years, several countries have increased the age limit for entitlement, in part because of budgetary constraints arising as a consequence of demographic aging.

Many programs require the same pensionable age for women as for men. Others permit women to draw a full pension at an earlier age, even though women generally have a longer life expectancy. Although the norm has been for the differential to be about 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 coun-

tries 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 Benefits. Under most programs, provisions for disability benefits for persons who are permanently disabled as the result of nonoccupational causes are very similar to those for the aged. The same basic formula usually applies for total disability as for old age—a cash amount usually expressed as a percentage of average earnings. Increments and dependents' supplements are generally identical under the total disability and old-age programs. For 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 Benefits. Most systems provide periodic benefits for survivors of covered persons or pensioners, although some pay only lump-sum benefits. Survivor benefits are generally a percentage of either the benefit paid to the deceased at death or the benefit

to which the insured would have been entitled if he or she had attained pensionable age or become disabled at that time.

Survivor benefits are paid to some categories of widows under nearly all programs. The amount of a widow's benefit usually ranges from 50 percent to 75 percent of the deceased worker's benefit or, in some cases, 100 percent. In some countries, lifetime benefits are payable to every widow whose husband fulfills the necessary qualifying period. More commonly, the provision of widows' benefits is confined to widows who are caring for young children, are above a specified age, or 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 split 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 gov-

ernment 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 insur-

ance 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 countries

restrict benefits to those who satisfy a means or income test. In addition to the programs offering scheduled payments, a number of countries provide lump-sum grants, payable by either a government agency or the employer; other countries provide mandatory individual severance accounts, providing total benefits equal to the value of accumulated capital in the individual account. In addition, employers in many instances are required to pay lump-sum severance indemnities to discharged workers.

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

Voluntary insurance systems are limited to industries in which labor unions have established unemployment funds. Membership in these funds is usually compulsory for union members in a covered industry and may be open on a voluntary basis to nonunion employees. 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 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 on inducing employers to discriminate in hiring workers with children.

Table 1.
Types of social security programs

Country	Old age, disability, and 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	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	b	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	X	X	X	X
Moldova	X	X	X	X	X	X
Monaco	X	X	X	X	c	X
Netherlands	X	X	X	b	X	X
Norway	X	X	X	X	X	X

(Continued)

Table 1.
Continued

Country	Old age, disability, and survivors	Sickness and maternity		Work injury	Unemployment	Family allowances
		Cash benefits for both	Cash benefits plus medical care ^a			
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
San Marino	X	X	X	X	X	X
Serbia	X	X	X	b	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. Coverage is provided through France's program.

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	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			X
Estonia	X ^b	X ^b	X				X
Finland		X	X				
France		X	X			X	
Germany		X					
Greece		X	X				
Guernsey	X		X				
Hungary		X					X
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	X				
Luxembourg	X ^b	X ^b					
Malta	X ^c	X ^c	X				
Moldova		X	X				
Monaco		X					
Netherlands	X		X				
Norway	X	X					

(Continued)

Table 2.
Continued

Country	Flat-rate	Earnings-related	Means-tested	Flat-rate universal	Provident funds	Occupational retirement schemes	Individual retirement schemes
Poland	X ^b	X ^b					X ^d
Portugal		X	X				
Romania		X					X
Russia	X ^b	X ^b		X			X ^e
San Marino		X					
Serbia		X					
Slovak Republic		X					X
Slovenia		X	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 one based on years of service or residence but independent of earnings. It is financed by payroll tax contributions from employees, employers, or both.

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

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

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

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

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

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

a. No country in Europe has a provident fund. The column in this table is to facilitate comparisons with countries in other regions.

b. The pension formula contains a flat-rate component and an earnings-related element.

c. The pension formula contains a flat-rate component and an earnings-related element. Earnings-related benefits are awarded only to those with entitlement since January 22, 1979.

d. The government provides a guaranteed minimum pension.

e. The benefit from the individual account is to be paid beginning in 2013.

Table 3.
Demographic and other statistics related to social security, 2008

Country	Total population (millions)	Per-centage 65 or older	Dependency ratio ^a	Life expectancy at birth (years)		Statutory pensionable age		Early pensionable age ^b		GDP per capita (US\$)
				Men	Women	Men	Women	Men	Women	
Albania	3.2	8.4	53.1	73.4	79.7	65	60	c	c	5,316
Andorra	0.07	14.7	40.8	80.6	86.6	65	65	c	c	38,800
Austria	8.3	16.2	47.1	76.9	82.6	65	60	62	57.5	33,700
Belarus	9.8	14.4	43.1	63.1	75.2	60	55	c	c	7,918
Belgium	10.4	17.3	52.2	76.5	82.3	65	64	60	60	32,119
Bulgaria	7.7	17.2	44.9	69.5	76.7	63	59.5	c	c	9,032
Croatia	4.6	17.2	48.6	72.3	79.2	65	60	60	55	13,042
Cyprus	0.8	12.1	47.1	76.5	81.6	65	65	63	63	22,699
Czech Republic	10.2	14.2	40.8	73.4	79.5	61.83	56.33	58.83	53.33	20,538
Denmark	5.4	15.1	51.3	76.0	80.6	65	65	60	60	33,973
Estonia	1.3	16.6	46.6	65.9	76.8	63	60.5	60	57.5	15,478
Finland	5.2	15.9	49.9	76.1	82.4	65	65	62	62	32,153
France	61	16.3	53.1	77.1	84.1	60	60	c	c	30,386
Germany	82.7	18.8	49.7	76.5	82.1	65	65	63	63	29,461
Greece	11.1	18.3	48.4	77.1	81.9	65	60	60	55	23,381
Guernsey	0.06	17.9	48.1	77.6	83.8	65	65	c	c	44,600
Hungary	10.1	15.2	44.9	69.2	77.4	62	61	c	c	17,887
Iceland	0.3	11.7	51.1	80.2	83.3	67	67	65	65	36,510
Ireland	4.1	11.1	46.6	76.5	81.4	65	65	c	c	38,505
Isle of Man	0.07	17.1	51.7	75.5	82.3	65	60	c	c	35,000
Italy	58.6	19.7	50.8	77.5	83.5	65	60	c	c	28,529
Jersey	0.09	16.0	48.4	77.1	82.3	65	65	63	63	57,000
Latvia	2.3	16.6	44.9	67.3	77.7	62	61.5	60	59.5	13,646
Liechtenstein	0.03	13.3	43.3	76.4	83.5	64	63	60	60	25,000
Lithuania	3.4	15.3	47.3	67.5	78.3	62.5	60	57.5	55	14,494
Luxembourg	0.5	14.2	48.6	75.7	81.6	65	65	60	60	60,228
Malta	0.4	13.2	44.1	77.3	81.4	61	60	c	c	19,189
Moldova	3.9	11.1	45.1	65.1	72.5	62	57	c	c	2,100
Monaco	0.03	22.8	60.3	76.1	83.9	65	65	60	60	30,000
Netherlands	16.3	14.2	48.4	77.5	81.9	65	65	c	c	32,684
Norway	4.6	14.7	52.2	77.8	82.5	67	67	c	c	41,420

(Continued)

Table 3.
Continued

Country	Total population (millions)	Percentage 65 or older	Dependency ratio ^a	Life expectancy at birth (years)		Statutory pensionable age		Early pensionable age ^b		GDP per capita (US\$)
				Men	Women	Men	Women	Men	Women	
Poland	38.2	13.3	42.0	71.3	79.8	65	60	c	c	13,847
Portugal	10.5	16.9	48.4	75.0	81.2	65	65	55	55	20,410
Romania	21.6	14.8	43.9	69.0	76.1	63.25	58.25	58.25	53.3	9,060
Russia	144	13.8	40.6	59.0	72.6	60	55	c	c	10,845
San Marino	0.02	17.2	51.5	78.4	85.6	65	65	c	c	34,100
Serbia ^d	9.9	14.7	49.7	71.7	76.3	63.5	58.5	c	c	7,700
Slovak Republic	5.4	11.7	39.9	70.7	78.5	62	56.75	60	54.75	15,871
Slovenia	2.0	15.6	42.2	74.1	81.5	62.5	56	c	c	22,273
Spain	43.4	16.8	45.3	77.7	84.2	65	65	c	c	27,169
Sweden	9.0	17.2	52.9	78.7	83.0	65	65	61	61	32,525
Switzerland	7.4	15.4	47.3	79.0	84.2	65	64	c	c	35,633
Ukraine	46.9	16.1	44.5	62.1	73.8	60	55	c	c	6,848
United Kingdom	60.2	16.1	51.7	77.2	81.6	65	60	c	c	33,238

SOURCES: United Nations Population Division, Department of Economic and Social Affairs. *World Population Prospects: The 2006 Revision Population Database*, available at <http://esa.un.org/unpp> (2006); *Human Development Report 2007*, prepared for the United Nations Development Programme (Gordonville VA: Palgrave Macmillan, 2007); U.S. Central Intelligence Agency. *The World Factbook, 2008* (Washington D.C.: Central Intelligence Agency, 2008).

NOTES: Information on statutory and pensionable ages is taken from the country summaries in this volume.

GDP = gross domestic product.

a. Population aged 14 or younger plus population aged 65 or older, divided by population aged 15–64.

b. General early pensionable age only; excludes early pensionable ages for specific groups of employees.

c. The country has no early pensionable age, has one only for specific groups, or information is not available.

d. Statistics for Serbia also include data for Montenegro.

Table 4.
Contribution rates for social security programs, 2008 (in percent)

Country	Old age, disability, and survivors			All social security programs ^a		
	Insured person	Employer	Total	Insured person	Employer	Total
Albania ^b	8 ^c	21.7	29.7 ^c	9.5	32.8	42.3 ^d
Andorra	2 ^c	6 ^c	8 ^c	5	13	18
Austria ^b	10.25	12.55	22.8	17.05	25.15	42.2
Belarus	1 ^c	10 ^c	11 ^c	1	11.2	12.2
Belgium ^b	7.5	8.86	16.36	13.07	24.77	37.84
Bulgaria ^b	8.8	13.2	22	13	19.9	32.9 ^d
Croatia ^b	20 ^c	0	20 ^c	20	17.2	37.2 ^d
Cyprus	6.3 ^c	6.3 ^c	12.6 ^c	6.3	6.3	12.6 ^d
Czech Republic ^b	6.5	21.5	28	12.5	35 ^e	47.5 ^{d,e}
Denmark	f	f	f	f	f	d.f
Estonia ^b	2	20	22	2.6	33.3	35.9 ^d
Finland	4.1	17.601	21.701	6.01	20.671	26.681 ^d
France ^b	6.65 ^g	9.9 ^g	16.55 ^g	9.8	32.68 ^e	42.48 ^e
Germany ^b	9.95	9.95	19.9	19.5	19.92	39.42 ^d
Greece ^b	6.67	13.33	20	11.55	22.1	33.65
Guernsey ^b	6 ^c	6.5 ^c	12.5 ^c	6	6.5	12.5 ^d
Hungary ^b	9.5 ^c	24 ^c	33.5 ^c	17	32	49 ^{d,h}
Iceland	4	13.34 ^c	17.34 ^c	4	13.34	17.34 ^d
Ireland	4 ^c	8.5 ^c	12.5 ^c	4	8.5	12.5 ⁱ
Isle of Man	10 ^c	12.8 ^c	22.8 ^c	10	12.8	22.8 ^d
Italy ^b	8.89	23.81	32.7	8.89	31.97	40.86
Jersey ^b	6 ^c	6.5 ^c	12.5 ^c	6.8	7.7	14.5 ^{i,j}
Latvia ^b	9 ^c	24.09 ^c	33.09 ^c	9	24.09	33.09 ^d
Liechtenstein ^b	10.55	12.55	23.1	12.3	15.65	27.95
Lithuania	2.5	23.7	26.2	3	31.5	34.5 ^d
Luxembourg ^b	8	8	16	14.45	13.57	28.02 ^d
Malta ^b	10 ^c	10 ^c	20 ^c	10	10	20
Moldova ^b	4 ^c	25 ^c	29 ^c	4	25	29
Monaco ^b	6.15 ^c	6.15 ^c	12.3 ^c	6.15	6.15	12.3 ^d
Netherlands ^b	19	5.65	24.65	22.5	10.4	32.9 ^d
Norway	7.8 ^c	14.1 ^c	21.9 ^c	7.8	14.1	21.9 ^d

(Continued)

Table 4.
Continued

Country	Old age, disability, and survivors			All social security programs ^a		
	Insured person	Employer	Total	Insured person	Employer	Total
Poland ^b	11.26	16.26	27.52	22.46	19.61	42.07 ^d
Portugal	11 ^c	23.75 ^c	34.75 ^c	11	23.75	34.75
Romania ^b	9.5	29	38.5	16.5	36.75	53.25 ^d
Russia ^b	0	20 ^c	20 ^c	0	20.2	20.2 ^j
San Marino	1.9 ^c	10 ^c	11.9 ^c	5.9	18.5	24.4
Serbia ^b	11 ^c	11 ^c	22 ^c	17.9	17.9	35.8 ^d
Slovak Republic ^b	4	14	18	10.4	27.2	37.6 ^d
Slovenia	15.5 ^c	8.85 ^c	24.35 ^c	22.1	16.1	38.2 ^d
Spain ^b	4.7 ^c	23.6 ^c	28.3 ^c	6.25	31.08	37.33 ^d
Sweden	7 ^g	11.91	18.91	7	23.43 ^k	30.43 ^{d,k}
Switzerland ^b	11.9	11.9	23.8	13.05	13.15 ^e	26.2 ^e
Ukraine ^b	1 ^c	32.2 ^c	33.2 ^c	1.75	36.6	38.35
United Kingdom ^b	11 ^c	12.8 ^c	23.8 ^c	11	12.8	23.8 ^d

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. Contributions are submitted to a ceiling on some benefits.
- c. Also includes the contribution rates for other programs.
- d. Government pays the total cost of family allowances.
- e. Employers pay the total or most of the cost of work injury benefits.
- 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. Contributions finance old-age benefits only. Additional contributions are required for survivor and disability benefits.
- h. Plus flat-rate contributions for medical benefits.
- i. Government pays for most of the cost of family allowance benefits.
- j. Government pays the total cost of unemployment benefits.
- k. Employers pay the total cost of mandatory unemployment insurance.



Country Summaries

Albania

Exchange rate: US\$1.00 equals 82.02 leks.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1947.

Current law: 1993 (social insurance), with 1995 and 2007 amendments.

Type of program: Social insurance system.

Note: Means-tested social assistance benefits are payable to persons who are not eligible for social insurance benefits.

Coverage

Employed persons and self-employed persons.

Voluntary coverage is possible.

Special systems for civil servants and military personnel.

Source of Funds

Insured person: 8% of covered monthly earnings.

Voluntarily insured persons contribute 3,140 leks.

The minimum earnings for contribution purposes are equal to the minimum monthly wage (13,140 leks).

The maximum earnings for contribution purposes are equal to five times the minimum monthly wage (65,700 leks).

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

Self-employed person: 33.2% of the minimum monthly wage.

The minimum earnings for contribution purposes are equal to the minimum monthly wage (13,140 leks).

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

Employer: 21.7% of covered monthly payroll.

The minimum earnings for contribution purposes are equal to the minimum monthly wage (13,140 leks).

The maximum earnings for contribution purposes are equal to five times the minimum monthly wage (65,700 leks).

Government: Any deficit; pays contributions for persons in compulsory military service and credits contributions on behalf of unemployed persons; contributes as an employer; covers the costs of the special state pensions for those who have contributed to the political and cultural development of Albania.

Qualifying Conditions

Old-age pension: Age 65 (men) or age 60 (women) with at least 35 years of contributions. Retirement from economic activity is necessary.

Age 50 with at least 30 years of contributions for a mother with six or more children older than age 8.

Partial pension: Age 65 (men) or age 60 (women) with between 15 and 35 years of contributions.

Early pension: There is no early pension.

Deferred pension: A deferred pension is possible.

Old-age benefits are not payable abroad.

Disability pension: The insured must be assessed as blind, severely disabled, or incapable of performing any work.

The minimum coverage period for eligibility varies according to age but must be equal to at least 50% of the difference in years between the claimant's age and age 20.

The degree of disability is assessed by the Medical Experts Committee.

Partial disability pension: The insured must be assessed as incapable of performing work in the last job but capable of work under special working conditions as determined by the Medical Experts Committee.

The minimum qualifying period for eligibility varies according to age but must be equal to at least 50% of the difference in years between the claimant's age and age 20.

At the pensionable age, the claimant may choose to replace the disability pension with the old-age pension if the amount payable is greater.

Disability benefits are not payable abroad.

Survivor pension: The deceased was an old-age or disability pensioner, was insured at the time of death, or coverage ceased not more than 1 year before death.

Eligible survivors include a surviving spouse caring for a dependent child younger than age 8; a disabled spouse; a spouse aged 50 or older (widow) or aged 60 or older (widower); dependent orphans younger than age 18 (age 25 if a student, no limit if disabled from childhood); dependent parents and grandparents aged 65 or older who lived with the deceased for the last 12 months; and dependent grandchildren.

Survivor benefits are not payable abroad.

Old-Age Benefits

Old-age pension: A flat-rate pension (equal to the minimum standard of living) is paid to all insured persons, plus an earnings-related pension for employed persons equal to 1% for each year of coverage multiplied by the insured's average covered earnings for contribution purposes.

The minimum standard of living is 3,960 leks a month (2003).

The maximum monthly pension is equal to twice the flat-rate pension amount or 75% of the insured's average net earnings in 3 of the last 10 years of employment, whichever is less.

Partial pension: A percentage of the full pension is paid, according to the number of years worked.

The minimum monthly pension is 7,850 leks.

Early pension: There is no early pension.

Deferred pension: The pension is increased by 0.34% for each month of deferral after the normal retirement age.

The maximum deferred pension is equal to 80% of the insured's average net earnings in 3 of the last 10 years of employment.

Benefit adjustment: The flat-rate pension is indexed annually according to price changes of selected commodities.

Permanent Disability Benefits

Disability pension: A flat-rate pension (equal to the minimum standard of living) is paid to all insured persons, plus an earnings-related pension for employed persons equal to 1% for each year of coverage multiplied by the insured's average covered earnings for contribution purposes.

The minimum standard of living is 3,960 leks a month (2003).

The maximum monthly pension is equal to twice the flat-rate pension or 80% of the insured's last average net earnings, whichever is less.

Partial disability pension: 50% of the insured's full disability pension (the flat-rate pension plus the insured's earnings-related pension) is paid.

Constant-attendance supplement: The monthly supplement is equal to 15% of the insured's average covered earnings for contribution purposes.

Child's supplement: Each dependent child younger than age 15 receives 5% of the flat-rate old-age pension. The maximum supplement is equal to 20% of the flat-rate old-age pension.

Benefit adjustment: Benefits are adjusted annually according to changes to the old-age pension.

Survivor Benefits

Survivor pension: The surviving spouse receives 50% of the deceased's old-age pension; each orphan and each other dependent receives 25% of the deceased's old-age pension.

The survivor pension for a spouse ceases on remarriage.

All survivor benefits combined must not exceed 100% of the deceased's old-age pension; 50% if the surviving spouse is working or receiving a pension in his or her own right.

Full orphan's pension: 50% of the deceased's old-age pension is paid for a single full orphan provided there are no other eligible dependents. Full orphans are eligible for the pension entitlements of both parents.

Death benefit: A lump sum equal to 1 month's flat-rate old-age pension is paid.

Administrative Organization

Ministry of Finance (<http://www.minfin.gov.al>) and a tripartite Administrative Council provide general supervision.

Social Insurance Institute (<http://www.iss.gov.al>) administers the program.

Sickness and Maternity

Regulatory Framework

First law: 1947.

Current laws: 1963 (medical care), with 1993 amendment; and 1993 (social insurance).

Type of program: Social insurance (cash benefits) and universal (medical benefits) system.

Coverage

Cash sickness benefits: Employed persons.

Voluntary coverage is possible.

Cash maternity benefits: Employed persons, employers, and self-employed persons.

Voluntary coverage is possible.

Medical benefits: All persons residing in Albania.

Source of Funds

Insured person: For cash benefits, see source of funds under Old Age, Disability, and Survivors, above. For medical benefits, 1.5% of covered earnings; 1.7% of covered earnings for persons living in urban areas.

The minimum earnings for contribution purposes are equal to the minimum monthly wage (13,140 leks).

The maximum earnings for contribution purposes are equal to five times the minimum monthly wage (65,700 leks).

Self-employed person: See source of funds under Old Age, Disability, and Survivors, above.

Employer: 0.8% of covered payroll (sickness benefits), 2.3% of covered payroll (maternity benefits), and 1.5% of covered payroll for medical benefits.

The minimum earnings for contribution purposes are equal to the minimum monthly wage (13,140 leks).

The maximum earnings for contribution purposes are equal to five times the minimum monthly wage (65,700 leks).

Government: 1.7% of covered payroll for employees (medical benefits). The total cost of medical benefits for persons not currently in the labor force.

The minimum earnings for contribution purposes are equal to the minimum monthly wage (13,140 leks).

The maximum earnings for contribution purposes are equal to five times the minimum monthly wage (65,700 leks).

Qualifying Conditions

Cash sickness benefits: Must be currently insured.

Cash maternity benefits: The insured must have at least 12 months of contributions.

Medical benefits: There is no minimum qualifying period.

Sickness and Maternity Benefits

Sickness benefit: The benefit is equal to 70% of the insured's average daily wage in the last calendar year if the insured has less than 10 years of contributions; 80% with 10 years or more. The benefit is paid from the 15th day of medical certification (the first 14 days are paid by the employer) for up to 6 months; may be extended for an additional 3 months if the Medical Experts Committee certifies the likelihood of recovery in that period. The benefit is equal to 50% of the insured's average daily wage during periods of hospitalization, provided there are no dependents. Compensation is also paid for a loss of income resulting from a change of employment because of health reasons.

Maternity benefit: Up to 365 days of paid maternity leave is provided (with a minimum of 35 days before the expected date of childbirth and 42 days after). The monthly benefit is equal to 80% of the insured's average daily wage in the last calendar year for the leave period taken before childbirth and for 150 days after; the benefit is equal to 50% of the average daily wage for the remainder of the entitlement period. For multiple births, the paid leave period is extended to 390 days, including a minimum of 60 days before and 42 days after the expected date of childbirth. Benefits are also paid for the adoption of a child. Compensation is also paid for a loss of income resulting from a change of employment because of the pregnancy.

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

Birth grant: A lump sum equal to 50% of the minimum wage set by the Council of Ministers is paid to either insured parent with a minimum of 1 year's contributions.

The minimum monthly wage is 13,140 leks.

Workers' Medical Benefits

Medical benefits: All general medical services are free.

Cost sharing: The insured is reimbursed from 35% to 100% of the cost of various essential medicines.

The Health Insurance Institute pays 90% and the insured pays 10% of the cost for some types of examinations.

There is no limit to duration.

Dependents' Medical Benefits

All general medical services are free.

Cost sharing: The insured is reimbursed from 35% to 100% of the cost of various essential medicines.

The Health Insurance Institute pays 90% and the insured pays 10% of the cost for some types of examinations.

Free benefits are provided for children up to age 12 months, disabled persons, WWII invalids and veterans, and persons diagnosed with certain serious illnesses.

There is no limit to duration.

Administrative Organization

Ministry of Finance (<http://www.minfin.gov.al>) and Ministry of Health Protection provide general supervision.

Social Insurance Institute (<http://www.issksh.gov.al>) administers sickness and maternity benefits.

Health Insurance Institute (<http://www.isksh.com.al>) administers medical benefits.

Work Injury

Regulatory Framework

First law: 1947.

Current law: 1993 (social insurance).

Type of program: Social insurance system.

Coverage

Employed persons, apprentices, and students in vocational training.

There is no voluntary coverage.

Exclusions: Self-employed persons.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: 0.5% of payroll.

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period. Occupational diseases are defined by the Ministry of Health's Medical Commission for Determining Incapacity for Work.

Temporary Disability Benefits

The benefit is equal to 100% of the insured's average daily wage in the last 3 years and is paid for up to 12 months.

Permanent Disability Benefits

Permanent disability benefit: For an assessed loss of working capacity of at least 67%, the benefit is equal to 80% of the insured's average monthly earnings in the last 3 years but not less than the minimum standard of living.

Partial permanent disability: For an assessed loss of at least 33% of working capacity, the benefit is equal to between 50% and 80% of the insured's average monthly earnings in the last 3 years, depending on the degree of loss of working capacity.

Minor permanent disability: For an assessed loss of between 10% and 33% of working capacity, a lump sum is paid according to the schedule in law. Material damages incurred by the insured person are compensated in full.

Workers' Medical Benefits

Compensation is available for additional medical care and the cost of rehabilitation.

Survivor Benefits

Survivor pension: A surviving spouse receives 50% of the deceased's pension.

Orphan's pension: Each orphan receives 25% of the deceased's pension, up to a maximum of 50% of the deceased's pension.

Other eligible survivors: 25% of the deceased's pension is paid for each parent, grandchild, and grandparent.

All survivor benefits combined must not exceed 100% of the deceased's pension.

Death benefit: A lump sum is paid equal to 1 month's flat-rate old-age pension.

Administrative Organization

Ministry of Finance (<http://www.minfin.gov.al>) provides general supervision.

Social Insurance Institute (<http://www.isshe.gov.al>) administers the program.

Unemployment

Regulatory Framework

First and current law: 1993 (social insurance).

Type of program: Social insurance system.

Coverage

Employed persons.

Exclusions: Self-employed persons.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: 6% of payroll.

Government: Covers any deficit.

Qualifying Conditions

Unemployment benefit: The insured must have at least 1 year's contributions, not be receiving any other benefits (except for partial disability), be registered at an unemployment office, and be willing to undergo training.

Unemployment Benefits

A flat-rate benefit is paid for up to 12 months or for a total of 365 calendar days if the insured has temporary periods of employment. The benefit must be at least equal to the minimum standard of living, as decided by the Council of Ministers (3,960 leks a month in 2003).

Child's supplement: Each dependent child younger than age 15 receives 5% of the unemployment benefit, 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 a grant or wages, benefits are paid for up to 18 months.

Benefit adjustment: Benefits are indexed annually according to price changes of selected commodities.

Administrative Organization

Ministry of Labor, Social Affairs, and Equal Opportunities (<http://www.mpcs.gov.al>) provides general supervision.

National Employment Service administers benefits.

Social Insurance Institute (<http://www.isshe.gov.al>) collects contributions.

Family Allowances

Regulatory Framework

First and current law: 1993 (financial aid and social services).

Type of program: Social assistance system.

Coverage

Families residing in Albania.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Family allowances (social assistance): Families residing in Albania with low or inadequate income or with a family member who is disabled or blind.

Family Allowance Benefits

Family allowances (social assistance): Financial aid is provided to eligible families.

Administrative Organization

Ministry of Labor, Social Affairs, and Equal Opportunities (<http://www.mpcs.gov.al>) provides general supervision.

General Administration of Social Assistance and Services administers the program at district level.

Andorra

Exchange rate: US\$1.00 equals 0.68 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First and current law: 1966 (social security), implemented in 1968, with 2006 amendment.

Type of program: Social insurance system.

Coverage

Employed persons.

Voluntary coverage for self-employed persons.

Source of Funds

Insured person: A choice of 2%, 4%, or 6% of gross earnings.

The insured's contributions finance old-age and survivor benefits and work injury benefits. Disability benefits are financed under Sickness and Maternity, below.

There are no maximum earnings for contribution purposes.

Self-employed person: A choice of a flat-rate contribution of €103.53, €129.41, €155.29, €207.26, or €310.58 according to the chosen income band.

The self-employed person's contributions finance old-age and survivor benefits and work injury benefits. Disability benefits are financed under Sickness and Maternity, below.

Employer: 6% of gross payroll.

The employer's contributions finance old-age and survivor benefits and work injury benefits. Disability benefits are financed under Sickness and Maternity, below.

There are no maximum earnings for contribution purposes.

Government: None.

Qualifying Conditions

Old-age pension: Age 65 (men and women) and insured.

Disability pension: The insured must have an assessed loss of at least 2/3 of earning capacity. If younger than age 21, the insured must also have at least 12 months of contributions; if between ages 21 and 40, at least 36 months of contributions; if between ages 41 and 65, at least 96 months of contributions.

Constant-attendance supplement: Paid if the insured requires the constant attendance of another person.

Survivor pension: The deceased must have had at least 60 months of contributions.

Eligible survivors are a spouse or a divorced spouse aged 45 or older, disabled, or caring for a child younger than age 18; and orphans younger than age 18 (up to age 25 if not in paid employment).

Funeral grant: Paid to eligible survivors. Eligible survivors (in order of entitlement) are the surviving spouse and dependent children, adult children, parents, grandparents, or any other immediate relative. In some cases, the funeral grant is paid to the insurance fund that paid for the cost of the funeral.

Old-Age Benefits

Old-age pension: The value of the insured's pension is linked to the number of contributions made. Each monthly contribution is converted into pension points by dividing total monthly insured person and employer contributions by the value of the pension point used for pension contribution purposes (€12,941 in 2008). On retirement, an annual pension is calculated by multiplying the insured's total lifetime pension points by the value of the pension point used for pension calculation purposes (€2,022 in 2008). The benefit is paid monthly.

Noncontributory supplement: If the insured has accumulated at least 960 pension points, has at least 180 months of contributions, and had worked for at least 5 years before 1968, a supplement equivalent to a pension based on 5,000 pension points is paid. If the insured's pension is less than 50% of the current value of the minimum wage but he or she had at least 240 months of contributions, a supplement of up to 50% of the current value of the minimum wage is paid; with at least 84 months up to 239 months of contributions and residing in Andorra, a supplement equivalent to a pension based on 15% of the insured's accumulated pension points is paid, up to a maximum of 50% of the current value of the minimum wage; with less than 84 months of contributions and residing in Andorra, a supplement equivalent to a pension based on 10% of the insured's accumulated pension points is paid, up to a maximum of 50% of the current value of the minimum wage.

Spouse's supplement: Paid if the insured's spouse is aged 65 or older and is not eligible for a pension in his or her own right. The supplement is equal to 10% of the insured's monthly pension.

Benefits are payable abroad.

Benefit adjustment: Benefits are adjusted annually according to the value of the pension point. The pension point is adjusted annually according to changes in the consumer price index.

Permanent Disability Benefits

Disability pension: If the insured is assessed as totally disabled, the monthly pension is equal to 50% of the insured's average monthly earnings in the 12 months before the disability began.

The disability pension is replaced by the old-age pension at age 60 if the amount payable to the insured is greater.

Constant-attendance supplement: Equal to 25% of the insured's average monthly earnings.

Partial disability: If the insured is capable of some gainful activity, the monthly pension is equal to 30% of the insured's average monthly earnings in the 12 months before the disability began.

Benefits are payable abroad.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index.

Survivor Benefits

Survivor pension: The pension is equal to 50% of the deceased's old-age pension.

Noncontributory supplement: If the survivor pension is less than 50% of the minimum wage, an additional amount up to €50 is paid (up to a maximum equal to 50% of the minimum wage).

Orphan's pension: Each eligible child receives 10% of the deceased's old-age pension.

Noncontributory supplement: If the orphan's pension is less than 30% of the minimum wage, the pension is increased up to this amount.

Dependent parent's pension: Each parent receives 10% of the deceased's average monthly earnings, up to a maximum of 20% of the deceased's average earnings.

Benefits are payable abroad.

Funeral grant: A lump sum is paid equal to the deceased's last 3 months' earnings or €4,244.13, whichever is greater. A lump sum of €3,959.28 is paid for the funeral of a voluntarily insured person.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index.

Administrative Organization

Managed by an Administrative Council and Director, the National Social Security Fund (<http://online.cass.ad/web/lacass/home>) administers the program.

Sickness and Maternity

Regulatory Framework

First and current law: 1966 (social security), implemented in 1968, with 2006 amendment.

Type of program: Social insurance system.

Coverage

Employed persons; pensioners are covered under certain conditions.

Voluntary coverage for self-employed persons.

Source of Funds

Insured person: 3% of gross earnings. Pensioners contribute 3% of the pension for medical benefits.

The insured's contributions also finance disability pensions (see Old Age, Disability, and Survivors, above) and work injury benefits.

Self-employed person: A flat-rate contribution of €141.47 regardless of income level.

The self-employed person's contributions also finance disability pensions (see Old Age, Disability, and Survivors, above) and work injury benefits.

Employer: 7% of gross payroll.

The employer's contributions also finance disability pensions (see Old Age, Disability, and Survivors, above) and work injury benefits.

Government: None.

Qualifying Conditions

Cash sickness benefits: If the insured is an employed person, he or she must have 40 days of contributions for the first claim; for subsequent claims, with less than 1 year of contributions, the insured must have at least 15 days of employment in the last 75 days; with between 1 and 2 years of contributions, at least 15 days of employment in the last 105 days; with more than 2 years of contributions, at least 15 days of employment in the last 135 days.

If the insured is a self-employed person, he or she must have 3 months of contributions for the first claim; for subsequent claims, the self-employed person must not be in arrears with the payment of contributions.

Cash maternity benefits: The insured must have at least 6 months of coverage before the expected date of childbirth (or the adoption of a child) or 3 months of employment in the previous 6 months. A self-employed person must have at least 1 year of coverage.

Sickness and Maternity Benefits

Sickness benefit: The daily benefit is equal to 50% of the reference earnings and is paid after a 3-day waiting period. After the 30th day of incapacity, the daily payment is increased to 2/3 of the reference earnings. The benefit is paid for up to 6 months; may be extended by additional 6-month periods, up to a total of 3 years.

Reference earnings are equal to 1/180 of the insured's earnings in the 6 months before the incapacity began.

Maternity benefit: The daily benefit is equal to 100% of the reference earnings and is paid for 16 weeks; may be extended 2 weeks for each child in the case of multiple

births. The benefit is paid for 12 weeks for the adoption of a child.

Reference earnings are equal to 1/180 of the insured's earnings in the 6 months before stopping work (or the adoption of a child).

Workers' Medical Benefits

Benefits include primary and specialist treatment, pharmaceuticals, hospitalization, maternity care, dental care, minor aids and appliances, and transportation.

Cost sharing: The National Social Security Fund reimburses 100% of scheduled fees for maternity care, 90% for hospitalization, and 75% for the other services and benefits provided.

There is no limit to duration.

Dependents' Medical Benefits

Benefits include primary and specialist treatment, pharmaceuticals, hospitalization, maternity care, dental care, minor aids and appliances, and transportation.

Cost sharing: The National Social Security Fund reimburses 100% of scheduled fees for maternity care, 90% for hospitalization, and 75% for the other services and benefits provided.

There is no limit to duration.

Administrative Organization

Managed by an Administrative Council and Director, the National Social Security Fund (<http://online.cass.ad/web/lacass/home>) administers the program.

Work Injury

Regulatory Framework

First and current law: 1966 (social security), implemented in 1968, with 2006 amendment.

Type of program: Social insurance system for work injuries only (occupational diseases are not covered).

Coverage

Employed persons.

Voluntary coverage for self-employed persons (coverage does not include temporary disability benefit).

Source of Funds

Insured person: See source of funds under Old Age, Disability, and Survivors and Sickness and Maternity, above.

Self-employed person: See source of funds under Old Age, Disability, and Survivors and Sickness and Maternity, above.

Employer: See source of funds under Old Age, Disability, and Survivors and Sickness and Maternity, above.

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period. No benefits are provided for occupational diseases.

Temporary Disability Benefits

The daily benefit is equal to 50% of the reference earnings. After the 30th day of disability, the daily benefit is increased to 2/3 of the reference earnings. The benefit is paid from the first day of disability.

Reference earnings are equal to 1/180 of the insured's earnings in the 6 months before the disability began.

Permanent Disability Benefits

Permanent disability pension: If the insured is totally disabled, the monthly pension is equal to 100% of the reference earnings.

Reference earnings are equal to the insured's average monthly earnings in the previous year.

The permanent disability pension is replaced by the old-age pension at age 60 if the amount payable to the insured is greater.

Partial disability: For a disability of more than 55%, the monthly pension is equal to the reference earnings multiplied by the assessed degree of disability; for a disability of between 10% and 55%, the pension is equal to the reference earnings multiplied by half the assessed degree of disability; for an assessed degree of disability of less than 10%, a lump sum is paid equal to twice the reference earnings.

If the beneficiary is younger than age 46, he or she can opt for a lump-sum payment instead of the monthly pension. The lump sum is equal to 6 months' reference earnings if the assessed degree of disability is between 10% and 24%; 12 months' reference earnings, if between 25% and 39%; 18 months' reference earnings, if between 40% and 55%; and 40 months' reference earnings, if greater than 55%.

The assessed degree of disability may be reviewed on the request of the insured or the National Social Security Fund.

Benefits are payable abroad.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index.

Workers' Medical Benefits

Benefits include primary and specialist treatment, pharmaceuticals, dental care, minor aids and appliances, hospitalization, and transportation.

Scheduled fees are reimbursed in full.

There is no limit to duration.

Survivor Benefits

Survivor pension: The monthly pension is equal to 50% of the deceased's reference earnings. The pension is paid to a nondivorced spouse who is not in gainful activity and not eligible for a pension in his or her own right.

Reference earnings are equal to the insured's average monthly earnings in the year before that of the accident that resulted in his or her death.

Orphan's pension: Each child younger than age 18 receives 10% of the deceased's reference earnings a month.

Reference earnings are equal to the insured's average monthly earnings in the year before that of the accident that resulted in his or her death.

All orphans' benefits combined must not exceed 50% of the deceased's reference earnings.

Dependent parent's pension: Each parent (including the spouse's parents) who was totally dependent on the deceased receives 10% of the deceased's reference earnings a month, up to a maximum of 20%.

Reference earnings are equal to the insured's average monthly earnings in the year before that of the accident that resulted in his or her death.

All survivor benefits combined must not exceed 100% of the deceased's reference earnings.

Benefits are payable abroad.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index.

Administrative Organization

Managed by an Administrative Council and Director, the National Social Security Fund (<http://online.cass.ad/web/lacass/home>) administers the program.

Unemployment

Regulatory Framework

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

Family Allowances

Regulatory Framework

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

Austria

Exchange rate: US\$1.00 equals 0.68 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1906 (pensions), implemented in 1909; and 1938 (insurance), implemented in 1939.

Current laws: 1955 (social insurance), implemented in 1956, with 2006 amendment; 1978 (self-employed), implemented in 1979, with 2005 amendment; 1978 (farmers), with 2006 amendment; 1978 (professional persons), with 2005 amendment; and 2004 (pension harmonization), implemented in 2005.

Note: The 1955 act applies to insured persons aged 50 or older on January 1, 2005. The 2004 law applies to insured persons younger than age 50 on January 1, 2005. Under the 2004 law, all special systems now provide similar benefits.

Type of program: Social insurance system.

Coverage

Wage earners and salaried employees (separate systems with essentially identical provisions) earning €349.01 or more a month and apprentices.

Special systems for miners; notaries; public-sector employees; and self-employed persons, including those in trade and agriculture.

Source of Funds

Insured person: 10.25% of covered earnings.

The maximum monthly earnings for contribution purposes are €3,930.

Self-employed person: Contributions vary between 15.75% and 20.00% of covered earnings, according to profession; farmers contribute 15.00% of earnings.

The maximum monthly earnings for contribution purposes are €4,585.

Employer: 12.55% of covered payroll.

The maximum monthly earnings for contribution purposes are €3,930.

Government: A subsidy and the cost of the care benefit and income-tested allowance.

Qualifying Conditions

Old-age pension: Age 65 (men) or age 60 (women) with at least 180 months of coverage in the last 30 years, a

total of at least 300 months of coverage, or 180 months of contributions.

Early pension: Age 62 (men) or age 57.5 (women). The early pensionable age is gradually increasing by 1 month per quarter to reach age 65 (men) or age 60 (women) by 2017. The insured must have between 420 months and 450 months of coverage and monthly earnings no greater than €349.01.

Early pension for workers in physically demanding jobs (from January 1, 2007): Age 60 with at least 540 months of coverage, of which 120 months are based on employment in physically demanding jobs in the last 240 months and with monthly earnings no greater than €349.01. (The early pension for women in physically demanding jobs becomes effective in 2024. Until then, women can claim the statutory old-age pension at age 60.)

Early pension for the long-term insured: Age 60 (men born before December 31, 1950) with at least 45 years of contributions or age 55 (women born before December 31, 1955) with at least 40 years of contributions. Age limits increase for men and women born after these dates.

Corridor pension: Age 62 (men and women) with 450 months of coverage and with monthly earnings no greater than €349.01, subject to conditions. (The corridor pension for women becomes effective in 2028. Until then, women can claim the statutory old-age pension at age 60.)

Deferred pension: A deferred pension is possible.

Benefits are payable abroad (a reciprocal agreement may be required if the benefit is paid abroad for a period longer than 2 months).

Disability pension: Paid for an assessed loss of more than 50% of earning capacity. The insured must have at least 60 months of contributions (plus 1 month for each month from age 50) in the last 10 years (plus 2 months for each month from age 50), 300 months of coverage, or a total of 180 months of contributions. The qualifying conditions are relaxed for persons aged 57 or older.

Reduced pension: A reduced pension is paid if monthly earnings are greater than €990.18.

Survivor pension: The deceased met the coverage or contribution requirements for a disability pension or was a pensioner at the time of death.

Old-Age Benefits

Old-age pension: The pension is calculated as 1.80% of the assessment base (1.78% in 2009) for each year of coverage.

The assessment base is equal to adjusted average earnings in the best 20 years, up to an annual maximum of €3,317.91. (The assessment period is increasing gradually by 12 months a year until it reaches 40 years in 2028.)

For insured persons born after January 1, 1955, with coverage only after January 1, 2005, the pension is calculated as 1.78% of the sum of contributions for each calendar year

plus the sum of the adjusted annual contributions of all years of contributions divided by 14.

For insured persons born after January 1, 1955, with periods of coverage before and after January 1, 2005, the pension is based on the insured's total coverage period before and after the 2004 law.

Early pension: The benefit is reduced by 4.2% for each year it is received before age 65 (men) or age 60 (women), up to a maximum reduction of 15%. Special conditions apply for the long-term insured and for workers in physically demanding jobs.

Child's supplement: €29.07 is paid for each child younger than age 18 (age 27 if a student or in training, no limit if disabled).

Income-tested allowance: An amount is paid to raise the pension for an individual to €747.00 a month; to €1,120.00 for a married couple, plus €78.29 for each child for whom a child's supplement is paid.

Schedule of payments: Fourteen payments a year.

Benefit adjustment: Benefits are adjusted annually (beginning with the second calendar year after the year in which the pension is awarded).

Care benefit: Pensioners who need personal care may be entitled to a monthly benefit varying from €148.30 to €1,562.10, depending on the amount of care required. The benefit is paid 12 times a year.

Permanent Disability Benefits

Disability pension: The pension is calculated as 1.80% of the assessment base (1.78% in 2009) for each year of coverage.

If the insured is younger than age 60, the coverage period is projected to age 60 for benefit calculation purposes.

The assessment base is equal to adjusted average earnings in the best 20 years, up to an annual maximum of €3,317.91. (The assessment period is increasing gradually by 12 months a year until it reaches 40 years in 2028.)

The maximum pension is equal to 60% of the assessment base.

Reduced pension: The full pension is reduced if monthly earnings exceed €990.18. The maximum reduction is equal to 50% of the full pension.

Child's supplement: €29.07 is paid for each child younger than age 18 (age 27 if a student or in training, no limit if disabled).

Income-tested allowance: An amount is paid to raise the pension for an individual to €747.00 a month; to €1,120.00 for a married couple, plus €78.29 for each child for whom a child's supplement is paid.

Schedule of payments: Fourteen payments a year.

Benefit adjustment: Benefits are adjusted annually (beginning with the second calendar year after the year in which the pension is awarded).

Care benefit: Pensioners who need personal care may be entitled to a monthly benefit varying from €148.30 to €1,562.10, depending on the amount of care required. The benefit is paid 12 times a year.

Survivor Benefits

Survivor pension: A widow(er) receives up to 60% of the deceased's pension.

Income-tested allowance: An allowance is paid to raise the survivor pension to €747.00 a month.

Orphan's pension: Each orphan younger than age 18 (age 27 if a student or in training, no limit if disabled) receives 40% of the survivor pension; 60% for a full orphan.

Income-tested allowance: An allowance is paid to raise the orphan's pension to €274.76 a month (€412.54 for a full orphan); after age 24, the allowance raises the orphan's pension to €488.24 a month (€747.00 for a full orphan).

Schedule of payments: Fourteen payments a year.

Benefit adjustment: Benefits are adjusted annually (beginning with the second calendar year after the year in which the survivor pension was awarded).

Care benefit: Pensioners who need personal care may be entitled to a monthly benefit varying from €148.30 to €1,562.10, depending on the amount of care required. The benefit is paid 12 times a year.

Administrative Organization

Federal Ministry for Social Affairs and Consumer Protection (<http://www.bmsk.gv.at>), the Federal Ministry for Health, Family, and Youth (<http://www.bmgfj.gv.at>), and the Federal Ministry of Finance (<http://www.bmf.gv.at>) provide general supervision.

Comprising self-governing pension insurance institutions composed of elected representatives of insured persons and employers, the Federation of Austrian Social Insurance Institutions (<http://www.sozialversicherung.at>) coordinates the program.

Pension Insurance Institution (<http://www.pensionsversicherung.at>) administers 85% of all pensions. Separate institutions operate for railroad employees, mining employees, and self-employed persons.

Sickness funds collect contributions and transfer them to pension insurance institutions and maintain contribution records for individual workers. The pension insurance institutions of self-employed persons collect contributions directly from insured self-employed persons.

Sickness and Maternity

Regulatory Framework

First law: 1888 (sickness insurance), implemented in 1889.

Current laws: 1955 (social insurance), implemented in 1956, with 2005 amendment; 1974 (employees), with 2000 amendment; 1978 (self-employed), implemented in 1979, with 2005 amendment; 1978 (farmers), with 2006 amendment; and 1978 (professional persons), with 2005 amendment.

Type of program: Social insurance system.

Coverage

Employed persons earning €349.01 or more a month, apprentices, and pensioners.

Special systems for public-sector and railway employees and self-employed persons in agriculture and trade.

Source of Funds

Insured person: 3.95% of covered wages (wage earners), 3.82% of covered salary (salaried employees), or 5.10% of the pension (pensioners).

The maximum monthly earnings for contribution purposes are €3,930.

Self-employed person: 7.65% of covered earnings.

The maximum monthly earnings for contribution purposes are €4,585.

Employer: 3.70% of covered payroll (wage earners) or 3.83% of covered payroll (salaried employees).

The maximum monthly earnings for contribution purposes are €3,930.

Government: 70% of cash maternity benefits.

The maximum monthly earnings for contribution purposes are €3,930.

Qualifying Conditions

Cash sickness and maternity benefits: The insured must be currently in covered employment.

Medical benefits: The insured must be currently in covered employment.

Sickness and Maternity Benefits

Sickness benefit: The employer pays 100% of the insured's earnings for up to 12 weeks (plus an additional 4 weeks at 50%), depending on the insured's length of service period.

After the right to full benefits from the employer ceases, sickness funds pay 50% (60% after 6 weeks) of covered earnings (25% to those receiving 50% of earnings from the employer), plus family supplements (depending on the regu-

lation of the sickness fund) for 26 to 52 weeks, depending on the length of the coverage period.

The maximum benefit is equal to 75% of covered earnings, depending on the number of dependents.

Maternity benefit: The benefit is equal to 100% of the insured's average earnings and is paid for 8 weeks before and 8 weeks (12 to 16 weeks in special cases) after the expected date of childbirth.

Average earnings are based on the insured's earnings in the last 13 weeks or 3 months of employment.

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 their own clinics or hospitals. Benefits include medical (including psychotherapy), maternity, and dental care; hospitalization; medicines; appliances; home care; preventive examinations; and transportation.

Cost sharing: Patients pay €4.80 per prescription, part of the cost for dental care, and up to 20% of the cost of appliances. A contribution of at least €26.20 is made by the insured toward the cost of appliances; waived for patients with limited means.

There is no limit to duration.

Dependents' Medical Benefits

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

Cost sharing: Patients pay €4.80 per prescription, part of the cost for dental care, up to 20% of the cost of appliances, and 10% of the cost during the first 4 weeks of hospitalization. A contribution of at least €26.20 is made by the insured toward the cost of appliances; waived for patients with limited means.

The wife of an insured man receives the same maternity care as an insured woman.

There is no limit to duration.

Administrative Organization

Federal Ministry for Health, Family, and Youth (<http://www.bmgfj.gv.at>) provides general supervision.

Nine district and seven occupational sickness funds administer contributions and benefits. Sickness funds are managed by elected representatives of insured persons and employers.

Separate institutions operate for railroad, mining, and public-sector employees and self-employed persons.

Work Injury

Regulatory Framework

First law: 1887 (accident insurance), implemented in 1889.

Current laws: 1955 (social insurance), implemented in 1956, with 2005 amendment; 1978 (self-employed), implemented in 1979, with 2005 amendment; 1978 (farmers), with 2006 amendment; and 1978 (professional persons), with 2005 amendment.

Type of program: Social insurance system.

Coverage

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

Special system for public-sector employees.

Source of Funds

Insured person: None.

Self-employed person: Between 1.4% and 1.9% of covered income or a flat-rate contribution of €7.65 a month, according to profession.

The maximum monthly income for contribution purposes are €4,585.

Employer: 1.4% of covered payroll.

The maximum monthly earnings for contribution purposes are €3,930.

Government: Federal government contributes to farmers' accident insurance.

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

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

The benefit is the same as the cash sickness benefit (see Sickness and Maternity, above) and is paid until the insured is assessed as permanently disabled.

The employer pays 100% of the insured's earnings for up to 12 weeks (plus an additional 4 weeks at 50%), depending on the insured's length of service period.

After the right to full benefits from the employer ceases, sickness funds pay 50% (60% after 6 weeks) of covered earnings (25% to those receiving 50% of earnings from the employer), plus eventual family supplements (depending on the regulation of the sickness fund) for 26 to 52 weeks, depending on the length of the coverage period.

The maximum benefit is equal to 75% of the insured's covered earnings, depending on the number of dependents.

Permanent Disability Benefits

Permanent disability pension: The full pension (66.6% of the assessment base) is paid for a 100% reduction in earning capacity.

The assessment base is equal to the insured's average covered earnings in the last year before the disability began.

Partial pension: A proportionately reduced pension is paid with at least a 20% reduction in earning capacity; at least a 50% reduction in earning capacity for a severe disability pension.

Supplementary pension: 20% of the severe disability pension is paid for a reduction in earning capacity from 50% to 70%; 50% if the reduction in earning capacity is greater.

Child's supplement: If the insured has at least a 50% reduction in earning capacity, 10% of the disability pension is paid for each child younger than age 18 (age 27 if a student or in training, no limit if disabled).

The maximum supplement is €76.31 for each child.

The combined total disability pension, supplementary pension, and supplements for children must not exceed 100% of the assessment base.

Schedule of payments: Fourteen payments a year.

Benefit adjustment: Benefits are adjusted annually according to the rules of the accident insurance institution.

Care benefit: Pensioners who need personal care may be entitled to a monthly benefit varying from €148.30 to €1,562.10, depending on the amount of care required. The benefit is paid 12 times a year.

Workers' Medical Benefits

Comprehensive care, including rehabilitation (the first 4 weeks are provided under Sickness and Maternity, above) and allowances for training and relocation.

Survivor Benefits

Survivor pension: A widow aged 60 or older or a widower aged 65 or older receives 40% of the assessment base. Other widow(er)s receive 20% of the assessment base.

The assessment base is equal to the deceased's average earnings in the last year before death.

Orphan's pension: Each orphan younger than age 18 (age 27 if a student or in training, no limit if disabled) receives 20% of the assessment base (30% for a full orphan).

The assessment base is equal to the deceased's average earnings in the last year before death.

Other dependent's pension: A maximum of 20% of the assessment base is paid for all other dependents, including

parents, grandparents, and for brothers and sisters younger than age 18 (age 27 if a student or in training, no limit if disabled).

The assessment base is equal to the deceased's average earnings in the last year before death.

All survivor benefits combined must not exceed 80% of the assessment base.

Survivor allowance: A flat-rate payment equal to 40% of the assessment base is paid to a widow(er) who is not eligible to receive the survivor pension.

The assessment base is equal to the deceased's average earnings in the last year before death.

Schedule of payments: Fourteen payments a year.

Benefit adjustment: Benefits are adjusted annually according to the rules of the accident insurance institution.

Funeral grant: Partial reimbursement of funeral and transportation costs, up to a maximum of 1/15 of the assessment base.

The assessment base is equal to the deceased's average earnings in the last year before death.

Administrative Organization

Federal Ministry for Health, Family, and Youth (<http://www.bmgfj.gv.at>) provides general supervision.

General Accident Insurance Institution (<http://www.auva.at>) administers long-term benefits (a separate institution operates for railway employees, public-sector employees, and the agricultural self-employed).

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

Unemployment

Regulatory Framework

First law: 1920 (unemployment insurance).

Current laws: 1977 (unemployment insurance), with 2006 amendment; and 1994 (labor market), with 2005 amendment.

Type of program: Social insurance system.

Coverage

Employed persons earning €349.01 or more a month and apprentices.

Exclusions: Public-sector employees and self-employed persons.

Source of Funds

Insured person: 3% of covered earnings.

The maximum monthly earnings for contribution purposes are €3,930.

Self-employed person: Not applicable.

Employer: 3% of covered payroll.

The maximum monthly earnings for contribution purposes are €3,930.

Government: Any deficit.

Qualifying Conditions

Unemployment benefit: The insured must have at least 28 weeks of contributions in the last 12 months; 52 weeks in the last 24 months for a first claim to a benefit. The insured must be registered at an employment office and be capable of and willing to work.

For a first-time claim made before age 25, the insured must have at least 26 weeks of contributions in the last 12 months, subject to conditions.

Unemployment is not due to voluntary leaving without good reason, misconduct, work stoppage, or the refusal of a suitable job offer, in which case disqualification usually lasts 4 weeks.

Emergency assistance (income-tested): The insured must be unemployed, capable of and willing to work, and assessed as requiring emergency assistance.

Unemployment Benefits

Unemployment benefit: The benefit is equal to 55% of net earnings and is paid for up to 20 weeks; may be extended to 30 weeks (with 156 weeks of coverage in the last 5 years); 39 weeks (if aged 40 or older with 312 weeks of coverage in the last 10 years); or 52 weeks (if aged 50 or older with 468 weeks of coverage in the last 15 years). The duration of payment is extended by periods of participation in training provided by the Labor Market Service.

Family supplement: €0.97 a day is paid for each dependent. The total benefit including the family supplement must not be more than 80% of net earnings.

Supplementary benefit: For a single person with low income, the unemployment benefit is raised to €747.00 but must not be more than 60% of net earnings.

Emergency assistance (income-tested): The assistance varies according to the number of dependents and the income of the unemployed person and his or her spouse or cohabiting partner. Assistance equal to between 92% and 95% of the unemployment benefit is paid to unemployed citizens without a time limit when the right to receive social insurance unemployment benefits ceases; 95% of the unemployment benefit is paid if the unemployment benefit is less than €747.00; between 92% and 95% if the unemployment benefit is greater than €747.00.

In addition, family supplements are paid for each dependent.

Administrative Organization

Federal Ministry of Economics and Labor (<http://www.bmwa.gv.at>) provides general supervision.

Regional offices of the Labor Market Service (<http://www.ams.at>) administer benefits and offer job seeking services.

Sickness funds collect contributions from employers.

Family Allowances

Regulatory Framework

First law: 1948.

Current law: 1967, with 2006 amendment.

Type of program: Universal system.

Coverage

Persons residing permanently in Austria with one or more children. (Noncitizens are eligible if employed for more than 3 months or residing permanently in Austria for at least 5 consecutive years.)

Source of Funds

Insured person: None.

Self-employed person: None. (A portion of the land tax is allocated to finance family allowances for the agricultural self-employed.)

Employer: 4.5% of payroll.

Government: States contribute €1.74 a year for each inhabitant. A portion of federal 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.

Child care allowances are financed entirely from the funds of the Family Allowances Equalization Fund.

Qualifying Conditions

Family allowances: The child must be younger than age 18 (age 26 if a student, in training or vocational training, or severely disabled).

Child care allowance: Paid to parents with annual earnings below €14,600 and with children born after January 1, 2002, who are eligible for family allowances.

Family Allowance Benefits

Family allowances: €105.40 a month is paid for the first child younger than age 3, €112.70 for the first child between ages 3 and 9, €130.90 for the first child between ages 10 and 18, and €152.70 for the first child from age 19.

The benefit for the first child is increased by €12.80 a month for the second child and by €25.50 a month for the third and each subsequent child.

Severely disabled child supplement: A supplement of €138.30 a month is paid for a severely disabled child.

Child care allowance: €14.53 a day is paid for a child up to age 30 months; up to age 36 months in certain cases.

Supplement (income-tested): The daily amount is increased by €6.06 for single parents with annual earnings up to €5,200; for a mother or father whose spouse or partner has income up to €7,200, subject to conditions. If the income of the spouse or partner exceeds €7,200, the difference is deducted from the supplement. The supplement must be repaid before the child reaches age 15.

Large family supplement: If eligible for family allowances and if the taxable family income does not exceed a defined income limit, a supplement of €36.40 a month is paid for the third and each subsequent child.

Multiple birth supplement: A supplement of €7.07 a day is paid for the second and each subsequent newborn child in the event of multiple births.

Administrative Organization

Family Allowances Equalization Fund of the Federal Ministry of Social Affairs and Consumer Protection (<http://www.bmsk.gv.at>) administers the program.

Tax administration pays allowances directly to recipients.

Federal government, states, and municipalities with more than 2,000 inhabitants pay family allowances out of their own budget.

Separate organization for public-sector employees.

Belarus

Exchange rate: US\$1.00 equals
2,153 Belarus rubles.

Note: This information dates from 2004.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1956.

Current laws: 1992 (pensions), with amendments; 1999 (social insurance); 2001 (funerals); and 2003 (state service).

Type of program: Social insurance system.

Coverage

All employed persons residing permanently in Belarus, including priests and employees of religious organizations, members of cooperatives, and farmers.

Special systems for aviators, teachers, artists, professional athletes, government employees, specific categories of medical personnel, and persons injured in the Chernobyl catastrophe.

Source of Funds

Insured person: 1% of earnings.

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

Self-employed person: Not applicable.

Employer: 10% to 35% of payroll, according to the type of industry and the type of enterprise.

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

Government: The cost of social pensions, plus subsidies as needed.

Qualifying Conditions

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

Qualifying conditions 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.

Benefits are payable abroad under reciprocal agreement.

Disability pension: Incapacity for any work (total disability) or usual work (partial disability); a minimum of 1 to 15 years of covered employment, depending on the insured's age when the disability began.

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

Eligible survivors are a surviving dependent spouse; the insured's parents if they are of pensionable age, disabled, or care for a child younger than age 8 and do not work; dependent grandparents; children, siblings, and grandchildren younger than age 18 (age 23 if a student, no limit if disabled before age 18).

Funeral grant: Paid to the person who pays for the funeral.

Social pension: Nonworking citizens who are not eligible for an old-age, disability, or survivor pension and are at least age 60 (men) or age 55 (women), or disabled since childhood, younger than age 18 and disabled, or orphans younger than age 18 (no limit if disabled and the disability began before age 18).

Old-Age Benefits

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

The minimum pension is equal to 25% of the national average per capita subsistence income level.

The maximum pension is equal to 75% of the wage base.

The wage base is determined by the Council of Ministers.

Partial pension: With at least 5 years of coverage, the monthly benefit is reduced in proportion to the insured's number of years of coverage less than that required for a full pension.

The minimum partial pension is equal to 50% of the minimum pension.

Constant-attendance supplement: 50% of the minimum old-age pension is paid for a pensioner aged 80 or older who requires care; regardless of age for single pensioners.

Benefit adjustment: Benefits are adjusted when the average wage increases by more than 15% a quarter.

Social pension: 50% of the minimum pension is paid a month.

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

Permanent Disability Benefits

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

The wage base is determined by the Council of Ministers.

The minimum disability pension is equal to 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 assess the degree of disability.

Constant-attendance supplement: 100% of the minimum old-age pension is paid for a pensioner with a Group I disability; 50% is assessed with a Group II disability and requiring care.

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 pension is equal to 150% of the minimum monthly old-age pension; 100% for a Group II disability that began after age 18; 50% for persons with a Group III disability. For disabled children younger than age 18, the pension is equal to 150% of the minimum old-age pension for those in Group I, 175% for Group II, or 200% for Group III. In certain cases, disabled children younger than age 18 may receive 250% of the minimum old-age pension.

Expert medical rehabilitation commissions assess the degree of disability.

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

Survivor Benefits

Survivor pension: A monthly pension equal to 40% of the wage base is paid for each eligible survivor; 50% for full orphans.

The wage base is determined by the Council of Ministers.

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

Funeral grant: The grant is equal to the average wage in the month before the date of the insured's death.

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

Social pension for orphans: 100% of the minimum old-age pension is paid for each orphan younger than age 18; no limit if disabled since childhood.

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

Administrative Organization

Ministry of Labor and Social Protection (<http://mintrud.gov.by>) and its local offices administer the program.

Social Protection Fund of the Population (<http://www.ssf.gov.by>) of the Ministry of Labor and Social Protection administers the program.

Sickness and Maternity

Regulatory Framework

First law: 1955.

Current laws: 1992; 1993 (health), with amendments; 1995 (social insurance); 1997 (pregnancy and childbirth); 1996, with 1998 amendment; 1999; and 2002 (families with children).

Type of program: Social insurance (cash benefits) and universal (medical benefits) system.

Coverage

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

Medical benefits: All persons residing in Belarus.

Source of Funds

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

Self-employed person: Not applicable.

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

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

Qualifying Conditions

Cash sickness benefits: Paid for insured workers, including foreign citizens and persons without citizenship working in Belarus.

Cash maternity benefits: There is no minimum qualifying period.

Medical benefits: There is no minimum qualifying period.

Sickness and Maternity Benefits

Sickness benefit: The benefit is equal to 80% of the insured's average earnings for the first 6 days of incapacity; thereafter, 100%.

The monthly maximum benefit is equal to 300% of the national average wage in the month before the incapacity began.

The benefit is also paid at 100% of the insured's average earnings to provide care for a sick child younger than age 14 for up to 14 days, or for periods of hospitalization as recommended by a doctor.

Maternity benefit: Employed women receive 100% of average monthly earnings; students on leave from employment receive 100% of the education grant; women who are registered as unemployed and are currently receiving the unemployment benefit receive 100% of the unemployment benefit; women who are registered as unemployed after receiving the unemployment benefit for the maximum period of 26 weeks receive 200% of the minimum wage.

The monthly minimum benefit is 50% of the minimum per capita subsistence income level.

The monthly maximum benefit is three times the national average wage in the month before childbirth and maternity leave.

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 younger than 3 months, the benefit is payable for a total of 70 days, starting from the date of the adoption.

Prenatal care grant: A lump sum is paid toward the costs of medical consultation during the first 12 weeks of pregnancy. The grant is equal to 50% of the birth grant (see Family Allowances).

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

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

Administrative Organization

Ministry of Labor and Social Protection (<http://mintrud.gov.by>) provides general supervision.

Social Protection Fund of the Population (<http://www.ssf.gov.by>) of the Ministry of Labor and Social Protection finances sickness and maternity benefits.

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

Ministry of Health (<http://minzdrav.by>) and local health departments provide general supervision and coordinate medical care.

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

Work Injury

Regulatory Framework

First law: 1939.

Current laws: 1992 (pensions), with amendments; 1997 (short-term benefits); 1999 (lost earnings and additional expenditures); and 2003 (work injury and occupational diseases), implemented in January 2004.

Type of program: Social insurance system.

Coverage

Employed persons, convicted persons working in prison workshops, persons employed on the basis of a civil or legal agreement, and students engaged in vocational training.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: Contributions vary from 0.2% to 8.5% of payroll according to the sector of the economy and classes of assessed professional risk. (Contributions are reduced by 50% for nongovernmental organizations, for associations with disabled persons or pensioners accounting for at least 50% of the staff, and for members of collective and state-owned farms.)

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period. Work injury benefits are reduced by up to 25% if the work injury is deemed to be caused by gross negligence on the part of the insured.

Temporary Disability Benefits

Temporary disability benefit: The benefit is based on the insured's adjusted earnings before the certification of disability and according to the assessed loss of working capacity. The benefit is paid from the first day of incapacity until recovery or certification of permanent disability. The

adjusted monthly earnings must not be less than 60% of the national average monthly wage.

Temporary disability grant: A lump sum is paid equal to six times the value of the temporary disability benefit.

Permanent Disability Benefits

Permanent disability pension: The pension is based on the insured's adjusted monthly earnings before the disability began and according to the assessed loss of working capacity. The adjusted monthly earnings used to calculate the pension must not be less than 60% of the national average monthly wage.

Earnings-related benefits for work injury or occupational diseases may be paid in addition to other pensions.

Permanent disability grant: A lump sum is paid equal to six times the value of the permanent disability pension.

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. Supplementary compensation is provided for additional food costs, transportation, and other special services necessary in cases of serious injuries.

Survivor Benefits

Survivor pension: If the insured's death is the result of a work injury or an occupational disease, a monthly pension is paid.

Eligible survivors are the widow(er), survivors younger than age 18 (age 23 if a student), old-age pensioners, disabled persons, one of the insured's parents, and other nonworking relatives with dependents younger than age 14 or disabled.

Survivor grant: A lump sum is paid equal to 12 times the deceased's average monthly earnings.

Eligible survivors are the widow(er), regardless of working capacity, and other eligible survivors. The benefit is split equally among all eligible survivors.

Administrative Organization

Insurance Enterprise of the Republic of Belarus (<http://www.belgosstrakh.by>) administers the work injury and occupational diseases insurance program.

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

Ministry of Labor and Social Protection (<http://mintrud.gov.by>) and its local offices administer the program for permanent disability and survivor pensions.

Social Protection Fund of the Population (<http://www.ssf.gov.by>) of the Ministry of Labor and Social Protection finances benefits.

Ministry of Health and local health departments provide general supervision and coordinates medical benefits.

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

Unemployment

Regulatory Framework

First law: 1921.

Current laws: 1991 (employment), with 1999 amendment; and 2002 (minimum wage).

Type of program: Social insurance system.

Coverage

Belarus citizens aged 16 to 59 (men) or aged 16 to 54 (women) residing permanently in Belarus.

Source of Funds

Employee: None.

Self-employed person: None.

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

Government: Subsidies as needed from state and local budgets.

Qualifying Conditions

Unemployment benefit: The insured must be unemployed, of working-age, and residing in Belarus. The insured must register at the state employment office as unemployed (must not be enrolled in a day-program at an educational institute, enlisted in military or government service, or engaged in a business pursuit) and be able and willing to work. Unemployment must be involuntary.

Unemployment Benefits

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

The minimum benefit is the wage base.

The maximum benefit is twice the wage base.

The wage base is determined by the Council of Ministers.

For an unemployed person who was not employed full-time, but had more than 12 months of covered employment (though fewer than 12 weeks' paid work in the last 12 months) or for a skilled worker returning to the workforce after a period of interruption longer than 12 months,

the benefit is 100% of the wage base for the first 13 weeks and 75% for the following 13 weeks.

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

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

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

Administrative Organization

State Employment Service of the Ministry of Labor and Social Protection (<http://mintrud.gov.by>) and its local offices administer the program.

Family Allowances

Regulatory Framework

First law: 1944.

Current laws: 1992 (families with children), with amendments; 1998; and 1999 (family allowances), with amendments.

Type of program: Universal and social assistance system.

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 source of funds under Old Age, Disability, and Survivors.

Self-employed person: No information is available.

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

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

Qualifying Conditions

Family allowances: All children younger than age 3. Children aged 3 to 16 (aged 18 if a student and not receiving an education grant) receive the full benefit rates in families whose monthly per capita income does not exceed

60% of the minimum per capita subsistence income level as of September in the previous year; if the preceding year's family income is less than 80% of the minimum per capita subsistence income level, benefit rates are halved. Families caring for a disabled child aged 3 to 18 receive full benefits that are not subject to a means test.

Family Allowance Benefits

Family allowances: Monthly allowances are paid to working women and disabled women (Group I, total disability requiring constant attendance; Group II, total disability but not requiring constant attendance) for each child younger than age 3 equal to 65% of the minimum per capita subsistence income level during the child care leave period; 50% for working women who are not on child care leave.

A payment equal to 30% of the minimum per capita subsistence income level for each child aged 3 to 16 (aged 18 if a student and not receiving an education grant) whose family per capita income does not exceed 60% of the average minimum per capita subsistence income level for September of the previous year; 50% of the benefit is paid if family per capita income does not exceed 80% of the average minimum per capita subsistence income level for September of the previous year.

Monthly allowances are paid for nonworking women equal to 35% of the minimum per capita subsistence income level for each child younger than age 3.

Additional monthly allowances: Children up to age 18 months with an unmarried mother (and when the identity of the father has been provided by the mother) receive 75% of the monthly benefit; children from age 18 months up to age 3 with an unmarried mother (and when the identity of the father has been provided by the mother) receive 40% of the monthly benefit.

A single parent not receiving alimony receives 40% of the monthly benefit for each child until age 16 (age 18 if a student).

Families with disabled children younger than age 18 as well as wives of military servicemen on regular duty receive 40% of the monthly benefit.

Nonworking persons who are not pensioners and who care for a disabled child younger than age 18 receive 65% of the minimum per capita subsistence income level.

Each child younger than age 18 diagnosed with HIV or AIDS receives 45% of the minimum per capita subsistence income level.

Birth grant: A lump sum equal to 200% of the minimum per capita subsistence income level is paid. The grant is not means-tested.

Additional grants are paid for multiple births and for families with several children.

Administrative Organization

Ministry of Labor and Social Protection (<http://mintrud.gov.by>) provides general oversight of the program.

Social Protection Fund of the Population (<http://www.ssf.gov.by>) administers the program.

Enterprises and employers pay benefits to employees.

Local offices of the Ministry of Labor and Social Protection (<http://mintrud.gov.by>) administers benefits for nonworking mothers.

Belgium

Exchange rate: US\$1.00 equals 0.68 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

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

Current laws: 1967 (old-age and survivors), 1994, and 2001 (guaranteed income).

Type of program: Social insurance system.

Coverage

Employed persons; special provisions for miners and seamen.

Special systems for self-employed persons and civil servants.

Source of Funds

Insured person: 7.5% of reference earnings. Pensioners and pre-pensioners contribute from 0.5% to 2.0% of the pension or pre-pension. (The pre-pension is paid under Unemployment to insured persons aged 58 or older with at least 25 years of employment.)

Reference earnings are equal to 100% of the insured's gross earnings for white-collar workers and 108% of the insured's gross earnings for blue-collar workers.

The insured's contributions finance old-age and survivor pensions. Disability pensions and funeral grants are financed under Sickness and Maternity.

If the insured person and employer are affiliated with all branches of social security, a global contribution is paid to the National Social Security Office and split according to each branch's needs. The global contribution rate is 37.84% of reference earnings (13.07% is paid by the employee and 24.77% by the employer).

Self-employed person: Not applicable.

Employer: 8.86% of reference earnings.

Reference earnings are equal to 100% of the insured's gross earnings for white-collar workers and 108% of the insured's gross earnings for blue-collar workers.

The employer's contributions finance old-age and survivor pensions. Disability pensions and funeral grants are financed under Sickness and Maternity.

If the insured person and employer are affiliated with all branches of social security, a global contribution is paid to the National Social Security Office and split according to each branch's needs. The global contribution rate is 37.84%

of reference earnings (13.07% is paid by the employee and 24.77% by the employer).

Government: Annual subsidies.

Qualifying Conditions

Old-age pension: Age 65 with at least 45 years of coverage for men or age 64 with at least 44 years of coverage for women (age 65 with 45 years of coverage in 2009).

Partial pension: Paid for an incomplete qualifying period.

Early pension: Age 60 with at least 35 years of coverage (men and women).

Special old-age pension (means-tested): Paid to the divorced husband or wife of a retired person.

Means test: The income and individual pension of the divorced husband or wife is taken into consideration.

Guaranteed income for the elderly (means-tested): Paid to low-income elderly persons aged 64 or older (age 65 or older in 2009).

Means test: Monthly income must not exceed €1,000 for a single person; €625 if cohabiting (family allowances, alimony, and certain other benefits are not included).

Disability pension: Paid for the loss of 2/3 of earning capacity in the usual occupation for at least 12 months. The insured must have been covered during the two quarters before the quarter in which the disability began, have completed 120 days of actual or credited work (or 400 hours for part-time workers), and met the legal requirements for a regular worker during the last 30 days before the disability began.

Survivor pension: Paid to a widow(er) aged 45 or older (any age if disabled or caring for a child) who was married to the deceased for at least 1 year; conditions are waived if a child was born during the marriage or if the death was the result of an accident.

Funeral grant: Paid on the insured's death.

Old-Age Benefits

Old-age pension: The full pension is equal to 60% of average lifetime earnings (75% for a married couple). Past earnings are adjusted to reflect wage and price changes.

For each year of the insured's career, adjusted earnings for benefit calculation purposes are subject to a ceiling (€44,994.88).

For each year of the insured's career, the adjusted earnings for benefit calculation purposes must not be less than €18,389.19.

The minimum annual pension is €11,032.28 for a single person with a full career record; €13,786.01 a year for a married couple. For workers with at least 2/3 of a full career record under the salaried workers' scheme, a proportionately reduced minimum pension is awarded.

Partial pension: A reduced pension is paid according to the number of years of coverage less than that required for a full career record.

Vacation allowance: €535.99 is paid annually in May for a single person; €670.00 for a couple.

Special old-age pension (means-tested): The pension is equal to half the former spouse's pension based on 75% of average lifetime earnings, minus any pension income earned by the divorced person in his or her own right.

Means test: Income must not exceed €1,000 a month for a single person; €625 a month if cohabiting (family allowances, alimony, and certain other benefits are not included).

Guaranteed income for the elderly (means-tested): €827.62 a year is paid for a single person; €551.75 a year if cohabiting.

Means test: Income must not exceed €1,000 a month for a single person; €625 a month if cohabiting (family allowances, alimony, and certain other benefits are not included).

Benefit adjustment: Benefits are adjusted periodically for changes in the retail price index.

Permanent Disability Benefits

Disability pension: The benefit is equal to 65% of reference earnings if the insured has dependents; 40% if the insured cohabits but has no dependents; 53% if the insured lives alone. The pension is paid after 1 year of incapacity.

Reference earnings are equal to the salary the insured would have received at the date the disability began.

The maximum daily earnings for benefit calculation purposes are €111.75 if the disability began before January 1, 2005; €113.98 if the disability began between January 1, 2005, and December 31, 2006; €115.12 if the disability began on or after January 1, 2007.

The minimum daily pension for a regular worker is €45.07 if the insured has dependents; €31.23 if the insured cohabits but has no dependents; €36.07 if the insured lives alone. If the insured does not meet the legal requirements for a regular worker, the minimum daily pension is €26.83 with no dependents; €35.77 with dependents.

If the disability began between April 1, 2004, and December 31, 2004, the maximum daily pension is €59.23 if the insured lives alone; €44.70 if the insured cohabits; €72.64 if the insured has dependents. If the disability began between January 1, 2005 and December 31, 2006, the maximum daily pension is €60.41 if the insured lives alone; €45.59 if the insured cohabits; €74.09 if the insured has dependents. If the disability began on or after January 1, 2007, the maximum daily pension is €61.02 if the insured lives alone; €46.05 if the insured cohabits; €74.83 if the insured has dependents.

Benefit adjustment: Benefits are adjusted periodically for changes in the health index. Some benefits may be adjusted independently of this index.

Survivor Benefits

Survivor pension: The widow(er) receives 80% of the pension paid or payable to the deceased.

The minimum annual pension is €10,858.82 if the deceased was insured with a full career record. For survivors of insured persons with at least 2/3 of the full career record, a proportionately reduced minimum pension is awarded.

The survivor pension plus the widow(er)'s own pension entitlement must not exceed 110% of the value of his or her own pension entitlement.

A noneligible widow(er) receives a survivor pension for a limited period of 12 months.

The pension ceases on remarriage.

Vacation allowance: €535.99 is paid annually in May.

Funeral grant: A lump sum of €148.74 is paid.

Benefit adjustment: Benefits are adjusted periodically for changes in the retail price index (except for the funeral grant).

Administrative Organization

Social Security Federal Public Service (<http://www.socialsecurity.fgov.be>) provides general supervision.

National Social Security Office (<http://www.onss.be/en/home.html>) collects and administers contributions.

National Pensions Office administers old-age and survivor pensions and is responsible for the financial management of the program.

National Sickness and Invalidity Insurance Institute (<http://www.inami.fgov.be>) administers disability pensions.

Sickness and Maternity

Regulatory Framework

First law: 1894 (mutual benefit societies).

Current law: 1994 (mandatory health insurance and benefits).

Type of program: Social insurance system.

Coverage

Employed persons who are members of a mutual benefit society or an auxiliary sickness and disability insurance fund.

Pensioners and other social security beneficiaries are covered for medical benefits.

Voluntary coverage is possible.

Special systems for self-employed persons (cash benefits) and seamen.

Source of Funds

Insured person: 3.55% of reference earnings (medical benefits) and 1.15% of reference earnings (cash benefits and disability pensions). Pensioners contribute 3.55% of the old-age or survivor pension (low-income pensioners are exempt from contributions).

Reference earnings are equal to 100% of the insured's gross earnings for white-collar workers and 108% of the insured's gross earnings for blue-collar workers.

If the insured person and employer are affiliated with all branches of social security, a global contribution is paid to the National Social Security Office and split according to each branch's needs. The global contribution rate is 37.84% of reference earnings (13.07% is paid by the employee and 24.77% by the employer).

Self-employed person: 3.55% of reference earnings (medical benefits) and 1.15% of reference earnings (cash benefits and disability pensions).

Reference earnings are equal to 100% of the self-employed person's gross earnings for white-collar workers and 108% of the self-employed person's gross earnings for blue-collar workers.

Employer: 3.8% of reference earnings (medical benefits), 2.2% of reference earnings (cash benefits and disability pensions), and 0.15% of reference earnings (maternity benefits).

Reference earnings are equal to 100% of the insured's gross earnings for white-collar workers and 108% of the insured's gross earnings for blue-collar workers.

If the insured person and employer are affiliated with all branches of social security, a global contribution is paid to the National Social Security Office and split according to each branch's needs. The global contribution rate is 37.84% of reference earnings (13.07% is paid by the employee and 24.77% by the employer).

Government: Subsidy for the management of the social security system; proceeds from a surcharge on automobile insurance and on hospitalization insurance premiums; a tax on the profit made on certain prescribed medicines.

Qualifying Conditions

Sickness and maternity cash benefits: The insured must have been covered during the two quarters before the quarter in which the sickness or maternity leave period started, have completed 120 days of actual or credited work (400 hours for part-time workers), and met the legal requirements for a regular worker during the last 30 days before the incapacity began.

Medical benefits: There is no minimum qualifying period (6 months of contributions are required in certain special cases).

Sickness and Maternity Benefits

Cash sickness benefit: The benefit is equal to 60% of the insured's earnings, subject to a ceiling. After the 31st day of incapacity, the entitlement is 55%; 60% if there are dependents or if the insured is the sole breadwinner. Benefits are normally not paid if the employer provides a guaranteed salary.

The maximum daily earnings for benefit calculation purposes are €115.12 as of January 1, 2007.

Cash maternity benefit: During the first 30 days, the maternity benefit for employees is equal to 82% of total earnings; for the unemployed or other eligible persons, 79.5% of earnings (subject to a ceiling). The benefit for all eligible persons from the 31st day is equal to 75% of daily earnings (subject to a ceiling).

The benefit is paid for a maximum of 15 weeks (19 weeks in the case of multiple births), including a maximum of 6 weeks (8 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 9 weeks after childbirth.

When earnings are subject to a ceiling, the maximum daily earnings for benefit calculation purposes are €115.12 (January 2007).

Workers' Medical Benefits

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 makes copayments that vary according to the insured's income and status.

There is no limit to duration.

Dependents' 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 makes copayments that vary according to the insured's income and status.

There is no limit to duration.

Administrative Organization

Social Security Public Federal Service (<http://www.socialsecurity.fgov.be>) provides general supervision.

National Social Security Office (<http://www.onss.be/en/home.html>) collects contributions.

National Sickness and Invalidity Insurance Institute (<http://www.inami.fgov.be>) coordinates the program together with various management committees for cash and medical benefits.

Local agencies, including about 65 approved mutual benefit societies represented by five national unions and a separate fund for railway employees, pay benefits. District offices of the public auxiliary fund pay benefits for persons not belonging to a mutual society.

Work Injury

Regulatory Framework

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

Current laws: 1970 (occupational diseases) and 1971 (work accidents).

Type of program: Social insurance system.

Coverage

Employed persons, including casual labor.

Exclusions: Self-employed persons.

Special system for public-sector employees.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer

Work injury: 0.3% of reference earnings, plus an insurance premium that varies according to the assessed degree of risk.

Occupational disease: 1% of reference earnings, plus 0.01% for asbestos-related illnesses.

Reference earnings are equal to 100% of the insured's gross earnings for white-collar workers and 108% of the insured's gross earnings for blue-collar workers.

If the insured person and employer are affiliated with all branches of social security, a global contribution is paid to the National Social Security Office and split according to each branch's needs. The global contribution rate is 37.84% of reference earnings (13.07% is paid by the employee and 24.77% by the employer).

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period. Accidents that occur while commuting to and from work are covered.

Temporary Disability Benefits

90% of the insured's reference earnings are paid until recovery or certification of permanent disability.

Daily reference earnings are equal to 1/365 of the full-year earnings for the year before the accident or the cessation of work because of an occupational disease. If the assessed disability is the result of an occupational disease, the temporary disability benefit is not paid unless the disability lasts at least 15 days.

The minimum full-year earnings for benefit calculation purposes are €5,717.93.

The maximum full-year earnings for benefit calculation purposes are €35,099.83.

Benefit adjustment: Benefits are adjusted periodically for changes in the retail price index.

Permanent Disability Benefits

Permanent disability pension: If the insured is assessed as totally disabled, the pension is equal to 100% of the insured's reference earnings.

Reference earnings are equal to total earnings in the year before the accident or the cessation of work because of an occupational disease.

The minimum full-year earnings for benefit calculation purposes are €5,717.93.

The maximum full-year earnings for benefit calculation purposes are €35,099.83.

Constant-attendance supplement: The supplement varies according to the assessed degree of need for assistance, up to a maximum of 12 times the average monthly guaranteed income for a full-time worker. The supplement ceases on the 91st day of hospitalization.

Partial disability: A percentage of reference earnings is paid according to the assessed degree of permanent disability, except where the assessed degree of disability is less than 10% (the percentage paid is reduced by half for an assessed disability of between zero and 5% and by a quarter if between 6% and 10%).

The benefit is payable abroad.

Benefit adjustment: Benefits are adjusted periodically for changes in the retail price index (except benefits paid for an assessed degree of disability of less than 16%).

Workers' Medical Benefits

Benefits include medical treatment, surgery, dental treatment, hospitalization, medicines, appliances, and transportation. Full reimbursement of costs is made according to the schedule in law.

Survivor Benefits

Survivor pension: The pension for a widow(er) is equal to 30% of the deceased's covered earnings.

The pension does not cease on remarriage.

The pension is not paid to a surviving partner who was not married to the deceased.

The minimum full-year earnings for benefit calculation purposes are €5,717.93.

The maximum full-year earnings for benefit calculation purposes are €35,099.83.

Orphan's pension: Each orphan younger than age 18 (aged 18 or older if entitled to family allowances) receives 15% of the deceased's covered earnings (20% for a full orphan).

All orphans' pensions combined must not exceed 45% of the deceased's covered earnings; 60% for full orphans.

Other eligible survivors (in the absence of orphans): A pension is payable to parents, grandchildren, and brothers or sisters younger than age 18.

All survivor benefits combined must not exceed 75% of the deceased's covered earnings.

Benefits are payable abroad.

Benefit adjustment: Benefits are adjusted periodically for changes in the retail price index.

Funeral grant: A lump sum is paid equal to 30 days' earnings; the minimum grant is equal to the sickness benefit. Transportation costs, including administrative costs and the cost of transporting the body to the place of burial (including abroad), are also provided.

Administrative Organization

Social Security Federal Public Service (<http://www.socialsecurity.fgov.be>) provides general supervision.

Work injury: Work Injury Fund (<http://www.socialsecurity.fgov.be/faofat>), a public social security institution administered jointly by employers and workers, administers the program and controls the benefits paid by private companies.

Occupational disease: Occupational Diseases Fund, a public social security institution administered jointly by employers and employees, is responsible for the compensation of injured workers.

Unemployment

Regulatory Framework

First law: 1920.

Current laws: 1944 (social security) and 1991 (unemployment regulation).

Type of program: Social insurance system.

Coverage

Employed persons.

Coverage is also possible for first-time jobseekers, stage performers, certain teachers, home workers, disabled workers, professional athletes, and students receiving a scholarship who pay contributions.

Source of Funds

Insured person: 0.87% of reference earnings.

Reference earnings are equal to 100% of the insured's gross earnings for white-collar workers and 108% of the insured's gross earnings for blue-collar workers.

If the insured person and employer are affiliated with all branches of social security, a global contribution is paid to the National Social Security Office and split according to each branch's needs. The global contribution rate is 37.84% of reference earnings (13.07% is paid by the employee and 24.77% by the employer).

Self-employed person: Not applicable.

Employer: 1.46% of reference earnings. In certain cases, an additional 1.6% of reference earnings is paid by employers with more than 10 employees.

Reference earnings are equal to 100% of the insured's gross earnings for white-collar workers and 108% of the insured's gross earnings for blue-collar workers.

If the insured person and employer are affiliated with all branches of social security, a global contribution is paid to the National Social Security Office and split according to each branch's needs. The global contribution rate is 37.84% of reference earnings (13.07% is paid by the employee and 24.77% by the employer).

Government: Covers any deficit.

Qualifying Conditions

Unemployment benefit: If younger than age 36, the insured must have at least 312 days of covered employment or deemed employment in the 18 months before the date of the claim for benefits; if between ages 36 and 50, 468 days in the 27 months before the date of the claim for benefits; if older than age 50, 624 days in the 36 months before the date of the claim for benefits. The insured must register at an unemployment office and be capable of and available for work. Unemployment must be involuntary; otherwise, the insured is disqualified for 4 to 52 weeks or loses eligibility for benefits.

Job search benefit: The insured must be younger than age 30, does not meet the employment qualifying condition for the unemployment benefit, and must register at an unemployment office and be capable of and available for work. Benefits are paid after a waiting period.

Prepension supplement: Aged 60 or older with at least 30 years (men) or 26 years (women) of employment.

Aged unemployed person's supplement: The insured must be aged 50 or older with at least 20 years of employment, be unemployed for at least 12 months, and not be entitled to the prepension supplement.

Unemployment Benefits

Unemployment benefit: The benefit is calculated based on mean daily earnings. The mean daily earnings are based on the last monthly earnings, up to a maximum of €1,869.09.

If the insured is older than age 21 and has not worked in the last 6 months before applying for benefits, the benefit is based on flat-rate monthly earnings of €1,335.78.

The benefit depends on the insured's family status and the period of unemployment. If the insured is cohabiting or has dependents (a spouse, partner, or another person with no individual income or for whom alimony is paid), the benefit is equal to 60% of earnings for the entire period of unemployment. For a single person living alone, 60% of earnings is paid for the first year; thereafter, 53%. If the insured is cohabiting with a person who has income, 58% of earnings is paid for the first year; 40% for a second period (the minimum duration of the second period is 3 months, and the total duration depends on the person's professional career record); thereafter, a flat-rate monthly benefit of €429.78 is paid.

Job search benefit: The benefit depends on the insured's age and family status. For a single person younger than age 18 living alone, €268.06 is paid; if between ages 18 and 20, €421.46; if aged 21 or older, €697.84. If the insured is cohabiting or has dependents (a spouse, partner, or another person with no individual income or for whom alimony is paid), €943.80 is paid regardless of age. For an insured person younger than age 18 cohabiting with persons with an income, €229.84 is paid; otherwise, €366.60.

Prepension supplement: 50% of the difference between the monthly benefit (calculated as 60% of last gross earnings) and net earnings (gross earnings up to a ceiling of €3,391.61, reduced by social contributions and certain other deductions) is paid. The supplement may be paid until the insured reaches retirement age.

Aged unemployed person's supplement: A monthly supplement set according to age and family status. Single persons aged 55 or older are guaranteed 60% of their last earnings.

Benefit adjustment: Benefits are adjusted periodically for changes in the retail price index.

Administrative Organization

Employment, Labor, and Social Dialogue Federal Public Service (<http://www.emploi.belgique.be>) provides general supervision.

National Social Security Office (<http://www.onss.be/en/home.html>) collects contributions.

National Employment Office (<http://www.onem.be>) adjudicates 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: 1939 (salaried workers), 1965 (civil servants), 1971 (guaranteed family allowances), and 1976 (self-employed persons).

Type of program: Social insurance and social assistance (guaranteed family allowances) system.

Coverage

Children of salaried workers (including active, unemployed, retired, disabled, or deceased workers).

Children not covered under any statutory system are eligible to receive guaranteed family allowances, subject to an income test.

Special systems for civil servants and self-employed persons.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: 7% of reference earnings.

Reference earnings are equal to 100% of the insured's gross earnings for white-collar workers and 108% of the insured's gross earnings for blue-collar workers.

If the insured person and employer are affiliated with all branches of social security, a global contribution is paid to the National Social Security Office and split according to each branch's needs. The global contribution rate is 37.84% of reference earnings (13.07% is paid by the employee and 24.77% by the employer).

Government: None.

Qualifying Conditions

Family allowances: Awarded without conditions until the last day of August of the calendar year in which the child reaches age 18 (age 21 if disabled or no limit for a disabled person who was aged 21 or older before July 1, 1987; age 25 if a student, an apprentice, or a jobseeker registered for less than 270 days).

Eligible children are the insured's children, the children of the insured's partner, dependent brothers and sisters, and any other children in the insured's household.

Family Allowance Benefits

Basic family allowance: €80.17 a month is paid for the first child; €148.34 for the second child; €221.47 for the third and each subsequent child. Each orphan receives €307.97 a month.

Social supplement: €20.40 a month is paid per child (except orphans) for single-parent families (with income below €1,774.98); €40.81 a month is paid for the first child of a pensioner or a person unemployed for longer than 6 months, and €87.81 is paid for the first child of a disabled worker; €25.30 for the second child of a pensioner, a person unemployed for longer than 6 months, or a disabled worker; €4.44 for the third and each subsequent child of a pensioner, a person unemployed for longer than 6 months, or a disabled worker.

Age supplement (children born before January 1, 1991):

For a healthy first child born between January 1, 1985, and December 31, 1990, the monthly supplement is €27.85 if the child is younger than age 18; otherwise, €29.91. For a healthy first child born between January 1, 1981, and December 31, 1984, the monthly supplement is €44.62. For other children or any sick child, the monthly supplement is €27.85 if aged between 6 and 11; €42.56 if aged between 12 and 18; otherwise, €54.11.

Age supplement (children born after December 31,

1990): For a healthy first child, the monthly supplement is €13.97 if between ages 6 and 12; €21.27 if older than age 12 but younger than age 18; €24.51 if aged 18 or older. For other children or for any sick child, the monthly supplement is €27.85 if between ages 6 and 12; €42.56 if older than age 12 but younger than age 18; €54.11 if aged 18 or older.

Sick or disabled child supplement (old system): For a disabled child born before December 31, 1992, with an assessed degree of disability of at least 66%, the monthly supplement varies between €360.66 and €422.03. The child's degree of disability is calculated according to a schedule of 0 to 9 points.

Sick or disabled child supplement (new system implemented May 1, 2003): For a disabled child born after December 31, 1992, supplements are awarded according to the impact of the illness on the physical and mental capacity of the child, the activity and participative capacity of the child, and the implications for the child's next of kin. The monthly supplement varies between €70.30 and €468.68.

Birth grant: €1,086.11 is paid for the first birth (or per child for multiple births); €817.17 for the second and each subsequent birth.

Adoption allowance: €1,086.11 is paid for each child adopted.

Annual supplement: €72.83 for each child between ages 12 and 17.

Benefit adjustment: Benefits are adjusted periodically for wage and price changes and other economic factors.

Administrative Organization

Social Security Public Federal Service (<http://www.socialsecurity.fgov.be>) provides general supervision.

National Social Security Office (<http://www.onss.be/en/home.html>) collects and administers contributions.

Family allowances are paid by about 26 approved private occupational, regional, and specialist funds and by two public organizations.

National Family Allowances Office (<http://www.onafts.fgov.be>) supervises private funds and administers allowances to families not covered by a private fund.

Bulgaria

Exchange rate: US\$1.00 equals 1.33 leva.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1924.

Current laws: 2000 (social insurance), with amendments; and 2000 (pensions), with amendments.

Type of program: Social insurance, mandatory individual account, and social assistance system.

Note: A new system consisting of a modified social insurance first pillar plus a second pillar of individual accounts was implemented between 2000 and 2002. Participation in the new system is mandatory for those persons born after December 31, 1959, who are covered by social insurance. All others are covered only by social insurance.

Coverage

Employed persons, self-employed persons, free-lance professionals, artists, craftsmen, and farmers.

Voluntary coverage is not possible.

There are no special systems for any specified groups of employees under the first pillar.

Source of Funds

Insured person: For persons born before January 1, 1960: 8.8% of covered earnings (social insurance); for persons born after December 31, 1959: 6.8% of covered earnings (social insurance) plus 2% of covered earnings (mandatory individual account) and up to 1% per year of accumulated funds for administrative fees.

The minimum monthly earnings for contribution purposes are 220 leva.

The maximum monthly earnings for contribution purposes are 2,000 leva.

Self-employed person: For persons born before January 1, 1960: 22% of declared covered earnings for social insurance only; for persons born after December 31, 1959: 17% of declared covered earnings (social insurance) plus 5% of declared covered earnings (mandatory individual account) and up to 1% per year of accumulated funds for administrative fees.

The minimum monthly earnings for contribution purposes are 240 leva.

The maximum monthly earnings for contribution purposes are 2,000 leva.

Employer: For persons born before January 1, 1960: 13.2% of covered payroll for social insurance; for persons born after December 31, 1959: 10.2 % of covered payroll (social insurance) plus 3% of covered payroll (mandatory individual account).

The minimum monthly earnings for contribution purposes are 220 leva.

The maximum monthly earnings for contribution purposes are 2,000 leva.

Government: Any deficit in the social insurance system and the cost of social pensions; contributes as an employer.

Qualifying Conditions

Old-age pension

Social insurance: Age 63 (men) or age 59 and 6 months (women). The insured's age plus the length of the insured's coverage period must be equal to at least 100 points (men) or 93 points (women) (individuals are awarded one point for each year of age as well as one point for each year of coverage).

The retirement age for women is increasing gradually by 6 months each year until it reaches age 60 in 2009.

If the insured has an insufficient number of points, a pension is paid with at least 15 years of coverage (including 12 years of actual service) at age 65 (men and women).

Early pension: There is no early pension.

Deferred pension: The pension can be deferred. There is no maximum deferral period.

Benefits are payable abroad.

Mandatory individual account: Age 63 (men) or age 59 and 6 months (women). The retirement age for women is increasing gradually by 6 months each year up to age 60 in 2009.

Early pension: An early pension is possible, depending on the insured's occupation.

Benefits are payable abroad under reciprocal agreement.

Old-age social pension (income-tested): Aged 70 or older.

Disability pension

Disability pension (social insurance): There is no minimum qualifying period for individuals younger than age 20 or for persons assessed as blind; 1 year for those aged 25 to 29; 3 years for those aged 30; or 5 years for those older than age 30.

Ministry of Health Medical Expert Commissions are responsible for assessing the degree of loss of working capacity.

Benefits are payable abroad.

Mandatory individual account (disability pension): No benefits are provided.

Disability social pension (income-tested): Aged 16 or older with an assessed loss of working capacity greater than 71%.

Ministry of Health Medical Expert Commissions are responsible for assessing the degree of loss of working capacity.

Survivor pension

Survivor pension (social insurance): Paid for children up to age 18 (age 26 if a student or in military service, no limit if disabled), a surviving spouse within 5 years of attaining the normal retirement age (earlier if disabled), and parents older than the normal retirement age who do not receive a pension in their own right. Parents of insured persons who died during military service are eligible regardless of age.

Benefits are payable abroad.

Mandatory individual account (survivor pension): No benefits are provided.

Old-Age Benefits

Old-age pension

Social insurance old-age pension: The pension is equal to 1% of taxable income for each year of coverage. Taxable income for benefit calculation purposes is reduced proportionately for partial years of coverage.

The minimum old-age pension for pensioners with the required number of points at the normal retirement age is 102.85 leva a month (October 2007); pensioners without the required number of points receive 87.42 leva.

Benefit adjustment: The minimum pension is set annually by government.

Early pension: There is no early pension.

Deferred pension: There is no maximum deferral period.

Mandatory individual account: Benefits are paid as a pension and are based on the accumulated capital in the individual account and life expectancy. Benefits are paid directly by the pension insurance company to the insured. (The insured does not buy an annuity.)

Old-age social pension (income-tested): 76.23 leva a month is paid.

Income test: The income ceiling for eligibility for the social pension is the guaranteed minimum monthly income (55 leva) per family member in the last 12 months.

Permanent Disability Benefits

Disability pension

Disability pension (social insurance): The pension is based on the number of years of contributions, taxable income, the age of the insured if younger than the normal retirement age, and the assessed loss of working capacity.

The minimum disability pension varies from 85% to 115% of the minimum old-age pension, according to the assessed loss of working capacity (from 87.42 leva to 118.28 leva a month).

The minimum old-age pension is 102.85 leva a month (October 2007).

Mandatory individual account (disability pension): No benefits are provided.

Disability social pension (income-tested): The pension is calculated as a percentage of the old-age social pension (76.23 leva), according to the assessed loss of working capacity: 120% of the old-age social pension (91.48 leva) is paid for a loss of working capacity greater than 90%; 110% of the old-age social pension (83.85 leva) for a loss of working capacity of 71% to 90%.

Survivor Benefits

Survivor pension

Survivor pension (social insurance): 50% of the deceased's pension is paid for one survivor; 75% for two survivors; 100% for three survivors or more. The pension is split equally among all eligible survivors. Full orphans receive the sum of the pensions of both deceased parents.

Survivor's supplement: 20% of the deceased's pension is paid.

The minimum pension for each survivor is equal to 75% of the minimum old-age pension.

The minimum old-age pension is 102.85 leva a month (October 2007).

Mandatory individual account (survivor pension): No benefits are provided.

Administrative Organization

Ministry of Labor and Social Policy (<http://www.mlsp.government.bg>) is responsible for developing, coordinating, and implementing state policy in social insurance and social assistance.

Managed by a tripartite supervisory board comprising representatives of the government, employers, and workers, the National Social Security Institute (<http://www.nssi.bg>) administers the social insurance system.

Financial Supervision Commission (<http://www.fsc.bg>) is responsible for the licensing and supervision of pension insurance companies and oversees the system of mandatory individual accounts.

National Revenue Agency (<http://www.nra.bg>) collects social security contributions and transfers the part of the contributions allocated to the mandatory individual accounts to the respective pension insurance companies.

Sickness and Maternity

Regulatory Framework

First law: 1918.

Current laws: 1998 (health insurance); and 2000 (social insurance), with amendments.

Type of program: Social insurance system.

Coverage

Cash sickness and maternity benefits: Employees working for more than 5 days or 40 hours a month, including civil servants, judges, prosecutors, investigators, bailiffs, military personnel, members of cooperatives, paid public officials, and clergy.

Voluntary coverage for registered freelance professionals and artisans, sole proprietors, owners or partners in commercial companies, registered farmers, and working pensioners.

Medical benefits: All persons residing in Bulgaria.

Source of Funds

Insured person

Cash benefits: 1.4% of covered earnings.

Medical benefits: 2.4% of covered earnings.

The minimum monthly earnings for contribution purposes are 220 leva.

The maximum monthly earnings for contribution purposes are 2,000 leva.

Self-employed person

Cash benefits: Voluntary contributions of 3.5% of declared covered earnings.

Medical benefits: 6% of declared covered earnings.

The minimum monthly earnings for contribution purposes are 240 leva.

The maximum monthly earnings for contribution purposes are 2,000 leva.

Employer

Cash benefits: 2.1% of payroll.

Medical benefits: 3.6% of payroll.

Government: Any deficit; contributes as an employer.

Qualifying Conditions

Cash sickness and maternity benefits: The insured must have 6 months of coverage.

There is no qualifying period for an insured person younger than age 18.

Medical benefits: Must reside in Bulgaria.

Sickness and Maternity Benefits

Sickness benefit: The benefit is equal to 80% of the insured's earnings and is paid for up to 90 days. Benefits are also paid for the entire period of a temporary incapacity due

to quarantine. Benefits may be paid for sanatorium treatment, depending on the health authority.

Earnings are based on the insured's average daily gross wage or average daily insured earnings in the 6 calendar months before the incapacity began.

Benefits are paid for providing care to sick family members and accompanying them during medical treatment: for up to 10 days for a family member older than age 18; for up to 60 days if the family member is younger than age 18; for caring for a sick child up to age 3 if the insured is hospitalized with the child; or to provide care to a family member for the duration of the quarantine period.

Maternity benefit: The benefit is equal to 90% of the insured's average daily covered earnings and is paid for a period of 135 days, beginning 45 days before the expected date of childbirth.

Child care benefit: The benefit is 220 leva and is paid until the child reaches age 2.

Assistance to students: Includes a lump sum paid during pregnancy and a lump sum paid after giving birth; a monthly allowance paid for a child until she or he leaves secondary education or up to age 20; and a monthly allowance paid for child care for a child up to age 1.

Funeral grant: Twice the minimum wage (440 leva) is split equally among the surviving spouse, children, and parents.

Workers' Medical Benefits

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

Dependents' Medical Benefits

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

Administrative Organization

Managed by a tripartite supervisory board comprising representatives of the government, employers, and workers, the National Social Security Institute (<http://www.nssi.bg>) administers the social insurance system.

National Health Insurance Fund (<http://www.nhif.bg>) administers medical benefits.

Work Injury

Regulatory Framework

First law: 1924.

Current law: 2000 (social insurance), with amendments.

Type of program: Social insurance system.

Coverage

Employees working for more than 5 days or 40 hours a month, including civil servants, judges, prosecutors, investigators, bailiffs, military personnel, members of cooperatives, paid public officials, and clergy.

Voluntary coverage for registered freelance professionals and artisans, sole entrepreneurs, owners or partners in commercial companies, registered farmers, and working pensioners.

Source of Funds

Insured person: None.

Self-employed person: Voluntary contributions only.

Employer: 0.4% to 1.1% of payroll, according to the assessed degree of risk.

Government: None; contributes as an employer.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period for benefits for a work injury or an occupational disease.

Temporary Disability Benefits

The benefit is equal to 90% of the insured's earnings and is paid from the first day of incapacity until recovery or certification of permanent disability.

Ministry of Health Medical Expert Commissions are responsible for assessing the degree of loss of working capacity.

Permanent Disability Benefits

Permanent disability pension: The monthly pension is between 30% and 40% of the insured's earnings, according to the assessed loss of working capacity.

The minimum disability pension varies from 100% to 125% of the minimum old-age pension, according to the assessed loss of working capacity (from 102.85 leva to 128.56 leva a month).

The minimum old-age pension is 102.85 leva a month (October 2007).

Constant-attendance allowance: 75% of the old-age social pension is paid.

The old-age social pension is 76.23 leva a month.

Ministry of Health Medical Expert Commissions are responsible for assessing the degree of loss of working capacity.

Survivor Benefits

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

The minimum pension is equal to 75% of the minimum old-age pension.

The minimum old-age pension is 102.85 leva a month (October 2007).

Administrative Organization

Managed by a tripartite supervisory board comprising representatives of the government, employers, and workers, the National Social Security Institute (<http://www.nssi.bg>) administers the social insurance system.

Unemployment

Regulatory Framework

First law: 1925.

Current law: 2000 (social insurance), with 2002 amendment.

Type of program: Social insurance system.

Coverage

Employed persons.

Source of Funds

Insured person: 0.4% of covered earnings.

The maximum monthly earnings for contribution purposes are 2,000 leva.

Self-employed person: Not applicable.

Employer: 0.6% of covered payroll.

The maximum monthly earnings for contribution purposes are 2,000 leva.

Government: None.

Qualifying Conditions

Unemployment benefits: The insured must have at least 9 months of coverage.

Unemployment Benefits

The benefit is equal to 60% of the insured's average earnings in the last 9 months. The duration of benefit entitlement varies according to the length of the coverage period. The benefit is paid for up to 4 months with 3 years of coverage; for up to 12 months with more than 25 years of coverage.

The benefit is proportionately reduced for part-time workers. If an eligible worker becomes unemployed within 3 years of previous entitlement, the benefit is paid for a maximum of 4 months.

The benefit may be combined with a disability pension and family benefits paid for a child younger than age 18.

The minimum benefit is 100 leva; may be less for a part-time worker.

For voluntarily unemployed persons and persons who are dismissed or who become eligible for unemployment benefits within 3 years of previous entitlement, only the minimum benefit is paid.

The maximum benefit is 200 leva.

Administrative Organization

Managed by a tripartite supervisory board comprising representatives of the government, employers, and workers, the National Social Security Institute (<http://www.nssi.bg>) administers the social insurance system.

National Employment Agency (http://www.az.government.bg/eng/index_en.asp), an executive agency of the Minister of Labor and Social Policy, implements policy on employment promotion.

Family Allowances

Regulatory Framework

First law: 1942.

Current law: 2002 (family benefits).

Type of program: Social assistance system.

Coverage

All persons residing in Bulgaria.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Family allowances: The monthly income for each family member must not be greater than 200 leva (except if the child is permanently disabled). The child must reside in Bulgaria, attend school (from age 7 to age 20), and not be in a specialized child care institution.

Child-rearing allowance: The monthly income for each family member must not be greater than 200 leva. The child must reside in Bulgaria and not be in a specialized child care institution. The allowance is paid until the child is age 1 if the mother is not receiving maternity benefits; age 2 if the child is disabled, regardless of any family income.

Birth grant: Paid for each live birth regardless of family income.

Family Allowance Benefits

Family allowances: Each child receives 30 leva a month; for a disabled child, 100 leva a month is paid.

Child-rearing allowance: 100 leva a month is paid.

Birth grant: 250 leva is paid for the birth of the first child, 600 leva for the second, and 200 leva for the birth of each subsequent child. For the birth of a disabled child, an additional 100 leva is paid.

Administrative Organization

Social Assistance Agency (<http://www.mlsp.government.bg>) of the Ministry of Labor and Social Assistance administers the program.

Croatia

Exchange rate: US\$1.00 equals 4.90 kunas.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1922.

Current laws: 1998 (pension insurance), implemented in 1999, with amendments; 1998 (maximum pension), with amendment; 1998 (disability); 1998 (occupational diseases); 1998 (medical reports); 1999 (pension funds), with amendments; 1999 (pension insurance companies and savings), with amendment; 1999 (insurance); 1999 (medical assessment), with amendments; 2002 (contributions), with amendments; 2004 (contribution collection); and 2006 (compulsory insurance), with amendments.

Type of program: Social insurance and mandatory individual account system.

Note: A mandatory two-pillar system was implemented in two stages in January 1999 and January 2002. Persons older than age 50 when the new system was implemented are insured under the first-pillar social insurance system only and receive a regular pension. Those between ages 40 and 50 who were already insured under the first-pillar social insurance system could opt to join the two-pillar system until June 30, 2002. In the two-pillar system, the first-pillar benefit is the basic pension and the second-pillar benefit is based on accumulated assets in an individual account.

Coverage

Employed persons in industry, commerce, or services; apprentices; civil servants and public-sector employees; military and police personnel; judiciary officers; temporary contract workers; and self-employed persons in nonagricultural and agricultural work.

Source of Funds

Insured person

Social insurance: 20% of covered earnings if insured under social insurance only; 15% of covered earnings if insured under the social insurance and mandatory individual account system.

The minimum monthly earnings for contribution purposes are 2,441.25 kunas.

The maximum monthly earnings for contribution purposes are 41,850 kunas.

The insured's contributions also finance disability and survivors benefits and work injury and occupational disease benefits.

Individual account: 5% of gross earnings, plus an amount for administrative fees (up to a ceiling).

Self-employed person

Social insurance: 20% of covered earnings if insured under social insurance only; 15% of the insurance base if insured under the social insurance and mandatory individual account system.

Self-employed farmers who must pay income taxes contribute 20% of covered earnings if insured under social insurance only; 15% of the insurance base if insured under the social insurance and mandatory individual account system. Self-employed farmers who are not liable to pay income taxes contribute 10% of covered earnings if insured under social insurance only; 5% of the insurance base if insured under the social insurance and mandatory individual account system.

The insurance base is defined as a percentage of the gross average wage of all employed persons (from 50% to 110%, from 6,975.00 kunas), depending on the category of self-employment and the individual's level of education.

The self-employed person's contributions also finance disability and survivors benefits and work injury and occupational disease benefits.

The minimum monthly earnings for contribution purposes are 2,441.25 kunas.

The maximum monthly earnings for contribution purposes are 41,850.00 kunas.

Individual account: 5% of covered earnings, plus an amount for administrative fees (up to a ceiling).

The maximum earnings for contribution purposes for self-employed persons are equal to the minimum monthly earnings for contribution purposes for social insurance benefits (2,441.25 kunas).

Employer

Social insurance: None; except on behalf of employees in arduous or unhealthy occupations.

Individual account: None; except on behalf of employees in arduous or unhealthy occupations.

Government

Social insurance: Covers all or part of the cost of social insurance for military and police personnel, judiciary officials, parliamentary deputies, members of government, and disabled war veterans.

Individual account: None.

Qualifying Conditions

Old-age pension

Social insurance: Age 65 with at least 15 years of coverage (men) or age 60 with at least 15 years of coverage (women).

Early pension: Age 60 with at least 35 years of coverage (men) or age 55 with at least 30 years of coverage (women).

Deferred pension: There is no deferred pension.

A pensioner receiving a social insurance regular or basic pension must cease work. (Persons insured under the first-pillar social insurance system only receive a regular pension. In the two-pillar system, the first-pillar benefit is the basic pension.)

Individual account (old-age): The insured must meet the qualifying conditions for a social insurance pension.

Disability benefits

Paid for a permanent reduction in, or loss of, the ability to work resulting from an occupational or nonoccupational injury or disease. Higher awards are made for a disability that is the result of a work injury or an occupational disease.

General disability pension: The insured must be assessed with a permanent loss of working capacity resulting from permanent changes in health occurring before age 65 (men and women). The insured must have 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). There is no minimum qualifying period if the general (full) disability is the result of a work injury or an occupational disease.

The insured must cease employment.

Occupational (partial) disability pension: If the disability began after age 50, the pension is paid for a permanent reduction in working capacity greater than 50%; if the disability began before age 50, the pension is paid for a reduced capacity to work that is not likely to be improved by occupational rehabilitation. The pension may be paid up to age 65 (men and women). The insured must have coverage during at least 1/3 of the working life. There is no minimum qualifying period if the disability is the result of a work injury or an occupational disease. If there is no likelihood of rehabilitation for work, the pension is paid for life.

Occupational rehabilitation and salary compensation: Paid if the disability began before age 50 and it is likely that the person will regain the capacity to work full time (40 hours a week). Salary compensation is paid in the same amount as the occupational disability pension paid during the rehabilitation process until employment begins in another job with the same employer; if no other job is available with the same employer or acceptable to the insured, it is paid during a 12-month unemployment period after the completion of occupational rehabilitation (24 months if the disability is the result of a work injury or an occupational disease). Other jobs offered in writing must require the same level of education as was required for the job performed before the disability began; if none is available, the job must require the next lower degree of education.

Medical experts of the Croatian Pension Insurance Institute and senior medical experts assess the degree of disability.

The assessment is subject to review by a special medical committee composed of 12 appointed members of the Croatian Pension Insurance Institute.

Compensation allowance for a physical injury: Paid for the loss of, or damage to, a part of the body or of an organ that is the result of a work injury or an occupational disease. The insured's injury must be assessed as at least 30%. The allowance is paid regardless of whether the physical injury led to the onset of an assessed disability.

Individual account (disability): Paid if the insured meets the qualifying conditions for a social insurance pension and the value of the individual account pension combined with the basic disability pension is greater than the regular disability pension. (In the two-pillar system, the first-pillar benefit is the basic disability pension. Persons insured under the first-pillar social insurance system only receive a regular disability pension.)

Survivor pension

Social insurance: The deceased was a pensioner, an occupational rehabilitation beneficiary, or had completed 5 years of coverage, a 10-year qualifying period, or met the qualifying period conditions for a disability pension. There is no minimum qualifying period if the death resulted from a work injury or an occupational disease.

Individual account (survivors): Paid if the deceased met the qualifying conditions for a social insurance pension and the value of the individual account pension combined with the basic survivor pension is greater than the regular survivor pension. (In the two-pillar system, the first-pillar benefit is the basic survivor pension. Survivors of a deceased person insured under the first-pillar social insurance system only receive a regular survivor pension.)

Old-Age Benefits

Old-age pension

Note: Insured persons may be eligible to receive different combinations of social insurance and individual account benefits. For coverage periods under the social insurance system before 2002 and those after 2002 if completed only under the social insurance system, the insured receives a regular old-age pension; for coverage periods completed simultaneously under the social insurance system and the individual account system from 2002, the insured receives a basic old-age pension and a pension from the individual account system.

Regular old-age pension (social insurance): The pension is calculated on the basis of the insured's earnings, according to the average wage of all employed persons and the length of the insured's coverage period (including the period before 2002).

The minimum pension is calculated as 0.825% of the adjusted average gross salary of all employees in 1998 for

each year of coverage. For insured persons retiring in 2008, 52.46 kunas is paid for each year of coverage.

The maximum pension depends on the length of the insured's coverage period and previous earnings, up to a ceiling.

Early pension: The pension is reduced by 0.15% for each month the pension is taken before the normal retirement age. This reduction is permanent and continues after the recipient reaches the normal retirement age.

Deferred pension: There is no deferred pension.

Benefits are payable abroad.

Benefit adjustment: Benefits are adjusted every 6 months according to an index based on changes in the cost of living and national average gross earnings.

Basic old-age pension (social insurance): For periods of coverage under the social insurance system since 2002, the pension is based on the average gross salary of all employed persons in the preceding year, the insured's number of years of coverage under the new system, and previous earnings up to a ceiling.

Benefits are payable abroad.

Benefit adjustment: Benefits are adjusted every 6 months according to an index based on changes in the cost of living and national average gross earnings.

Individual account: The pension is based on the accumulated assets in the individual account and average life expectancy at retirement.

Benefits are payable abroad.

Permanent Disability Benefits

Disability pension

Note: The pension depends on the level of wages earned in relation to the average wage of all employed persons, the length of the insured's coverage period (except for a work injury or an occupational disease), and the assessed degree of disability (total loss of, or permanent reduction in, the capacity to work).

In most cases, benefits are paid under social insurance.

For a disability caused by a work injury or an occupational disease, the minimum number of years used for pension calculation purposes is 40. The amount of the pension is calculated according to the insured's years of coverage and the value of the pension per qualifying year.

General disability pension (social insurance): The full amount is paid for a general disability.

The minimum pension is calculated as 0.825% of the adjusted average gross salary of all employees in 1998 for each year of coverage. For insured persons retiring in 2008, 52.46 kunas is paid for each year of coverage.

The maximum pension depends on the length of the insured's coverage period and previous earnings, up to a ceiling.

Occupational (partial) disability pension (social insurance): The pension is equal to 80% of the general disability pension; 50% if the pensioner is still employed.

The minimum pension is calculated as 0.825% of the adjusted average gross salary of all employees in 1998 for each year of coverage. For insured persons retiring in 2008, 52.46 kunas is paid for each year of coverage.

The maximum pension depends on the length of the insured's coverage period and previous earnings, up to a ceiling.

Benefits are payable abroad.

Occupational rehabilitation and salary compensation (social insurance): The benefit is the same as the occupational disability pension unless the disability was caused by a work injury or an occupational disease, in which case it is the same amount as the general disability pension based on 40 years of coverage.

Compensation allowance for a physical injury (social insurance): The allowance depends on the assessed degree of physical injury resulting from a work injury or an occupational disease. There is no minimum qualifying period. The allowance is paid to employed and self-employed persons for life.

Benefit adjustment: Benefits are adjusted every 6 months according to an index based on changes in the cost of living and national average gross earnings.

Individual account: The pension is based on the accumulated assets in the individual account. If the value of the individual account pension combined with the basic disability pension is not greater than the regular disability pension, the funds in the individual account are transferred to the Croatian Pension Insurance Institute, and the social insurance disability pension is paid at a higher rate. (In the two-pillar system, the first-pillar benefit is the basic disability pension. Persons insured under the first-pillar social insurance system only receive a regular disability pension.)

Survivor Benefits

Survivor pension

Social insurance: The amount is based on the old-age or disability pension paid or payable to the deceased and the number of survivors. The minimum number of years of coverage for pension calculation purposes is 21; if the insured's death was the result of a work injury or an occupational disease, the minimum number of years of coverage for pension calculation purposes is 40.

In most cases, benefits are paid under social insurance.

The minimum pension is calculated as 0.825% of the adjusted average gross salary of all employees in 1998 for

each year of coverage. For insured persons who died in 2008, 52.46 kunas is paid for each year of coverage.

The maximum pension depends on the length of the deceased's coverage period, the deceased's previous earnings (up to a ceiling), and on the number of survivors; 100% of the deceased's pension is paid for four survivors or more.

Eligible survivors are a widow(er) aged 50 or older, caring for eligible children, or disabled (a woman who is widowed at age 45 becomes eligible on reaching age 50); and children up to age 15 (age 18 if unemployed, age 26 if a student, no limit if disabled).

In the widow(er) remarries and is younger than age 50 or disabled, the pension ceases.

Benefits are payable abroad.

Benefit adjustment: Benefits are adjusted every 6 months according to an index based on changes in the cost of living and national average gross earnings.

Individual account: The pension is based on the accumulated assets in the individual account. If the value of the individual account pension combined with the basic survivor pension is not greater than the regular survivor pension, the funds in the individual account are transferred to the Croatian Pension Insurance Institute, and the social insurance survivor pension is paid at a higher rate. (In the two-pillar system, the first-pillar benefit is the basic survivor pension. Survivors of a deceased person insured under the first-pillar social insurance system only receive a regular survivor pension.)

Administrative Organization

Social insurance

Ministry of Economy, Labor, and Entrepreneurship (<http://www.mingo.hr>) and the Ministry of Finance (<http://www.mfin.hr>) provide general supervision.

Croatian Pension Insurance Institute (<http://www.mirovinsko.hr>) administers benefits.

Individual account

Ministry of Economy, Labor, and Entrepreneurship (<http://www.mingo.hr>) and the Ministry of Finance (<http://www.mfin.hr>) 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 administrative services and administer benefits.

Sickness and Maternity

Regulatory Framework

First law: 1954.

Current laws: 1996 (maternity), with 2004 amendment; 1997 (health care); 2001 (health insurance), implemented in 2002, with amendments; 2002 (contributions), with 2002 and 2004 amendments; 2003 (health care), with amendments; 2004 (patients rights); and 2005 (compulsory insurance contribution), with amendments.

Type of program: Social insurance system.

Coverage

Cash sickness and maternity benefits and medical benefits: Employed persons, public-sector employees, civil servants, self-employed persons, salaried full-time apprentices, temporary contract workers, military personnel, vocational trainees, postgraduate students studying abroad, and persons employed by a foreign employer if they are not covered under the employer's country provisions.

Medical benefits only: Farmers, pensioners, unemployed persons, persons entitled to occupational rehabilitation, and children up to age 18 (age 26 if a student), disabled former military personnel without resources, dependents of an insured person, and voluntarily insured persons.

Source of Funds

Insured person: Employees do not contribute. Voluntarily insured persons contribute 15% of covered earnings, plus 0.5% of covered earnings for benefits for work injury and occupational diseases.

The minimum monthly earnings for contribution purposes are 2,441.25 kunas (persons with lower earnings contribute as though they earn 2,441.25 kunas).

The maximum monthly earnings for contribution purposes are 41,850 kunas.

Self-employed person: 15% of income, plus 0.5% of income for benefits for work injury and occupational diseases.

Non-taxpaying farmers contribute 7.5% of income up to 2,790.00 kunas plus 0.5% of income for work injury and occupational diseases; 15% if taxpaying, plus 0.5% of income for benefits for work injury and occupational diseases.

Employer: 15% of covered payroll, plus 0.5% of covered payroll for benefits for work injury and occupational diseases.

The minimum monthly earnings for contribution purposes are 2,441.25 kunas (persons with lower earnings contribute as though they earn 2,441.25 kunas).

The maximum monthly earnings for contribution purposes are 41,850.00 kunas.

Government: Contributes on behalf of certain categories of persons and finances new-born child assistance, additional maternity leave, obligatory maternity leave for unemployed mothers, sick leave for war veterans, and adoption leave.

Qualifying Conditions

Cash sickness and medical benefits: There is no minimum qualifying period. Entitlement to cash sickness benefits is determined by a designated doctor in a primary health care institution for the first period of incapacity (the duration depends on the nature of the incapacity); additional periods are determined by the decision of the medical commission of the Croatian Institute for Health Insurance.

Benefits are provided for up to 6 months; thereafter, the disability commission of the Croatian Pension Insurance Institute decides whether the insured is permanently disabled, cured, or in need of further treatment. In the latter case, an additional 6-month period of temporary disability is paid.

Cash maternity and parental leave benefits: A designated doctor in a primary health care institution must certify the pregnancy.

Newborn child assistance: Paid on the birth of a child.

Sickness and Maternity Benefits

Sickness benefit: Benefits vary between 70% and 100% of the insured's average monthly earnings in the previous 6-month period; 100% for an incapacity that is the result of a work injury or an occupational disease, participation in the Homeland War, pregnancy, childbirth, the donation of transplantation tissues or organs, or if nursing a sick child up to age 3. Benefits are paid for a maximum of 6 consecutive months, according to the schedule in law. The employer pays for the first 42 days, except if the incapacity is because of pregnancy, maternity leave, or having participated in the Homeland War, in which case the cost is met by the Croatian Institute for Health Insurance at the expense of the state budget.

The minimum monthly benefit is 831.50 kunas.

The maximum monthly benefit is 4,257.28 kunas, except for the obligatory maternity leave period which is paid without limit.

Maternity benefit: The monthly benefit is equal to 100% of the insured's earnings and is paid until the child is aged 6 months (beginning 28 to 45 days before the expected date of childbirth). An additional benefit is paid until the child is age 1 (age 3 for multiple births).

Unemployed mothers receive 1,663 kunas a month in the first 6 months of the maternity period.

Mandatory parental leave for the mother begins 28 days before the expected date of childbirth (45 days in case of complications resulting from the pregnancy) and lasts at least up to 42 days after childbirth (after the 42nd day the father can opt to take the parental leave in place of the mother). The leave period may be extended until the child is age 1.

The minimum monthly benefit is 1,663 kunas (for full-time employees).

There is no maximum benefit for obligatory maternity leave (until the child is 6 months old) and in this period the benefit is paid by the Croatian Institute for Health; thereafter, between 1,663 kunas and 2,500 kunas a month is paid until the child is age 1 or 1,663 kunas a month is paid for each child up to age 3 following multiple births.

Newborn child assistance: A lump sum of 2,328.20 kunas is paid.

Workers' 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: Cost sharing by patients varies according to the nature of the service provided. There are free services for children younger than age 18, persons with low income, disabled persons needing constant assistance, disabled Homeland War veterans, persons registered at the Croatian Institute for Health Insurance as unemployed, and voluntary blood donors who have made 35 donations (men) or 25 donations (women).

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: Cost sharing by patients varies according to the nature of the service provided. There are free services for children younger than age 18, low-income persons, disabled persons needing constant assistance, disabled Homeland War veterans, persons registered at the Croatian Institute for Health Insurance as unemployed, and voluntary blood donors who have made 35 donations (men) or 25 donations (women).

Administrative Organization

Ministry of Health and Social Welfare (<http://www.mzss.hr>) provides general supervision.

Governed by a managing council, the Croatian Institute for Health Insurance (<http://www.hzzo-net.hr>), with 20 district offices, administers benefits.

Work Injury

Regulatory Framework

Under the 2006 Health Insurance Act, benefits for an assessed incapacity or disability that are paid as the result of a work injury or an occupational disease are provided under more favorable conditions and at higher rates than general sickness and disability benefits. Supervised by the Ministry of Health and Social Welfare (<http://www.mzss.hr>), the Croatian Institute for Health Insurance for Health Protection at Work oversees prevention measures and the detection of occupational diseases.

Unemployment

Regulatory Framework

First law: 1952.

Current laws: 2002 (unemployment), with 2002 and 2003 amendments; 2002 (contributions), with 2003 and 2004 amendments; 2002 (occupational rehabilitation), with 2005 amendment; and 2005 (compulsory insurance).

Type of program: Social insurance system.

Coverage

All employed persons with insurance coverage based on an employment contract, including public-sector employees, civil servants, military and police personnel, and judiciary officers.

Exclusions: Self-employed persons and farmers.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: 1.7% of covered payroll.

The minimum monthly earnings for contribution purposes are 2,441.25 kunas (contributions on behalf of employees with lower earnings are paid as though they earn 2,441.25 kunas).

The maximum monthly earnings for contribution purposes are 41,850 kunas.

Government: Provides periodic subsidies and the total or partial cost of benefits for certain categories of persons.

Qualifying Conditions

Unemployment benefit: The insured must be between ages 15 and 65 with at least 9 months of employment in the last 24 months. The insured must register with the Employment Institute in the first 30 days of unemployment. There is no qualifying period for unemployed mothers caring for children younger than age 1.

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

Unemployed workers with at least 35 years (men) or 30 years (women) of employment are covered until they are reemployed.

Benefits may be paid to women during pregnancy and until the child is age 1 if there is no entitlement to benefits under any other program. Benefits may be paid during temporary incapacity for work for up to 3 months.

Unemployed persons of retirement age are also entitled to unemployment benefits until the minimum coverage period for the old-age pension is satisfied, up to a maximum of 5 years.

Lump-sum payment: Paid to unemployment benefit beneficiaries who became unemployed because of the restructuring of their place of employment or because of unforeseen personal circumstances.

Unemployment assistance: Paid to unemployed persons who participate in vocational training.

Reimbursement of traveling and removal costs: Paid if costs are incurred as a result of finding new employment and having to relocate away from the regular place of residence.

Unemployment Benefits

Unemployment benefit: The benefit is equal to the insured's average wage in the last 3 months. The benefit is paid for between 78 and 390 days, depending on the duration of previous employment.

The minimum benefit is 976.60 kunas a month.

The maximum benefit is 1,200 kunas a month.

Lump-sum payment: Depending on the duration of previous employment, a lump sum equal to 2, 4, or a maximum of 6 monthly unemployment benefits is paid.

Unemployment assistance: 976.60 kunas a month is paid.

Reimbursement of traveling and removal costs: A lump sum is paid.

Administrative Organization

Ministry of Economy, Labor, and Entrepreneurship (<http://www.mingo.hr>) is responsible for general supervision.

Managed by a tripartite nine-member committee, the Croatian Employment Institute (<http://www.hzz.hr>) administers the program through its central office and 22 regional and 91 local offices.

Family Allowances

Regulatory Framework

First law: 1949.

Current laws: 2001 (children allowances), implemented in 2002; and 2004 (income tax), implemented in 2005, with amendments.

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 who have resided in Croatia for at least 3 years before the claim, as well as foreign citizens with temporary residence who are eligible under the provisions of a bilateral international social security agreement or the European Union's coordination instruments. Children must be younger than age 15 (regardless of whether they are in school); children older than age 15 are eligible if a full-time student, incapacitated, or disabled.

Parents of children who reside abroad for more than 3 consecutive months, except if otherwise covered by a bilateral international social security agreement or the European Union's coordination instruments.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Family allowances (children allowance): Children younger than age 15 (younger than age 19 if a full-time student, until age 21 if incapacitated, or until age 27 if severely disabled). No allowances are paid if the child resides permanently in a specialized institution.

Income test: The total household income in the year before the year of the claim must not exceed 50% of the state budget base.

The state budget base is 3,326 kunas (2008).

There is no minimum qualifying period or an employment requirement for parents.

Family Allowance Benefits

Family allowances (children allowance): Households whose income does not exceed 50% of the state budget base (1,663 kunas) receive a minimum income-tested benefit equal to 199.56 kunas a month per child. Households whose income exceeds 16.33% but does not exceed 33.66% of the state budget base (1,119.53 kunas) receive a minimum income-tested benefit equal to 249.45 kunas a month per child. Households whose income does not exceed 16.33% of the state budget base (543.14 kunas) receive a minimum income-tested benefit equal to 299.34 kunas a month per child.

Allowances for eligible single-parent households are 15% higher than the income-tested award.

Allowances for eligible full orphans and for eligible households with disabled children are 25% higher than the income-tested award.

Allowances for eligible, severely disabled children are equal to 25% of the state budget base (831.50 kunas a month per child).

Administrative Organization

Family Division of the Ministry of Family, Defenders, and Intergenerational Solidarity (<http://www.mobms.hr>) provides general and legal supervision.

Croatian Pension Insurance Institute (<http://www.mirovinsko.hr>) administers the program.

Cyprus

Exchange rate: US\$1.00 equals 0.68 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1957.

Current laws: 1980 (social insurance), with amendments; and 1995 (social pension), with amendments.

Type of program: Social insurance and social assistance system.

Coverage

Social insurance: Employed and self-employed persons aged 16 to 65.

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

Exclusions: Family labor.

There are no special systems for any specified groups of employees.

Social assistance: Persons aged 65 or older residing in Cyprus.

Source of Funds

Social insurance

Insured person: 6.3% of covered earnings; voluntary contributors working in Cyprus pay 10% of covered earnings; voluntary contributors working abroad pay 12.6% of covered earnings.

The maximum weekly earnings for contribution purposes are €885.

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

Self-employed person: 11.6% of covered earnings.

The maximum weekly earnings for contribution purposes are €885.

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

Employer: 6.3% of covered payroll.

The maximum weekly earnings for contribution purposes are €885.

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

Government: 4% of covered payroll; contributes as an employer; and 3.5% of covered earnings for voluntary contributors.

The maximum weekly earnings for contribution purposes are €885.

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

Social assistance

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost of the social pension is financed from general revenue.

Qualifying Conditions

Old-age pension (social insurance): Age 65 (age 63 for miners) with at least 3 years of contributions, covered earnings at least equal to 156 times the weekly basic covered earnings, and weekly average earnings (paid and credited) since 1964 or since age 16 at least equal to 25% of basic covered earnings.

Weekly basic covered earnings are €147.45.

Early pension: Age 63 if the weekly average of paid and credited earnings is at least equal to 70% of weekly basic covered earnings. (Miners aged 58 or older with a minimum of 5 years of employment may receive a pension 1 month earlier for every 5 months of mining work if they retire from that occupation.)

Deferred pension: A deferred pension is possible until age 68.

Benefits are payable abroad.

Old-age settlement (social insurance): Paid at age 68 to an insured person who does not meet the contribution conditions for the old-age pension because their weekly average covered earnings are less than 25% of weekly basic covered earnings.

Weekly basic covered earnings are €147.45.

Social pension (social assistance): Age 65 or older and the claimant has resided in Cyprus for at least 20 years after age 40 or 35 years after age 18.

Special allowance to pensioners: Paid to all pensioners with pension income (excluding dependent supplements) up to €854.30.

Disability pension (social insurance): Paid for a permanent incapacity for work with at least 3 years of contributions, covered earnings at least equal to 156 times the weekly basic covered earnings, and weekly average earnings (paid and credited) since 1964 or since age 16 at least equal to 25% of basic covered earnings; paid or credited contributions in the year before the disability began must be

equal to at least 20 times the weekly basic covered earnings or average covered earnings in the last 2 years must be equal to at least 20 times basic covered earnings. If the disability is caused by an accident, the same qualifying conditions apply as for the cash sickness benefit (see Sickness and Maternity).

Weekly basic covered earnings are €147.45.

Benefits are payable abroad.

Survivor pension (social insurance): The deceased had at least 3 years of contributions, covered earnings at least equal to 156 times the weekly basic covered earnings, and weekly average earnings (paid and credited) since 1964 or since age 16 at least equal to 25% of basic covered earnings.

Weekly basic covered earnings are €147.45.

If the death is caused by an accident, the same qualifying conditions apply as for the cash sickness benefit (see qualifying conditions under Sickness and Maternity).

Benefits are payable abroad.

Orphan's pension (social insurance): The deceased was insured and supported the child; for full orphans, one of the parents must have been insured.

Benefits are payable abroad.

Survivor settlement (social insurance): Paid if a widow(er) is not entitled to the survivor pension because the deceased spouse's weekly average covered earnings were less than 25% of weekly basic covered earnings. The survivor must not receive the social pension.

Weekly basic covered earnings are €147.45.

Missing person's allowance (social insurance): Paid to a dependent if the whereabouts of the insured person are unknown and he or she is presumed dead.

Old-Age Benefits

Old-age pension (social insurance): The basic pension is equal to 60% of average basic covered earnings, plus a supplementary pension equal to 1.5% of covered earnings exceeding basic covered earnings.

Weekly basic covered earnings are €147.45.

Past earnings are adjusted once a year according to changes in wages.

The maximum weekly earnings for benefit calculation purposes are €885.

The minimum pension is equal to 85% of the full basic pension.

Deferred pension: The pension is increased by 0.5% for each month of deferral, up to age 68.

Dependent's supplement: The basic pension is increased by 1/3 for the first dependent and by 1/6 for the second and third dependents; for a married female beneficiary, 1/6 of

the basic pension is paid for each child up to a maximum of two children.

Schedule of payments: Thirteen payments a year.

Old-age settlement (social insurance): A lump sum is paid equal to 15% of the total paid and credited covered earnings.

Social pension (social assistance): €286.64 a month is paid. If receiving another pension or a similar payment that is less than the social pension, the difference between the two pensions is paid.

Special allowance to pensioners: A monthly amount is paid.

Benefit adjustment: Benefits are adjusted in January and July each year. (In January, the basic pension is adjusted according to wages and the supplementary pension according to prices; in July, the basic and supplementary pensions are adjusted according to prices.)

Permanent Disability Benefits

Disability pension (social insurance): The basic pension is equal to 60% of average basic covered earnings, plus a supplementary pension equal to 1.5% of covered earnings exceeding basic covered earnings.

Weekly basic covered earnings are €147.45.

Past earnings are adjusted once a year according to changes in wages.

The maximum weekly earnings for benefit calculation purposes are €885.

Dependent's supplement: The basic pension is increased by 1/3 for the first dependent and by 1/6 for the second and third dependents; for a married female beneficiary, 1/6 of the basic pension is paid for each child up to a maximum of two children.

Schedule of payments: Thirteen payments a year.

Benefit adjustment: Benefits are adjusted in January and July each year. (In January, the basic pension is adjusted according to wages and the supplementary pension according to prices; in July, the basic and supplementary pensions are adjusted according to prices.)

Survivor Benefits

Survivor pension (social insurance): The basic pension is equal to 60% of the insured's average basic covered earnings, plus 60% of the insured's supplementary pension. The pension is paid to a dependent widow(er).

Weekly basic covered earnings are €147.45.

Past earnings are adjusted once a year according to changes in wages.

The maximum weekly earnings for benefit calculation purposes are €885.

The survivor pension ceases on remarriage, and a lump sum equal to a year's pension is paid.

A person receiving a survivor pension may also receive an old-age pension or disability pension including the supplementary pensions, up to a maximum depending on covered earnings.

Orphan's pension (social insurance): The benefit is equal to 20% of the deceased's basic covered earnings for one child, 30% for two children, and 40% for three or more children; for full orphans, 40% of the deceased's basic covered earnings is paid plus 50% of the supplementary widow(er)'s pension for one orphan or 100% for two or more orphans younger than age 15 (age 23 for an unmarried female orphan who is a full-time student, age 25 for an unmarried son who is a full-time student or is serving in the National Guard, no limit if disabled).

Termination settlement: A lump sum equal to 1 year's orphan's pension is paid on the termination of the orphan's pension because of age.

Weekly basic covered earnings are €147.45.

The maximum weekly earnings for benefit calculation purposes are €885.

Schedule of payments: Thirteen payments a year.

Survivor settlement (social insurance): A lump sum is paid equal to 15% of the deceased's basic covered earnings plus 9% of the deceased's earnings exceeding basic covered earnings.

Weekly basic covered earnings are €147.45.

The maximum weekly earnings for benefit calculation purposes are €885.

Missing person's allowance (social insurance): The pension is equal to 60% of average basic covered earnings, plus a supplementary pension equal to 1.5% of covered earnings exceeding basic covered earnings.

A person receiving a missing person's allowance may also receive an old-age pension or disability pension including the supplementary pensions, up to a maximum depending on covered earnings.

Dependent's supplement: The basic pension is increased by 1/3 for the first dependent and by 1/6 for the second and third dependents; for a married female beneficiary, 1/6 of the basic pension is paid for each child up to a maximum of two children.

Funeral grant (social insurance): €607 is paid for the death of the insured or a pensioner; €303.50 for the death of a dependent.

Benefit adjustment: Benefits are adjusted in January and July each year. (In January, the basic pension is adjusted according to wages and the supplementary pension according to prices; in July, the basic and supplementary pensions are adjusted according to prices.)

Administrative Organization

Directed by a tripartite advisory Social Insurance Board and a director, the Social Insurance Service of the Ministry of Labor and Social Insurance (<http://www.mlsi.gov.cy>) administers the program.

Sickness and Maternity

Regulatory Framework

First law: 1957.

Current law: 1980 (social insurance), with amendments.

Type of program: Social insurance system.

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 aged 64 or 65 are covered if they are not entitled to the old-age pension.

Exclusions: Family labor.

There are no special systems for any specified groups of employees.

Medical benefits: Certain categories of persons residing in Cyprus, including civil servants, police force and armed forces personnel, low-income individuals and families, and persons diagnosed with certain chronic diseases.

Source of Funds

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

Self-employed person: See source of funds under Old Age, Disability, and Survivors.

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

Government: See source of funds under Old Age, Disability, and Survivors. The total cost of medical benefits.

Qualifying Conditions

Sickness benefits: The insured must have at least 26 weeks of paid contributions including 20 contributions paid or credited in the last year. After entitlement to sickness benefits ceases, the insured can qualify again for benefits after the payment of 26 additional contributions.

Maternity benefits: The insured must have at least 26 weeks of paid contributions including 20 contributions paid or credited in the last year.

Maternity grant: The insured must have 26 weeks of paid contributions with 20 contributions paid or credited in the

last year. The grant is also paid to the nonworking wife of an insured man.

Medical benefits: The insured must reside in Cyprus.

Sickness and Maternity Benefits

Sickness benefit: The basic benefit is equal to 60% of the insured's average basic covered earnings in the last year plus a supplement equal to 50% of average covered earnings exceeding basic covered earnings in the last year, up to a maximum equal to twice the basic covered earnings. The benefit is paid after a 3-day waiting period (18 days for self-employed persons) for up to 52 weeks.

Dependent's supplement: The supplement is equal to 1/3 of basic benefit for a dependent spouse and 1/6 for other dependents, up to a maximum of two dependents. A spouse is considered dependent if he or she is not working or is not receiving any benefit from the Social Insurance Fund.

Weekly basic covered earnings are €147.45.

The maximum weekly earnings for benefit calculation purposes are €885.

Past earnings are adjusted once a year according to changes in wages.

Maternity benefit: The benefit is equal to 75% of the insured's average covered earnings during the last year. The benefit is paid for 18 weeks beginning between the 6th and 2nd week before the expected date of childbirth.

The benefit is also paid for 16 weeks to a stepmother for a child adopted before age 13.

The maximum weekly earnings for benefit calculation purposes are €885.

Past earnings are adjusted once a year according to changes in wages.

Maternity grant: A lump sum of €446 is paid.

Workers' Medical Benefits

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

Benefits are free for active and retired civil servants, police force and armed forces personnel, recipients of social assistance and their dependents, single persons with annual income not exceeding €15,377.41, families with annual income not exceeding €30,754.83 plus €1,708.60 for each dependent child, families with four or more children, and persons diagnosed with certain chronic diseases.

Cost sharing: A copayment is made by single persons with annual income between €15,379.12 and €20,503.22 and by families with total annual income between €30,756.53 and €37,589.23 plus €1,708.60 for each dependent child.

Dependents' Medical Benefits

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

Benefits are free for the dependents of active and retired civil servants, the dependents of police force and armed forces personnel, dependents of social assistance recipients, families with annual income not exceeding €30,754.83 plus €1,708.60 for each dependent child, families with four or more children, and persons diagnosed with certain chronic diseases.

Cost sharing: A copayment is made by families with total annual income between €30,756.53 and €37,589.23 plus €1,708.60 for each dependent child.

Administrative Organization

Directed by a tripartite advisory Social Insurance Board and a director, the Social Insurance Service of the Ministry of Labor and Social Insurance (<http://www.mlsi.gov.cy>) administers the program.

Ministry of Health (<http://www.moh.gov.cy>) provides medical services through government hospitals.

Work Injury

Regulatory Framework

First law: 1957.

Current law: 1980 (social insurance), with amendments.

Type of program: Social insurance system.

Coverage

Employed persons.

Exclusions: Self-employed persons.

There are no special systems for any specified groups of employees.

Source of Funds

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

Self-employed person: Not applicable.

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

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

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

The benefit is equal to 60% of the insured's average basic covered earnings in the last year and is paid after a 3-day waiting period for up to 12 months.

Dependent's supplement: The supplement is equal to 1/3 of the benefit for a dependent spouse and 1/6 for other dependents (up to a maximum of two dependents). A spouse is dependent if he or she is not working or is not receiving any benefit from the Social Insurance Fund.

Supplementary benefit: The benefit is equal to 50% of the insured's average covered earnings exceeding basic covered earnings in the last year, up to a maximum equal to twice the basic covered earnings.

Past earnings are adjusted once a year according to changes in wages.

Weekly basic covered earnings are €147.45.

The minimum benefit plus supplements is €147.45 a week.

The maximum weekly earnings for benefit calculation purposes are €885.

Permanent Disability Benefits

Permanent disability pension: If the insured is assessed as 100% disabled, the weekly basic pension is €353.88.

Supplementary pension: The weekly pension is equal to 60% of the insured's average covered earnings exceeding basic covered earnings in the last 2 years.

Past earnings are adjusted once a year according to changes in wages. The maximum weekly earnings for benefit calculation purposes are €885.

Weekly basic covered earnings are €147.45.

Partial disability: A percentage of the full (basic and supplementary) pension is paid according to the assessed degree of disability (between 20% and 99%); a lump sum is paid for an assessed degree of disability of between 10% and 19%.

Dependent's supplement: The supplement is equal to 1/3 of the basic pension for a dependent spouse and 1/6 for other dependents, up to a maximum of two dependents. A spouse is dependent if he or she is not working or is not receiving any benefit from the Social Insurance Fund.

Constant-attendance supplement: €192.45 a week is paid if assessed as 100% disabled and in need of constant care and attention.

Benefit adjustment: Benefits are adjusted in January and July each year. (In January, the basic pension is adjusted according to wages and the supplementary pension according to prices; in July, the basic and supplementary pensions are adjusted according to prices.)

Workers' Medical Benefits

Benefits for the treatment of work injuries and occupational diseases include all necessary medical treatment and hospitalization in government dispensaries and hospitals.

Survivor Benefits

Survivor pension: A dependent widow(er) receives €192.45 a week plus 60% of the supplementary permanent disability pension.

The supplementary permanent disability pension is equal to 60% of the deceased's average covered earnings exceeding basic covered earnings in the last 2 years.

Past earnings are adjusted once a year according to changes in wages. The maximum weekly earnings for benefit calculation purposes are €885.

Weekly basic covered earnings are €147.45.

The survivor pension ceases on remarriage, and a lump sum equal to a year's pension is paid.

Orphan's pension: The benefit is equal to 20% of the deceased's basic covered earnings for one child, 30% for two children, and 40% for three or more children; for full orphans, 40% of the deceased's basic covered earnings is paid plus 50% of the supplementary widow's pension for one orphan or 100% for two or more orphans younger than age 15 (age 23 for an unmarried female orphan who is a full-time student, age 25 for an unmarried son who is a full-time student or is serving in the National Guard, no limit if disabled).

Weekly basic covered earnings are €147.45.

Termination settlement: A lump sum equal to a year's orphan's pension is paid on the termination of the pension because of age.

Dependent parent's pension (in the absence of the above): The weekly pension is equal to 40% of basic covered earnings plus 30% of the supplementary permanent disability pension.

Weekly basic covered earnings are €147.45.

Funeral grant: A lump sum of €607 is paid to the widow(er) or the person who paid for the funeral.

Administrative Organization

Directed by a tripartite advisory Social Insurance Board and a director, the Social Insurance Service of the Ministry of Labor and Social Insurance (<http://www.mlsi.gov.cy>) administers the program.

Ministry of Health (<http://www.moh.gov.cy>) provides medical services through government hospitals.

Unemployment

Regulatory Framework

First law: 1957.

Current law: 1980 (social insurance), with amendments.

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 or 65 are covered if they are not entitled to an old-age pension.

Exclusions: Self-employed persons.

Source of Funds

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

Self-employed person: Not applicable.

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

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

Qualifying Conditions

Unemployment benefits: The insured must have at least 26 weeks of paid contributions including 20 contributions paid or credited in the last year. After entitlement to the benefit ceases, the insured can qualify again for benefits after the payment of 26 additional weeks of contributions. The insured must be capable of and available for work and must report weekly to the employment exchange. If unemployment is due to voluntary leaving, misconduct, direct participation in a trade dispute, the refusal of a suitable job offer, or the refusal of a job opportunity, the insured may be disqualified for up to 6 weeks.

Unemployment Benefits

The benefit is equal to 60% of the insured's average basic covered earnings in the last year, plus a supplement of 50% of average covered earnings exceeding basic covered earnings in the last year, up to maximum equal to twice the basic covered earnings. The benefit is paid after a 3-day waiting period (30 days for the voluntarily insured) for at least 156 days.

Weekly basic covered earnings are €147.45.

The maximum weekly earnings for benefit calculation purposes are €885.

Dependent's supplement: The supplement is equal to 1/3 of the basic benefit for a dependent spouse and 1/6 for other dependents, up to a maximum of two dependents. A spouse

is dependent if he or she is not working or is not receiving any benefit from the Social Insurance Fund.

Administrative Organization

Directed by a tripartite advisory Social Insurance Board and a director, the Social Insurance Service of the Ministry of Labor and Social Insurance (<http://www.mlsi.gov.cy>) administers the program.

Family Allowances

Regulatory Framework

First law: 1987.

Current laws: 2002 (child benefit), with amendments; and 2003 (mother's allowance).

Type of program: Universal system.

Coverage

Child benefit: All persons residing in Cyprus with at least one child.

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

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Child benefit: Paid to parents living with at least one dependent child. The child must be younger than age 18 (age 23 if a student; age 25 if in the National Guard; no limit if disabled).

Supplementary annual benefit: Paid to families according to gross family income in the 3 years before applying for the child benefit.

Mother's allowance: Paid to mothers residing in Cyprus with at least four children who have ceased to be entitled to the child benefit as a result of exceeding the age limit. The allowance is not paid to mothers who are entitled to the social pension or any other pension from another source if the amount of this pension is equal to or greater than the maximum monthly rate of the basic old-age pension (€286.64).

Marriage grant: The insured's spouse has been insured for at least 26 weeks and has paid contributions on covered earnings that are at least 26 times the weekly amount of the basic covered earnings and the insured has paid or been credited with covered earnings in the previous contribu-

tion year that are at least 20 times the weekly amount of the basic covered earnings.

Weekly basic covered earnings are €147.45.

Family Allowance Benefits

Child benefit: The annual basic benefit is €391.70 for families with one eligible child, €783.41 for two eligible children, €783.40 per child for families with three eligible children, and €1,292.62 per child for families with four or more children.

Supplementary annual benefit: If the annual family income is less than or equal to €17,086.11, the benefit is €97.92 for one eligible child, €391.70 for two eligible children, €293.78 per child for families with three eligible children, and €430.86 per child for families with four or more children.

If the annual family income is between €17,086.02 and €34,172.03, the benefit is €4.96 for families with one eligible child, €293.77 for two eligible children, €244.81 per

child for families with three eligible children, and €239.29 per child for families with four or more children (2007).

Mother's allowance: An eligible mother receives €63.12 a month regardless of the number of children.

Schedule of payments: Thirteen payments a year.

Marriage grant: €607 a month is paid for a year. The grant is divided equally between the two spouses if either spouse satisfies the contribution conditions.

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

Administrative Organization

Ministry of Finance (<http://www.mof.gov.cy>) administers the child benefit and mother's allowance programs.

Directed by a tripartite advisory Social Insurance Board and a director, the Social Insurance Service of the Ministry of Labor and Social Insurance (<http://www.mlsi.gov.cy>) administers and pays the marriage grant.

Czech Republic

Exchange rate: US\$1.00 equals
17.49 koruna.

Old Age, Disability, and Survivors

Regulatory Framework

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

Current law: 1995 (pension insurance), implemented in 1996, with 2002 and 2003 amendments.

Type of program: Social insurance system.

Coverage

Employed and self-employed persons, including students; unemployed persons; persons caring for children; indigent persons; and military personnel.

Voluntary coverage for unemployed persons and students (if not compulsorily covered by the 1995 law), persons employed abroad, and persons performing certain kinds of volunteer work. Other persons older than age 18 may voluntarily insure for a maximum of 10 years.

There are no special systems for any specified groups of employees.

Source of Funds

Insured person: 6.5% of monthly covered earnings; the voluntarily insured contribute 28% of 10,000 koruna.

There are no minimum earnings for contribution purposes.

The maximum annual earnings for contribution purposes are equal to 48 times the national average monthly wage.

The national average monthly wage is 21,560 koruna.

Self-employed person: 28% of declared monthly covered earnings.

Declared earnings are equal to 50% of the difference between income and expenses; a flat-rate 5,390 koruna applies if declared earnings for a full-time self-employed person are less than half of 50% of the national average monthly wage. The minimum declared earnings for a part-time self-employed person are 10% of the national average monthly wage.

The maximum annual earnings for contribution purposes are equal to 48 times the national average monthly wage.

The national average monthly wage is 21,560 koruna.

Employer: 21.5% of monthly payroll.

There are no minimum earnings for contribution purposes.

The maximum annual earnings for contribution purposes are equal to 48 times the national average monthly wage.

The national average monthly wage is 21,560 koruna.

Government: Any deficit.

Qualifying Conditions

Old-age pension: Age 61 and 10 months with at least 25 years of coverage (men). Age 56 and 4 months to age 60 and 4 months with at least 25 years of coverage (women), according to the number of children reared.

Age 65 (men and women) with at least 15 years of coverage.

The retirement age is gradually increasing by 2 months for men and 4 months for women each year until it reaches age 63 for men (2016) and women without children (2019) and from ages 59 to 62 for women with children.

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

Deferred pension: The old-age pension may be deferred. The minimum deferral period is 90 days. There is no maximum deferral period.

Old-age pensions are payable abroad.

Disability pension: Paid for a total disability (66% loss of earning capacity) or partial disability (33% loss of earning capacity). The insured must have a minimum period of coverage, subject to the insured's age when the disability began: less than 1 year of coverage if younger than age 20; 1 year if aged 20 to 22; 2 years if aged 22 to 24; 3 years if aged 24 to 26; 4 years if aged 26 to 28; or 5 years if older than age 28.

Czech Social Security Administration assesses the degree of disability.

Disabled from youth pension: The full disability pension is paid if the disability began before age 18.

District administrations assess the degree of disability for individuals whose disability began before age 18.

Disability pensions are payable abroad if all gainful activity has ceased.

Survivor pension: The deceased qualified for a pension, was a pensioner at the time of death, or died as a result of a work injury or an occupational disease.

Eligible survivors include the spouse and children up to age 26. The surviving spouse must have been married to the deceased.

Survivor pensions are payable abroad.

Death grant: Paid for the funeral of a dependent child or his or her parent.

Old-Age Benefits

Old-age pension: The monthly pension consists of two elements: a flat-rate monthly amount of 1,700 koruna and an earnings-related amount calculated on the basis of 1.5% of

the personal assessment base per year of coverage. There is no maximum for the earnings-related amount.

The personal assessment base is based on average gross earnings in the 10 years before retirement. This period is to be extended by 1 year each year until it reaches a total of 30 calendar years. Covered earnings are indexed to the average wage.

If the personal assessment base is greater than 10,000 koruna, earnings for pension calculation purposes are considered as follows: 100% of earnings up to koruna 10,000; 30% of earnings from 10,000 koruna to 24,800 koruna; and 10% of earnings greater than 24,800 koruna.

The minimum monthly old-age pension is 2,470 koruna, equal to the flat-rate amount (1,700 koruna) plus 770 koruna.

There is no maximum old-age pension.

Persons who receive the old-age pension at the normal retirement age may continue in gainful activity.

Early pension: Payable up to 3 years before the normal retirement age; the actual date of retirement is left to the insured's discretion. The insured must have at least 25 years of contributions. The pension is reduced by 0.9% for each (even incomplete) 90-day period the pension is received before the normal retirement age. This reduction is permanent and continues after the recipient reaches the normal retirement age.

Gainful activity must cease for persons receiving the early pension.

Deferred pension: The pension is increased by 1.5% of the personal assessment base for each 90-day period of gainful activity during which the claim for an old-age pension is deferred.

Benefit adjustment: Benefits are adjusted every January according to at least 100% of the change in the consumer price index in the 12-month period before the previous July and by at least 1/3 of average real wage growth in the 12-month period before the previous January.

Permanent Disability Benefits

Disability pension: The monthly full disability pension consists of two elements: a flat-rate monthly amount of 1,700 koruna and an earnings-related amount based on 1.5% of the personal assessment base per year of coverage. The projected coverage period is credited from the date the disability began up to the normal retirement age.

The personal assessment base is based on average gross earnings in the last 10 years. This period is to be extended by 1 year each year until it reaches a total of 30 calendar years. Covered earnings are indexed to the average wage.

If the personal assessment base is greater than 10,000 koruna, earnings for pension calculation purposes are considered as follows: 100% of earnings up

to koruna 10,000; 30% of earnings from 10,000 koruna to 24,800 koruna; and 10% of earnings greater than 24,800 koruna.

The minimum monthly disability pension is 2,470 koruna, equal to the flat-rate amount (1,700 koruna) plus 770 koruna.

There is no maximum disability pension.

Partial disability: The monthly benefit is equal to the flat-rate amount (1,700 koruna) plus 0.75% of the personal assessment base for each year of coverage.

The personal assessment base is based on average gross earnings in the last 10 years.

The minimum monthly partial disability pension is 2,085 koruna, equal to the flat-rate amount (1,700 koruna) plus 385 koruna.

There is no maximum partial disability pension.

Disabled from youth pension: The monthly full disability pension consists of two elements: a flat-rate amount of 1,700 koruna and an earnings-related amount equal to 45% of the annual general assessment base. The annual general assessment base is calculated using the national average monthly wage.

Total disability and partial disability pensioners may engage in gainful activity; the partial disability pension is subject to an earnings test.

Benefit adjustment: Benefits are adjusted every January according to at least 100% of the change in the consumer price index in the 12-month period before the previous July and by at least 1/3 of average real wage growth in the 12-month period before the previous January.

Survivor Benefits

Survivor pension: The widow(er) receives a monthly flat-rate amount (1,700 koruna) plus 50% of the earnings-related amount paid or payable to the deceased. The pension is paid to all widow(er)s for 1 year; thereafter, only to widows aged 55 or older or widowers aged 58 or older; any age if disabled or caring for a dependent or disabled child or a disabled parent.

The minimum monthly survivor pension for a widow(er) is 2,085 koruna, equal to the flat-rate amount (1,700 koruna) plus 385 koruna.

There is no maximum survivor pension.

Remarriage grant: The widow(er) pension ceases on remarriage, and a lump sum equal to 12 times the last monthly pension is paid.

Orphan's pension: A monthly flat-rate amount (1,700 koruna) plus 40% of the earnings-related amount paid or payable to the deceased is paid to each dependent child. For full orphans, the flat-rate amount is payable for one parent, plus 40% of the sum of the earnings-related amount paid or payable to both parents.

The minimum monthly orphan's pension is 2,008 koruna, equal to the flat-rate amount (1,700 koruna) plus 308 koruna.

There is no maximum orphan's pension.

If the survivor is also entitled to an old-age or disability pension, the amount paid is equal to the highest pension plus half of the earnings-related amount of the other pension.

Benefit adjustment: Benefits are adjusted every January according to at least 100% of the change in the consumer price index in the 12-month period before the previous July and by at least 1/3 of average real wage growth in the 12-month period before the previous January.

Death grant: A lump sum of 5,000 koruna is paid to the person who organized the funeral.

Administrative Organization

Ministry of Labor and Social Affairs (<http://www.mpsv.cz>) provides general supervision and is responsible for policy development for all areas of social security except health insurance.

Czech Social Security Administration (<http://www.cssz.cz>) collects and administers contributions and delivers benefits through its central administration and 77 district administrations.

Sickness and Maternity

Regulatory Framework

First law: 1888.

Current laws: 1956 (sickness insurance), implemented in 1957, with 1993 amendment; 1968 (maternity benefits, maternity leave, and child benefits); 1991 (health insurance), implemented in 1992; 1991; 1992 (health insurance funds); 1992 (health insurance premiums), implemented in 1993, with 2005 amendment; 1992 (nonstate health care facilities); 1997 (drugs), implemented in 1998; and 1997 (public health insurance), with 2005 amendment.

Type of program: Social insurance (cash benefits) and universal (medical benefits) system.

Coverage

Cash benefits: Employed and insured self-employed persons.

Sickness insurance is voluntary for self-employed persons. (Insured self-employed persons are only entitled to sickness and maternity benefits.)

Medical benefits: All persons permanently residing in the Czech Republic or employees whose employer resides in the Czech Republic.

Source of Funds

Insured person: 1.1% of monthly covered earnings (cash sickness and maternity benefits) and 4.5% of monthly covered earnings (medical benefits).

The maximum annual earnings for contribution purposes are equal to 48 times the national average monthly wage.

The national average monthly wage is 21,560 koruna.

Self-employed person: 4.4% of declared monthly covered earnings (cash sickness and maternity benefits) and 13.5% of declared monthly covered earnings (medical benefits).

Declared earnings are equal to 50% of the difference between income and expenses; a flat-rate 5,390 koruna applies if declared earnings for a full-time self-employed person are less than half of 50% of the national average monthly wage. The minimum declared earnings for a part-time self-employed person are 10% of the national average monthly wage.

The maximum annual earnings for contribution purposes are equal to 48 times the national average monthly wage.

The national average monthly wage is 21,560 koruna.

Employer: 3.3% of covered monthly payroll (cash sickness and maternity benefits) and 9% of covered monthly payroll (medical benefits).

The maximum annual earnings for contribution purposes are equal to 48 times the national average monthly wage.

The national average monthly wage is 21,560 koruna.

Government: Cash sickness and maternity benefits: any deficit. Medical benefits: 13.5% of a monthly reference wage equal to 3,520 koruna for special categories of persons.

Qualifying Conditions

Cash sickness benefits: The insured must have gross monthly earnings greater than 400 koruna or work more than 7 days a month. A doctor's certificate is required from the first day of incapacity. There is no requirement for a minimum period of employment or residence. There is no waiting period.

Cash maternity benefits: The insured must have 270 days of coverage in the 2 years before childbirth, must have reported a loss of earnings, and must be the mother of the child or be the child's substitute carer (substitute carers may include men). The mother must have undergone medical examination to confirm the pregnancy.

Maternity compensation benefits: Paid for a loss of income resulting from a change of employment because of the pregnancy or childbirth.

Medical benefits: There is no minimum qualifying period.

Sickness and Maternity Benefits

Sickness benefit: The benefit is paid from the fourth day of incapacity for up to a year (up to 81 days per year for old-age or disability pensioners who are employed); up to 2 years if recovery is likely.

The benefit is equal to 60% of the daily assessment base from the 4th to the 30th day, 66% from the 31st to the 60th day, and 72% from the 61st day.

The daily assessment base is calculated as a percentage of the insured's gross earnings: 90% of gross earnings up to 550 koruna, plus 60% of gross earnings from 550 koruna up to 790 koruna. Gross earnings greater than 790 koruna are exempt.

The maximum daily assessment base for the calculation of sickness benefits is 639 koruna.

Maternity benefit: The benefit is equal to 69% of the daily assessment base and is paid for 28 weeks (37 weeks for multiple births), including at least 6 weeks before the expected date of childbirth.

The daily assessment base is calculated as a percentage of the insured's gross earnings: 100% of gross earnings up to 550 koruna, plus 60% of gross earnings from 550 koruna up to 790 koruna. Gross earnings greater than 790 koruna are exempt.

The maximum daily benefit is 479 koruna.

Maternity compensation benefit: The benefit is equal to the difference between the earnings before and after job transfer. The benefit is paid from the transfer day until maternity leave begins; after childbirth, the benefit is paid from the day of returning to the usual job until the end of the 9th month after the date of childbirth.

Workers' Medical Benefits

Benefits include medical treatment in outpatient and inpatient care facilities; emergency and rescue services; preventive care; the provision of drugs, medical aid, and appliances; stomatologic treatment (diseases of the mouth); spa treatment; the care of children in special medical institutions and convalescent homes; preventive care provided in the place of work; transportation; medical assessment; and the examination of deceased insured persons and autopsy, including the transportation of the dead.

Certain pharmaceutical products are reimbursed in part or in full, according to the schedule in law.

The health insurance system covers transportation costs.

Cost sharing: 30 koruna for a clinical examination by a doctor, specialist, or dentist; 90 koruna for a visit by an emergency service doctor; 60 koruna per day in the event of hospitalization; 30 koruna for each prescribed drug that is fully or partially reimbursed by the public health insurance system. Some groups of patients are exempt from charges.

Medical charges must not exceed 5,000 koruna.

There is no limit to duration.

Dependents' Medical Benefits

Medical benefits: Individuals are insured in their own right.

Cost sharing: 30 koruna for a clinical examination by a doctor, specialist, or dentist; 90 koruna for a visit by an emergency service doctor; 60 koruna per day in the event of hospitalization; 30 koruna for each prescribed drug that is fully or partially reimbursed by the public health insurance system. Some groups of patients are exempt from charges.

Medical charges must not exceed 5,000 koruna.

There is no limit to duration.

Administrative Organization

Ministry of Labor and Social Affairs (<http://www.mpsv.cz>) provides general supervision for sickness insurance. Regional and district offices administer cash benefits.

Czech Social Security Administration (<http://www.cssz.cz>) collects and administers contributions and delivers cash sickness benefits through its central administration and 77 district administrations.

Organizations with more than 25 employees pay sickness benefits.

Ministry of Health (<http://www.mzcr.cz>) 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.

Benefits in kind, such as medical treatment, hospitalization, or prescription drugs, are the responsibility of insurance companies.

Work Injury

Regulatory Framework

First law: 1887.

Current laws: 1956 (benefits), with amendments; 1990 (self-employed); 1993 (occupational diseases and injuries); 1994, with 2000 and 2004 amendments; 1995 (pensions); 1995; and 2001 (compensation), with 2003 amendment.

Type of program: Social insurance system.

Coverage

Employees, public officials, disabled persons, students, members of voluntary fire brigades and mining rescue corps, members of cooperatives, Red Cross workers, members of rescue services, and blood donors.

Exclusions: Self-employed persons.

Special systems for military and police force personnel.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: Premiums are paid every 3 months and are calculated from the social insurance tax base of all employees. The premium depends on the type of activity performed.

Government: Pays any deficit between the insurance coverage provided by the employer and the compensation awarded to the insured.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period. Accidents that occur while commuting to and from work are not covered.

Temporary Disability Benefits

A lump sum is paid equal to the difference between the insured's average earnings before the work injury or the onset of the occupational disease and the full amount of sickness benefit (see Sickness and Maternity, above).

There is no maximum benefit.

Permanent Disability Benefits

Permanent disability pension: The full pension is paid for a total permanent disability (66% loss of earning capacity). The monthly pension is equal to average gross earnings in the 3 months before the disability began and is payable up to age 65.

Partial disability: Paid with at least a 33% loss of earning capacity.

Czech Social Security Administration assesses the degree of disability.

Workers' Medical Benefits

All necessary medical expenses are paid.

Survivor Benefits

Survivor grant: A lump sum of 240,000 koruna is paid to the spouse; a lump sum of 240,000 koruna for each orphan up to age 26; and a lump sum of 240,000 koruna for the deceased's parents (in special circumstances).

The cost of alimony payments may be paid to an eligible divorced survivor.

The cost of any medical treatment provided to the deceased is reimbursed.

Funeral grant: The reasonable cost of a funeral is paid to the person who paid for the funeral.

Administrative Organization

Ministry of Labor and Social Affairs (<http://www.mpsv.cz>) provides general supervision for the provision of temporary and permanent disability benefits and survivor grants.

Czech Social Security Administration (<http://www.cssz.cz>) collects and administers contributions and delivers benefits through its central administration and 77 district administrations.

Administrative roles are also played by two insurance companies and by large-scale employers.

Ministry of Health (<http://www.mzcr.cz>) provides general supervision for the provision of medical benefits.

Insurance companies insure private-sector employers employing at least one employee against liability for damage caused by injuries at work and by occupational diseases.

Unemployment

Regulatory Framework

First law: 1991.

Current law: 2004, with amendments.

Type of program: Social insurance system.

Coverage

Citizens of the Czech Republic and the European Union and their dependents. Non-EU citizens who reside permanently in the Czech Republic.

There are no special systems for any specified groups of employees.

Source of Funds

Insured person: 0.4% of monthly covered earnings.

The maximum annual earnings for contribution purposes are equal to 48 times the national average monthly wage.

The national average monthly wage is 21,560 koruna.

Self-employed person: 1.6% of declared monthly covered earnings.

Declared earnings are equal to 50% of the difference between income and expenses; a flat-rate 4,709 koruna applies if declared earnings for a full-time self-employed person are less than half of 50% of the average monthly wage. The minimum declared earnings for a part-time self-employed person are 10% of the national average monthly wage.

The maximum annual earnings for contribution purposes for self-employed persons are equal to 48 times the national average monthly wage.

The national average monthly wage is 21,560 koruna.

Employer: 1.2% of monthly payroll.

Government: Any deficit.

Qualifying Conditions

Unemployment benefits: The insured must be registered as a jobseeker and have been employed for at least 12 months in the last 3 years.

The employment period can include periods of vocational training up to 6 months; job training, if disabled; periods receiving a total disability pension; periods of basic military or civilian service; periods providing care for a child up to age 4 (age 18 if seriously disabled); and periods providing care for persons older than age 80, subject to conditions.

Unemployment Benefits

The benefit is equal to 50% of the insured's average net monthly earnings in the last quarter for the first 3 months; thereafter, 45%.

60% of average net monthly earnings are paid if undergoing retraining.

The maximum monthly benefit is 12,250 koruna; 13,728 koruna if undergoing retraining.

When entitlement to unemployment benefits is exhausted, social benefits and allowances are paid.

Administrative Organization

Ministry of Labor and Social Affairs (<http://www.mpsv.cz>) provides general supervision.

Benefits are administered by labor offices.

Family Allowances

Regulatory Framework

First law: 1945.

Current law: 1995 (state support), with 2003 amendment, implemented in 2004.

Type of program: Universal system.

Coverage

Families with children. Persons who reside permanently in the Czech Republic, citizens of the European Union and other persons stipulated by law.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Child allowance (income-tested): Paid for dependent children in education (up to age 26) who reside permanently in the Czech Republic. Family income must not exceed 2.4 times the monthly living minimum.

The monthly living minimum is defined as 3,216 koruna for a single person; 2,880 koruna for the first adult in a family; 2,600 koruna for another adult in the family; 1,600 koruna for children younger than age 6; 1,960 koruna for children aged 6 to 15; or 2,250 koruna for children aged 16 to 26.

Birth grant: The family must reside permanently in the Czech Republic.

Parent's allowance: Paid to parents caring for a child at home. The family must reside permanently in the Czech Republic.

Family Allowance Benefits

Child allowance (income-tested): A flat-rate amount is paid according to the child's age: 500 koruna for a child younger than age 6; 610 koruna for a child aged 6 to 15; 700 koruna for a child aged 16 to 26.

Child allowances are paid monthly.

Birth grant: A lump sum of 13,000 koruna is paid per child.

Parent's allowance: The value of the allowance varies according to the child's age: a flat-rate amount of 11,400 koruna is paid each month until the child is aged 24 months; 7,600 koruna from the 25th month to the 36th month; and 3,800 koruna from the 37th month until the 48th month. Parents of a disabled child receive 7,600 koruna a month for up to 7 years.

Parent's allowances are paid monthly.

Administrative Organization

Ministry of Labor and Social Affairs (<http://www.mpsv.cz>) provides general supervision.

Benefits are administered by labor offices.

Denmark

Exchange rate: US\$1.00 equals 5.07 kroner.

Old Age, Disability, and Survivors

Regulatory Framework

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

Current laws: 2005 (partial early retirement pension); 2006 (ATP pension); and 2007 (universal pensions).

Type of program: Universal, social insurance, and mandatory individual account system.

Coverage

Universal pension: Citizens residing in Denmark and noncitizens meeting the minimum residency requirements or covered by reciprocal agreements.

Labor-market supplementary pension (ATP): Employees aged 16 to 65, including recipients of cash sickness, maternity, unemployment, or social assistance benefits.

Exclusions: Employees working less than 9 hours a week.

Voluntary coverage for persons previously insured for at least 3 years who begin a nonsalaried or self-employed activity and for recipients of disability pensions or early retirement benefits (see Unemployment, below).

Special pension savings scheme (SP): Employees aged 16 to 65, including persons on parental leave, recipients of cash sickness or unemployment benefits, and self-employed persons.

Source of Funds

Insured person

Universal basic pension: None.

ATP: Up to a maximum of 975 kroner a year for a full-time worker. Recipients of sickness and maternity benefits, unemployment benefits, and certain vocational training benefits pay double contributions.

The insured's contributions are paid monthly or quarterly.

SP: 1% of gross income. (Contributions are suspended until 2009.)

Self-employed person

Universal basic pension: None.

ATP: Up to a maximum of 2,925 kroner a year.

SP: 1% of gross income. (Contributions are suspended until 2009.)

Employer

Universal basic pension: None.

ATP: Up to a maximum of 1,951 kroner (for a full-time worker) per employee per year.

Contributions are paid quarterly.

SP: None.

Government

Universal basic pension: The total cost.

ATP: Up to a maximum of 1,951 kroner (for a full-time worker) a year for recipients of social assistance benefits. Double contributions are paid for recipients of sickness and maternity benefits, unemployment benefits, or certain adult education benefits.

Contributions are paid monthly or quarterly.

SP: None.

Qualifying Conditions

Old-age pension

Universal basic pension (earnings-tested): For Danish nationals, from age 65 with at least 3 years' residence between ages 15 and 65. For foreign nationals, a minimum of 10 years' residence including the last 5 years before the pensionable age.

Full pension: The insured must have at least 40 years' residence between ages 15 and 65 (benefits are proportionately reduced with fewer years of residence).

Benefits are payable abroad.

Universal pension supplement (income-tested): For Danish nationals, from age 65 with at least 3 years' residence between ages 15 and 65. For foreign nationals, at least 10 years' residence including the last 5 years before the pensionable age.

Partial early retirement pension: Aged 60 to 65, residing in Denmark, employed full-time for at least 10 of the last 20 years, and continuing to work for 12 to 30 hours a week. Employees must have participated in the ATP scheme for at least 10 of the last 20 years and worked at least 18 of the last 24 months in Denmark. A self-employed person must have worked full-time during the last 5 years, been self-employed in Denmark for at least 4 of the last 5 years (including 9 of the last 12 months), and must reduce working hours on average to 18.5 hours a week.

ATP: Age 65. The benefit is actuarially related to the individual's contributions and contribution record. The full ATP pension requires a full and continuous contribution record since the start of the program in 1964 (or from age 16 if later).

Deferred ATP pension: A deferred pension is possible until age 70 (age 75 from 2009).

Benefits are payable abroad.

SP: Age 65. The benefit is based on the capital accrued in the individual's account.

Benefits are payable abroad.

Supplementary pension benefit (income-tested): Paid to needy pensioners.

Disability pension

Disability (anticipatory) pension (income-tested): The insured is assessed to have a permanently reduced working capacity to the extent that the insured cannot assure his or her own subsistence from any kind of paid work. (No pension is awarded if it is likely that the insured's assessed working capacity can be improved through rehabilitation or other measures.)

Danish nationals must have at least 3 years' residence between ages 15 and 65. Foreign nationals must have at least 10 years' residence or be covered by a reciprocal agreement. The pension is first payable from the month following the award.

Income test: The pension for a single person is reduced by 30% of income exceeding 62,200 kroner. If the annual income of a single person exceeds 656,200 kroner, the pension is not paid.

The pension for a married or cohabiting couple is reduced by 30% of income exceeding 98,600 kroner, up to a maximum equal to 20% of the pension. If the annual income of a married or cohabiting couple exceeds 1,108,400 kroner, the pension is not paid.

Following a medical assessment, the working capacity is assessed by nonmedical staff of the municipality. If the working capacity of the insured improves, a medical review is required.

Disability supplement: Paid to help meet extra costs resulting from the assessed disability. Expected extra costs must exceed 6,000 kroner a year or 500 kroner a month. There is no income test.

Benefits are payable abroad.

ATP: No benefit is provided.

SP: No benefit is provided.

Survivor pension

Universal pension: No statutory benefits are provided for a surviving spouse; benefits are payable to a surviving spouse under the old-age pension or disability pension if eligible in his or her own right.

Orphans younger than age 18 are eligible for benefits under Family Allowances, below.

Death grant: A lump sum is provided under Sickness and Maternity, below.

Dependent survivor's pension: Paid when one of two cohabiting spouses or partners (including a same-sex partner) dies and both received a social pension.

Dependent survivor's allowance (income-tested): A lump sum is paid to a surviving spouse or cohabitant (including a same-sex partner) who lived with the deceased for at least 3 years.

Income test: To receive the full lump-sum benefit, the income of the surviving spouse or cohabiting partner must not exceed 197,419 kroner. No benefit is paid if annual income exceeds 308,464 kroner.

ATP: If the deceased had 2 full years of contributions after 2002, a lump sum is paid to a surviving spouse (including a same-sex partner) and each child younger than age 21. If the deceased only had contributions before 2003, a lump sum is paid to a surviving spouse (including a registered same-sex partner) and each child younger than age 19.

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

Old-Age Benefits

Old-age pension

Universal basic pension (earnings-tested): 5,096 kroner a month is paid for single, married, or cohabiting pensioners with 40 years of residence in Denmark before the pensionable age. The full amount is reduced by 1/40 for each year of residence in Denmark less than 40.

Earnings test: The benefit for a single pensioner may be reduced for annual earnings greater than 259,700 kroner; if living with a spouse or partner, the pension may be reduced for annual earnings greater than 179,400 kroner.

Universal pension supplement (income-tested): 5,130 kroner a month is paid for a single pensioner; 2,396 kroner a month for a pensioner living with a spouse or partner.

Earnings test: For earnings greater than 259,700 kroner per year, the supplement is reduced by 30%; for earnings greater than 115,000 kroner per year for each person in a married couple the supplement is reduced by 30% (if the insured's spouse does not receive a pension, his or her earnings up to 210,000 kroner are not taken into account); for earnings greater than 57,300 kroner for a single person, the supplement is reduced by 30%.

Partial early retirement pension: The maximum annual pension is 98,392 kroner if work is reduced to 12 hours a week. The minimum annual pension for a self-employed person is 27,555 kroner. The pension is paid monthly.

Benefit adjustment: Benefits are adjusted annually according to changes in wages.

ATP: Pension entitlement depends on the individual's contribution record. Lump-sum payments are awarded for pensioners with low account balances.

The maximum annual pension is 23,000 kroner.

The minimum annual pension is 1,240 kroner.

Deferred ATP pension: The pension is increased for each month the payment is deferred from age 65 to 70 (age 75 from 2009).

Benefit adjustment: Accrued pension rights and cash pensions under the ATP may be adjusted, depending on the financial resources of the system.

SP: The pension is based on contributions plus net returns. Benefits are paid in installments over a 10-year period. Lump-sum payments are awarded for pensioners with low account balances.

Supplementary pension benefit (income-tested): Paid to needy pensioners. (Old-age pensioners may also claim additional benefits to help meet daily living and housing costs.)

Permanent Disability Benefits

Disability pension

Disability (anticipatory) pension (earnings-tested): The pension is a taxable allowance that corresponds to the maximum unemployment benefit: 182,780 kroner a year is paid for a single person; 155,364 kroner a year is paid for a married or cohabiting person. The pension is paid for up to 4 years; thereafter, social assistance may be provided.

The minimum pension is equal to 3/40 of the maximum pension.

At the pensionable age, the pension is replaced by the old-age pension.

Disability supplement: The amount is set according to individual circumstances, taking into account expected extra costs. Expected extra costs must exceed 6,000 kroner a year or 500 kroner a month. The minimum monthly supplement is 1,500 kroner. There is no income test.

Benefit adjustment: Benefits are adjusted annually according to changes in wages.

ATP: No disability pensions are payable under the ATP program.

SP: No disability pensions are payable under the SP program.

Survivor Benefits

Survivor pension

Universal pension: No pension is provided.

Death grant (means-tested): Depending on the deceased's assets and liabilities, a lump sum (up to a maximum of 8,850 kroner; 7,400 kroner if the survivor is younger than age 18) is provided under Sickness and Maternity, below.

Benefit adjustment: The grant is adjusted annually according to changes in wages.

Dependent survivor's pension: The total amount of the deceased's and the survivor's social pensions are paid to the survivor for 3 months.

Dependent survivor's allowance (income-tested): A surviving spouse or cohabitant who lived with the deceased for at least 3 years may receive the full lump-sum benefit of 12,339 kroner.

Income test: To receive the full lump-sum benefit, the income of the surviving spouse or cohabiting partner must not exceed 197,419 kroner. No benefit is paid if annual income exceeds 308,464 kroner.

ATP: A lump sum of 45,000 kroner is paid to the surviving spouse (if the deceased was older than age 65, the amount is reduced by 1/5 for each year between ages 66 and 70) and to each child younger than age 21.

SP: The capital in the deceased's account is transferred to the deceased's estate.

Administrative Organization

Universal pension: Ministry of Social Welfare (<http://www.social.dk>) provides general supervision and national administration.

Local (municipal) governments administer pensions.

National Social Security Agency administers universal pensions paid abroad.

ATP: Labor Market Supplementary Pension Institution (<http://www.atp.dk>), an independent organization headed by a bipartite board of directors, administers the ATP program.

SP: Labor Market Supplementary Pension Institution (<http://www.atp.dk>), an independent organization headed by a bipartite board of directors, administers the SP program.

Danish Financial Supervisory Authority supervises the SP and ATP programs.

Sickness and Maternity

Regulatory Framework

First law: 1892.

Current laws: 2005 (health), with amendments; and 2006 (maternity).

Type of program: Universal (medical benefits) and employment-related (cash benefits) system.

Coverage

Cash sickness and maternity benefits: All employed and self-employed persons.

There are no special systems for any specified groups of employees.

Medical benefits: All persons residing in Denmark.

Source of Funds

Insured person: None.

Self-employed person: Voluntary contributions to finance cash benefits during the first 2 weeks of incapacity.

Employer: The total cost of cash benefits for the first 2 weeks of incapacity if the employee worked for the same employer for 8 weeks before the incapacity began. No contribution is made for medical benefits.

The employer's contributions also finance temporary disability benefits under Work Injury, below.

Government: Local (municipal) government meets the total cost of cash benefits from the third week (from day 1 if the insured is ineligible for the 2-week benefit from the employer). Local (municipal) government is reimbursed fully by central government up to the end of the fourth week; thereafter, the cost is split equally between local and central governments. Local government (county level) finances the total cost of medical benefits.

Government contributions also finance temporary disability benefits under Work Injury, below.

Qualifying Conditions

Cash sickness and maternity benefits: For employer-financed sickness benefits, the insured must have 74 hours of employment in the previous 8 weeks. For local government-financed sickness and maternity benefits, the insured must have at least 120 hours of work in the 13 weeks before the incapacity began and be in paid vocational training, in flexible employment with a public- or private-sector employer, receiving unemployment benefits, or have just completed vocational training for 18 months. Self-employed persons must have 6 months' work in the last 12 months, including the month before the incapacity began.

Cash sickness benefits are also paid to a parent to care for a seriously ill child younger than age 14.

Medical benefits: The insured must reside in Denmark; there is a 6-week qualifying period if moving to Denmark from another country.

Sickness and Maternity Benefits

Sickness benefit: Up to 3,515 kroner a week is paid, based on the insured's hourly wage; for employees, the benefit is paid from the first day of incapacity; for self-employed persons, the benefit is paid from the third week of incapacity (may insure voluntarily for the first 2 weeks).

The employer is reimbursed by local government for the cost of sickness benefits paid directly to employees (the benefit paid for the first day of incapacity is not reimbursed.)

The weekly benefits provided under the national cash benefit program are paid for 52 weeks within any 18-month period; may be extended under specified circumstances.

Local government assesses the incapacity every 8 weeks.

Partial benefit: A reduced benefit is paid for a partial incapacity to work.

Death grant (means-tested): Depending on the deceased's assets and liabilities, a lump sum (up to a maximum of 8,100 kroner; 6,750 kroner if the survivor is younger than age 18) is paid.

Benefit adjustment: The grant is adjusted annually according to changes in wages.

Maternity benefit: Up to 3,515 kroner a week is paid. For employees, the benefit is paid for up to 52 weeks, including from 4 weeks before or from 14 weeks after the expected date of childbirth for the mother and, concurrently, 2 weeks paid leave for the father; after the 14th week, both parents may share a 32-week leave period that may be split between them or postponed but must be taken before the child's 9th birthday.

In the event of the adoption of a child, the benefit is paid for a 46-week leave period beginning from the date the parent takes charge of the child. After the 14th week, both parents may share a 32-week leave period that may be split between them or postponed but must be taken before the child's 9th birthday.

Additional leave of up to 3 months is awarded if the child is hospitalized as a result of a disease contracted in connection with birth.

Workers' Medical Benefits

Free service benefits are provided with a restricted choice of doctor, or the patient pays part of expenses with a free choice of doctor. Benefits include general practitioner care, specialist care, treatment by psychologists under special circumstances, hospitalization in a public hospital, 50% to 85% of the cost greater than 445 kroner a year of most prescribed drugs, free maternity care by a midwife or doctor, home nursing, chiropractic, physiotherapy, the cost of some dental care, and transportation for pensioners.

There is no limit to duration (except for treatment by psychologists, chiropractors, and physiotherapists).

Dependents' Medical Benefits

Free service benefits are provided with a restricted choice of doctor, or the patient pays part of expenses with a free choice of doctor. Benefits include general practitioner care, specialist care, treatment by psychologists under special circumstances, hospitalization in a public hospital, 50% to 85% of the cost greater than 445 kroner a year of most prescribed drugs, free maternity care by a midwife or doctor, home nursing, chiropractic, physiotherapy, the cost of some dental care, and transportation for pensioners.

There is no limit to duration (except for treatment by psychologists, chiropractors, and physiotherapists).

Administrative Organization

Sickness and maternity benefits: Ministry of Social Welfare (<http://www.social.dk>) provides general supervision and national administration.

Local (municipal) governments administer sickness and maternity benefits at the local level.

Medical benefits: Ministry of Health provides general supervision and national administration.

Local (municipal) and regional governments administer medical benefits at the local level.

Work Injury

Regulatory Framework

First law: 1898.

Current law: 2006 (occupational injury).

Type of program: Universal (medical benefits) and direct provision (cash benefits) system, involving compulsory income security provisions through a private carrier (accidents) and the Labor Market Occupational Disease Fund (occupational diseases).

Coverage

All employed persons, persons in vocational training, and persons with a congenital impairment resulting from the work or employment history of either parent.

Voluntary coverage for all self-employed persons and their spouses.

Special system for military personnel.

Source of Funds

Insured person: None.

Self-employed person: Voluntary contributions for benefits in the first 2 weeks of incapacity.

Employer: For temporary disability benefits, see source of funds for sickness benefits under Sickness and Maternity, above. For permanent disability benefits, the total cost of compulsory income security provisions through a private carrier (work injuries) and the Labor Market Occupational Disease Fund (occupational diseases).

Government: See source of funds under Sickness and Maternity, above.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period. A claim for a benefit for a work injury or an occupational disease must be made within a year; beyond a year in special circumstances.

Temporary Disability Benefits

Up to 3,515 kroner a week is paid, based on the insured's hourly wage. For employees, the benefit is paid from the first day of incapacity; for self-employed persons, the benefit is paid from the 3rd week of incapacity (may insure voluntarily for the first 2 weeks).

The employer is reimbursed by local government for the cost of sickness benefits paid directly to employees (the benefit paid for the first day of incapacity is not reimbursed.)

The benefits provided under the national cash benefit program are paid weekly for 52 weeks within any 18-month period; may be extended under specified circumstances.

Local government assesses the incapacity every 8 weeks.

Partial benefit: A reduced benefit is paid for a partial incapacity to work.

Permanent Disability Benefits

Permanent disability pension: For a total disability (100%), the pension is equal to 80% of the insured's earnings of the previous year. The minimum assessed degree of disability for entitlement to benefits is 15%.

The minimum annual earnings for benefit calculation purposes are 157,000 kroner. The maximum annual earnings for benefit calculation purposes are 419,000 kroner. The maximum earnings are adjusted annually.

For an assessed loss in earning capacity of less than 50%, a lump sum is paid. If the loss in earning capacity is 50% or less, the insured may choose a monthly benefit or a lump sum. If the loss in earning capacity is more than 50%, a monthly pension is paid (the insured may receive part of the total benefit as a lump sum calculated on the basis of a 50% loss in earning capacity).

The degree of disability is assessed by the National Board of Industrial Injuries and may be reviewed at any time in the first 5 years after the award is made if the insured's condition changes.

The pension ceases at age 65.

Permanent injury compensation: For a total disability (100%), a lump sum of 699,000 kroner is paid; may be higher in special cases, up to a maximum of 838,000 kroner.

Benefit adjustment: Benefits are adjusted annually.

Workers' Medical Benefits

Benefits include the cost of prostheses, artificial limbs, orthopedic equipment and wheelchairs, and some specialist care (most medical services are obtained under ordinary sickness insurance).

Survivor Benefits

Survivor pension: 30% of the insured's annual earnings are paid for up to 10 years to the surviving spouse or to a cohabiting partner (including a same-sex partner) who lived with

the deceased for at least 2 years. The pension is paid if the survivor (re)marries.

The maximum annual earnings for pension calculation purposes are 419,000 kroner.

The survivor pension ceases at age 65.

Orphan's pension: Each orphan up to age 18 (age 21 if a student) receives 10% of the deceased's annual earnings, up to a maximum of 40%. Each full orphan up to age 18 (age 21 if a student) receives 20% of the deceased's annual earnings, up to a maximum of 50%.

Transitional allowance: If the insured's death is the result of a work injury or an occupational disease, a lump sum of 131,500 kroner is paid to a spouse or cohabiting partner (including a same-sex partner) or, depending on circumstances, other persons.

Benefit adjustment: Benefits are adjusted annually.

Administrative Organization

Ministry of Employment (<http://www.bm.dk>) provides general supervision.

Danish Financial Supervisory Authority (<http://www.ftnet.dk>) provides direct supervision of private carriers for work accidents and the Labor Market Occupational Diseases Fund.

National Board of Industrial Injuries (<http://www.ask.dk>) assesses entitlements for insured persons and survivors.

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 law: 2005 (unemployment insurance), with amendments.

Type of program: Subsidized voluntary insurance system.

Note: If an unemployed person is not eligible for benefits and has no means of support, local (municipal) government may provide social assistance.

Coverage

Employees aged 18 to 63, self-employed persons, persons who have completed at least 18 months of vocational training, and persons holding public office in central or local government. Covered persons must be members of an approved unemployment fund established voluntarily by trade unions.

Source of Funds

Insured person: Membership contributions to an unemployment insurance fund consists of a variable contribution toward financing the fund (rates vary according to fund), a mandatory fixed contribution toward the payment of unemployment insurance, and a voluntary fixed contribution toward payment of early retirement pay.

Employees pay 8% of their monthly gross salary or earnings toward the Labor Market Fund to cover state expenditure on unemployment insurance benefits and voluntary early retirement pay.

Contributions are paid monthly, quarterly, or annually, depending on the unemployment insurance fund.

Self-employed person: Membership contributions to an unemployment insurance fund consist 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.

A self-employed person pays 8% of gross salary or earnings toward the Labor Market Fund to cover state expenditure on unemployment insurance benefits and voluntary early retirement pay.

Contributions are paid monthly, quarterly, or annually, depending on the unemployment insurance fund.

Employer: Certain employers make contributions.

Government: Provides a subsidy.

Qualifying Conditions

Unemployment benefit: Membership in the unemployment fund during the last 12 months (self-employed persons included) and 52 weeks (1,924 hours) of insured employment in the last 3 years.

Unemployment must not be due to voluntary leaving, misconduct, a labor dispute, or the refusal of a suitable job offer. The claimant must be registered for employment and capable of, and willing to, work.

Part-time unemployment benefit: Membership in the unemployment fund during the last 12 months (self-employed persons included) and 34 weeks (1,258 hours) of insured employment in the last 3 years.

Voluntary early retirement pay scheme: Persons residing in Denmark aged 60 to 65 (including self-employed persons) and a member of an unemployment fund for 25 of the last 30 years (including contributions paid to finance early retirement pay); 20 of the last 25 years if born before July 1, 1964, but after February 29, 1952; or 10 of the last 15 years if born before March 1, 1952.

Unemployment Benefits

Unemployment benefit: The benefit is equal to 90% of average earnings in the previous 12 weeks, up to 3,200 kroner a week. (Young unemployed persons who complete a period of vocational training or military service receive up to 2,880 kroner a week.) The benefit is paid from the first day of unemployment (5 days a week) for up to 4 years. Self-employed persons have a waiting period of 3 weeks.

If the unemployed person is aged 55 to 59, the period may be extended until the 60th birthday to allow entitlement to the voluntary early retirement pay scheme.

Part-time unemployment benefit: The maximum benefit is equal to 2/3 of the maximum unemployment benefit.

Voluntary early retirement pay scheme: The maximum benefit is equal to 91% of the highest unemployment benefit, but not more than 3,200 kroner a week. 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 (<http://www.bm.dk>) and the National Directorate of Labor provide general supervision.

Recognized unemployment funds (with at least 10,000 members) administer the program nationally, collect contributions, and pay benefits.

Family Allowances

Regulatory Framework

First law: 1952.

Current law: 2004 (child benefits), with amendments.

Type of program: Universal system.

Coverage

Danish citizens residing in Denmark, noncitizens residing in Denmark for a year or more (3 years for a special supplement) or noncitizens covered by a reciprocal agreement, and refugees.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Family allowances: The child must be younger than age 18 and reside in Denmark. The parent must pay taxes in Denmark.

Family Allowance Benefits

Family allowances: The basic annual allowance is 14,156 kroner for each child up to age 2, 12,792 kroner for each child aged 3 to 6, and 9,696 kroner for each child aged 7 to 17.

Single parent's supplement: 4,556 kroner a year is paid for each child (for example, in the case of a family with a single breadwinner). Eligibility is assessed annually.

Orphan's supplement: Full orphans receive 24,000 kroner a year; half orphans receive 12,000 kroner a year.

Children of pensioners supplement: Children of pensioners receive 11,628 kroner a year (one pensioner parent) or 13,128 kroner a year (two pensioner parents).

Study supplement: 5,976 kroner a year is paid for each parent who is studying.

All benefits and supplements are paid quarterly.

Birth grant: For multiple births, 7,504 kroner a year is paid for the second and each subsequent child.

The grant is paid quarterly until the children are age 7.

Adoption grant: For the adoption of a foreign child, a lump sum of 43,225 kroner is paid.

Benefit adjustment: Benefits are adjusted annually according to changes in wages.

In addition, some child care and educational costs and parental leave periods are provided.

Administrative Organization

Ministry of Social Welfare (<http://www.social.dk>) provides general supervision and national administration.

Local (municipal) governments administer the program.

Estonia

Exchange rate: US\$1.00 equals
10.65 kroons.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1924.

Current laws: 1992 (pensions), with 2005, 2006, and 2007 amendments; 1992 (pensions); 2000 (funeral benefit); 2001 (funded pensions); 2003; 2004 (individual accounts) with 2005 and 2007 amendments; and 2004 (investments).

Type of program: Social insurance and mandatory individual account system.

Note: Participation in an individual account is mandatory for all persons born after December 31, 1982, who are covered by social insurance. Persons born after December 31, 1941, or before January 1, 1983, may contribute voluntarily.

Coverage

Social insurance: All persons residing permanently in Estonia; noncitizens residing temporarily in Estonia and legal refugees.

Mandatory individual account: All persons born after December 31, 1982, who are covered by social insurance, including self-employed persons.

Voluntary coverage is possible.

Source of Funds

Social insurance

Insured person: None.

Self-employed person: 20% of declared covered earnings.

The maximum monthly declared earnings for contribution purposes for a self-employed person are 26,053 kroons.

Employer: 20% of gross payroll.

There are no maximum earnings for contribution purposes.

Government: The total cost for some categories of caregivers and unemployed persons; the cost of the old-age national pension and pension supplements for civil servants, victims of political repression, and war veterans; the cost of the disability national pension and allowances for disabled children and special noncontributory social benefits for the disabled; and the cost of funeral grants.

Mandatory individual account

Insured person: 2% of earnings, plus a fund management fee (up to a ceiling).

Self-employed person: 4% of declared earnings, plus a fund management fee (up to a ceiling). (The contribution is taken from the 20% of declared earnings used to finance old-age, disability, and survivor pensions, above.)

Employer: 4% of gross payroll. (The contribution is taken from the 20% of gross payroll used to finance old-age, disability, and survivor pensions, above.)

Government: None.

Qualifying Conditions

Social insurance

Old-age pension: Age 63 with at least 15 years of service (men) or age 60 and 6 months with at least 15 years of service (women). (The retirement age for women is being raised gradually by 6 months each year until it reaches age 63 in 2013).

Retirement is possible up to 5 years before the normal retirement age with at least 15 years of service if the insured worked under dangerous or hazardous conditions.

Early pension: Retirement is possible up to 3 years before the normal retirement age with at least 15 years of service (men and women).

Deferred pension: A deferred pension is possible. There is no maximum deferral period.

National old-age pension: Age 63 and does not qualify for a social insurance old-age pension. Must have resided in Estonia for at least 5 years before making the claim for the benefit and must not be receiving a pension from any other country.

Pension supplement: The supplement is paid to veterans of the Estonian War of Independence and their widow(er)s; persons assessed as at least 40% incapacitated for work as a result of a nuclear test or accident; and veterans of WWII or members of the Estonian Defense Force.

Disability pension: Paid from age 16 to the retirement age with a coverage period of at least 1 year for persons aged 21 to 23, rising to 14 years for persons aged 60 to 62. There is no coverage-period requirement from age 16 to age 20.

The pension is paid for a total disability (100% loss of earning capacity) or partial disability (10% to 99% loss of earning capacity).

The pension is payable for 6 months; for 1, 2, or 5 years (renewable periods); or until retirement age, according to the assessed degree of disability.

A medical commission assesses the degree of disability.

National disability pension: The insured must be assessed with a loss of at least 40% of earning capacity, does not qualify for a social insurance disability pension, and does not receive a pension from any other country.

Pension supplement: The supplement is paid to veterans of the Estonian War of Independence and their widow(er)s; persons declared incapacitated for work as a result of a nuclear test or accident; veterans of WWII or members of the Estonian Defense Force; and rehabilitated persons, persons held as prisoners of war, and persons held in concentration camps or ghettos during WWII or in labor and construction battalions or labor and construction units in 1941 and 1942.

Survivor pension: Survivors must be incapable of gainful activity. The deceased had a coverage period of at least 1 year if aged 21 to 23, rising to 14 years if aged 60 to 62. There is no coverage-period requirement if the deceased was aged 16 to 20.

Eligible survivors include children, stepchildren, siblings, and grandchildren younger than age 18 (age 24 if a full-time student, no limit if disabled); parents or stepparents of pensionable age or disabled; a surviving spouse (from the 12th week of pregnancy, nonworking and rearing the deceased's child who is younger than age 3, permanently disabled and married to the deceased for at least a year, divorced and permanently incapable of work before the divorce or if the incapacity began in the year immediately after the divorce, reached pensionable age within 3 years after the divorce and the marriage had lasted for at least 25 years, or of pensionable age); or a nonemployed guardian rearing the deceased's children.

National survivor pension: Paid on the death of the family breadwinner who is not eligible for a social insurance pension. The survivor must not receive a pension from any other country.

Mandatory individual account

Old-age pension: Age 63 with at least 15 years of service (men) or age 60 and 6 months with at least 15 years of service (women), receiving the social insurance old-age pension, and first contributed to the individual account at least 5 years before the date of retirement. (The retirement age for women is being raised gradually by 6 months each year until it reaches age 63 in 2013).

Disability pension: No disability pension is provided.

Survivor pension: The pension is paid to survivors named by the deceased; in the absence of named survivors, the pension is paid to the deceased's spouse and orphans.

Old-Age Benefits

Social insurance

Old-age pension: A monthly flat-rate amount of 1,373.58 kroons (July 2007) plus a length-of-service component (for years of service up to December 31, 1998) and an insurance component (for social taxpayers since January 1, 1999).

The monthly length-of-service component is 54.43 kroons (April 2007) times the number of years of service up to December 31, 1998.

The insured component is equal to the sum of annual factors for each year of pension insurance times 54.43 kroons (April 2007). The annual factor is 1.0 if contributions have been paid on the average salary.

Persons receiving the old-age pension may continue working.

Early pension: The old-age pension is reduced by 0.4% for each month the pension is received before the normal retirement age.

Persons receiving the early pension must cease all gainful activity.

Deferred pension: For each month the claim for an old-age pension is deferred, the pension is increased by 0.9%.

The minimum monthly old-age pension is equal to the national pension rate of 1,573.31 kroons (July 2007).

There is no maximum old-age pension.

Benefit adjustment: Benefits are adjusted annually in April according to changes in the consumer price index and the annual increase in collected social tax contributions.

National old-age pension: The monthly national pension is equal to the national pension rate of 1,573.31 kroons (July 2007).

Pension supplement: Veterans of the Estonian War of Independence and their widow(er)s receive 100% of the national pension rate; persons assessed as at least 40% incapacitated for work as a result of a nuclear test or accident receive 10% of the national pension rate; and veterans of WWII or members of the Estonian Defense Force receive 10% of the national pension rate.

The monthly national pension rate is 1,573.31 kroons (July 2007).

Benefit adjustment: The national pension is adjusted annually by the Estonian parliament.

Mandatory individual account

Old-age pension: The value of the pension depends on the insured's contributions plus accrued interest, minus administrative fees. At retirement, the accumulated capital must be used to provide a life annuity or to make programmed withdrawals if the pension is less than 25% of the national pension rate.

The monthly national pension rate is 1,573.31 kroons (July 2007).

The first benefits from the mandatory individual account system will start in 2009.

Permanent Disability Benefits

Social insurance

Disability pension: The monthly disability pension is equal to the old-age pension payable to the insured or the sum of a flat-rate amount of 1,373.58 kroons (July 2007) plus a length-of-service component based on 30 years of coverage times the assessed degree of disability, whichever is greater.

The monthly length-of-service component is 54.43 kroons (April 2007) times the number of years of service up to December 31, 1998.

The minimum monthly disability pension is equal to the national pension rate of 1,573.31 kroons (July 2007).

There is no maximum disability pension.

Persons receiving the disability pension may continue in gainful activity.

The disability pension is replaced by an old-age pension at retirement age.

Benefit adjustment: Disability pensions are adjusted annually in April according to changes in the consumer price index and the annual increase in social tax contributions received.

National disability pension: A percentage of the monthly national pension rate is paid according to the assessed degree of disability. The monthly national pension rate is 1,573.31 kroons (July 2007).

Persons receiving the national pension may continue working.

Pension supplement: Veterans of the Estonian War of Independence and their widow(er)s receive 100% of the national pension rate; persons declared incapacitated for work as a result of a nuclear test or accident receive 10% of the national pension rate; veterans of WWII or members of the Estonian Defense Force receive 10% of the national pension rate; and rehabilitated persons, persons held as prisoners of war, persons held in concentration camps or ghettos during WWII or in a labor and construction battalions or labor and construction units in 1941 and 1942 receive 20% of the national pension rate.

The monthly national pension rate is 1,573.31 kroons (July 2007).

Benefit adjustment: The national pension rate is adjusted annually by the Estonian parliament.

Mandatory individual account

Disability pension: No disability benefits are provided.

Survivor Benefits

Social insurance

Survivor pension: The monthly survivor pension is a percentage of the reference pension corresponding to the number of eligible survivors. One survivor receives 50% of

the reference pension, two survivors receive 80%, and three survivors or more receive 100%. The amount is split equally among all eligible survivors.

The reference pension is the higher of the deceased's old-age pension or the sum of the flat-rate amount of 1,373.58 (July 2007) plus a length-of-service component based on 30 years of coverage (see old-age pension, above).

The survivor pension is payable for 12 months after remarriage.

Full orphans receive the survivor pension of both parents.

The minimum survivor pension is equal to 40% of the old-age pension payable for a person with a length-of-service component based on 30 years of coverage (see old-age pension, above).

The maximum survivor pension is equal to 100% of the old-age pension payable for a person with a length-of-service component based on 30 years of coverage (see old-age pension, above).

National survivor pension: For one survivor the monthly pension is 50% of the national pension rate; for two survivors, 80%; and for three survivors or more, 100%. The amount is split equally among eligible survivors.

The monthly national pension rate is 1,573.31 kroons (July 2007).

Benefit adjustment: The national pension rate is adjusted annually by the Estonian parliament.

Death grant: A lump sum of 2,600 kroons is paid.

Mandatory individual account

Survivor pension: If the insured dies before retirement, designated survivors receive the accumulated value of the individual account. If the insured dies after retirement, designated survivors may receive a guaranteed periodic benefit for at least 5 years.

Administrative Organization

Social insurance

Ministry of Social Affairs (<http://www.sm.ee>) is responsible for general management and supervision.

National Social Insurance Board (<http://www.ensib.ee>) is responsible for overall planning and coordination.

Regional pension offices are responsible for administration at the local level.

Mandatory individual account

Ministry of Finance (<http://www.fi.ee>) supervises the Financial Supervisory Authority and the Registrar of the Estonian Central Register of Securities.

Financial Supervisory Authority (<http://www.fi.ee>) supervises financial services providers, including pension management companies and life insurance companies.

Registrar of the Estonian Central Register of Securities (<http://www.e-register.ee>) sets up a pension account for each insured person.

Sickness and Maternity

Regulatory Framework

First law: 1924.

Current laws: 2000 (health insurance fund), implemented in 2001; 2002 (health organization); and 2002 (health insurance), with amendments.

Type of program: Social insurance system.

Coverage

Cash benefits: Insured employees, employers, and self-employed persons.

Medical benefits: Insured employees, employers, and self-employed persons; the spouse of an insured person; persons younger than age 19; schoolchildren or full-time or vocational training students; disabled persons; nonworking persons rearing a child up to age 3; pregnant women from the twelfth week of pregnancy; social insurance pensioners; persons registered as unemployed; and military personnel.

Voluntary coverage for persons who were previously insured for at least 12 months in the last 2 years and for persons receiving a pension from another country.

Source of Funds

Insured person: None.

The monthly insurance premium for voluntarily covered persons is 1,223 kroons (2008).

Self-employed person: 13% of declared earnings.

The self-employed person's contributions also finance work injury benefits.

Employer: 13% of payroll.

The employer's contributions also finance work injury benefits.

Government: None.

Qualifying Conditions

Cash benefits: The insured must be a current member of the Health Insurance Fund regardless of the length of service.

The incapacity for work must be certified by a doctor from the second day of incapacity.

Medical benefits: The insured must be a current member of the Health Insurance Fund.

Insured persons must satisfy a qualifying period for eligibility for medical benefits: 14 days for workers with an

employment contract or service contract exceeding 1 month and for civil servants and 3 months for caregivers and unemployed persons for whom government pays the total contribution (see source of funds under Old Age, Disability, and Survivors, above) and for affiliated self-employed persons.

Sickness and Maternity Benefits

Sickness benefit: The daily benefit is a percentage of the reference wage: 80% of the reference wage is paid for hospitalization or nursing for a child younger than age 12, for outpatient treatment, nursing a sick family member at home, caring for a disabled child younger than age 16, temporary sick leave from employment, or periods of quarantine; and 100% of the reference wage is paid to care for a child younger than age 12, for an occupational disease or a work injury, or if the incapacity is the result of an act to prevent a criminal offense, protect the national or public interest, or save a human life.

The reference wage is equal to the insured's average gross daily wage in the previous calendar year. There is no maximum reference wage.

The benefit is paid for up to 182 calendar days for each case of sickness; for up to 240 calendar days for tuberculosis.

Benefits also include wage compensation for a temporary transfer to another job as a result of the incapacity. The benefit is equal to the difference between earnings before and after job transfer. The benefit is paid from the transfer day for up to 60 calendar days.

Pensioners receive cash benefits for prostheses every 3 years.

Maternity benefit: The benefit is equal to 100% of the reference wage and is paid for up to 140 calendar days; for up to 154 calendar days in the case of multiple births or for complications that arise as a result of pregnancy or childbirth; and for up to 70 calendar days for the adoption of a child younger than age 10.

The reference wage is equal to the insured's average gross daily wage in the previous calendar year. There is no maximum reference wage.

Benefits also include wage compensation for a temporary transfer to another job as a result of pregnancy. The benefit is equal to the difference between earnings before and after the job transfer. The benefit is paid from the transfer day until the start of the maternity leave period.

Workers' Medical Benefits

National and local medical institutions provide medical benefits.

The duration of the benefits is unlimited, and the insurance coverage continues for 1 or 2 months dependent on the category of insurance after the payment of contributions has ceased.

Pharmaceutical products: Patients diagnosed with tuberculosis, cancer, HIV-related infections, and other diseases receive full compensation for medicines. For children up to age 10, persons receiving a disability pension, and insured persons older than age 63, a compensation rate of 90% applies to required medicines, according to the schedule in law. For all other insured persons, a compensation rate of 75% applies to required medicines, according to the schedule in law.

Cost sharing: A 100% discount and a 75% discount on prescribed medicines requires a patient's copayment of 20 kroons; a 50% discount, 50 kroons. The insured's copayment is paid to the pharmacy; the Health Insurance Fund pays the discount part directly to the pharmacy on receipt of the relevant medical prescription. The Health Insurance Fund pays 50% of the amount exceeding 50 kroons, but not more than 200 kroons per prescription.

The Health Insurance Fund also compensates the insured for the annual cost of medicines between 6,000 kroons and 20,000 kroons. If the insured has paid between 6,000 kroons and 10,000 kroons during a calendar year, the Fund compensates 50% of the cost up to a maximum of 2,000 kroons; if the insured has paid between 10,000 kroons and 20,000 kroons, the Fund compensates 75% of the cost up to a maximum of 7,500 kroons.

The insured receives temporary prosthesis after amputation, internal prosthesis, stomach aids, and further technical appliances.

Medical treatment abroad is authorized only by the Health Insurance Council in special cases.

A copayment of up to 50 kroons is made for each home visit or for a visit for specialized outpatient care and up to 25 kroons for inpatient fees. (No copayment is required for periods of intensive care, inpatient specialized medical care as the result of pregnancy or childbirth, or inpatient medical care for a child).

A copayment of up to 25 kroons is made for each day of hospitalization. (No copayment is required for hospitalization in a standard ward for more than 10 calendar days for a single illness.)

Dependents' Medical Benefits

National and local medical institutions provide medical benefits.

Free dental treatment is provided for children up to age 19. A copayment, partly compensated by the Health Insurance Fund, is paid by pregnant women, mothers of children younger than age 1, and persons who have an increased need for dental treatment services as a result of health services provided to them (including surgical treatment of face traumas).

Administrative Organization

Ministry of Social Affairs (<http://www.sm.ee>) is responsible for general management, supervision, and planning.

Health Insurance Fund (<http://www.haigekassa.ee>) coordinates health insurance.

Medical benefits are provided by doctors, polyclinics, and hospitals.

Health Insurance Fund administers benefits.

Work Injury

Regulatory Framework

First law: 1924.

Current laws: 1956 (civil code), 1999 (work injuries and occupational diseases) with amendments; 2001 (pension insurance) with 2002 to 2006 amendments; 2002 (health insurance) with 2004 to 2008 amendments; and 2002 (obligations), with 2003 and 2004 amendments.

Type of program: Social insurance system. (There is no specific program for work injuries and occupational diseases. Cash and medical benefits are provided through the Sickness and Maternity and Old Age, Disability, and Survivor programs, above. Under the civil code, additional benefits are provided by employers.)

Coverage

Insured employed and self-employed persons.

Source of Funds

Insured person: None.

Self-employed person: See source of funds under Sickness and Maternity, above.

Employer: See source of funds under Sickness and Maternity, above.

Government: The payment of compensation for employees with work injuries or occupational diseases whose employer is insolvent.

Qualifying Conditions

Work injury benefits: All employed and self-employed persons who reside permanently in Estonia. Accidents that occur while commuting to and from work are covered.

Temporary Disability Benefits

The benefit is equal to 100% of the reference wage until the degree of disability has been assessed.

The reference wage is equal to the insured's average gross daily wage in the previous calendar year. There is no maximum reference wage.

A medical commission assesses the degree of disability.

Permanent Disability Benefits

Permanent disability pension: A permanent disability pension is paid with at least a 40% loss of earning capacity.

The monthly pension is a percentage of the reference pension according to the assessed loss of earning capacity.

The reference pension is equal to the old-age pension or the sum of the flat-rate amount of 1,373.58 kroons (July 2007) plus the length-of-service component based on 30 years of coverage times the assessed degree of loss of earning capacity, whichever is greater.

The monthly length-of-service component is 54.43 kroons (April 2007) times the number of years of service up to December 31, 1998.

The minimum monthly pension is equal to the monthly national pension rate of 1,573.31 kroons (July 2007).

There is no maximum permanent disability pension.

Benefit adjustment: Benefits are adjusted annually in April according to changes in the consumer price index and the annual increase in social tax contributions received.

Compensation benefit: A benefit is paid for at least a 10% loss of earning capacity. The benefit is equal to a percentage of the insured's average gross earnings in the last 12 months before the work injury or occupational disease began according to the assessed loss of earning capacity, minus the amount of any pension paid by government.

Workers' Medical Benefits

National and local medical institutions provide medical benefits.

Medical rehabilitation is provided. Local authorities are responsible for the provision of social rehabilitation (including special transportation for disabled persons, necessary adaptation of the person's home, and personal assistance).

If the medical commission certifies the need for extra expenses, the responsible employer is obliged to meet the cost of prostheses and aids, prescribed medicines, treatment in a sanatorium, travel expenses to a health establishment or sanatorium, and expenses for auxiliary care.

Survivor Benefits

Survivor pension: The monthly pension is a percentage of the reference pension corresponding to the number of eligible survivors. One survivor receives 50% of the reference pension, two survivors receive 80%, and three survivors or more receive 100%. The amount is split equally among all entitled survivors.

The reference pension is the higher of the old-age pension or the sum of the flat-rate amount of 1,373.58 kroons (July 2007) plus a length-of-service component based on 30 years of coverage.

The monthly length-of-service component is 54.43 kroons (April 2007) times the number of years of service up to December 31, 1998.

The survivor pension is payable for 12 months after remarriage.

Full orphans receive the survivor pension of both parents.

The minimum survivor pension is equal to 40% of the old-age pension payable for a person with a length-of-service component based on 30 years of coverage.

The maximum survivor pension is equal to 100% of the old-age pension payable for a person with a length-of-service component based on 30 years of coverage.

Death grant: A lump sum of 2,600 kroons is paid.

Administrative Organization

Ministry of Social Affairs (<http://www.sm.ee>) is responsible for general management and supervision.

Health Insurance Fund (<http://www.haigekassa.ee>) administers health insurance in counties and towns.

Medical benefits are provided by doctors, polyclinics, and hospitals.

Regional pension offices administer permanent disability benefits.

Unemployment

Regulatory Framework

First law: 1991.

Current laws: 2000 (unemployment); and 2001 (unemployment insurance), with 2006 amendment.

Type of program: Social insurance and social assistance system.

Coverage

All persons residing permanently in Estonia aged 16 up to the retirement age who are capable of gainful activity; non-citizens residing temporarily in Estonia and legal refugees.

Source of Funds

Unemployment insurance benefit

Insured person: 0.6% of gross earnings.

Self-employed person: None.

Employer: 0.3% of gross payroll.

Government: None.

Unemployment allowance

Insured person: None

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Unemployment insurance benefit (social insurance): The insured must be aged 16 up to the retirement age (except for early pensioners), registered as unemployed with the employment service, and be involuntarily unemployed with at least 12 months of work in the 36 months before registering as unemployed.

There is a waiting period of 7 calendar days.

The benefit is suspended if the insured does not attend the local employment office at least once every 30 calendar days or refuses a suitable job offer.

Unemployment allowance (social assistance): The insured must be aged 16 up to the retirement age (except for early pensioners), registered as unemployed with the employment service, have 180 calendar days of employment in the 12 months before making the claim for the benefit, and personal income must be less than the value of the unemployment allowance. Employment periods include full-time education, military service, rearing a child younger than age 7, treatment in a hospital, providing care for a sick person, or periods of disability or detention.

There is a waiting period of 7 calendar days; 60 calendar days for recently graduated students, for voluntary unemployment, or for behavior that resulted in the claimant being dismissed by his or her previous employer.

Unemployment Benefits

Unemployment insurance benefit (social insurance): The benefit is equal to 50% of reference earnings for the first 100 calendar days; thereafter, 40% of reference earnings. The benefit is paid for 180 calendar days with a coverage period of up to 56 months; for 270 calendar days with 56 to 110 months; or for 360 calendar days with 111 months or more.

Reference earnings are average daily earnings on which unemployment insurance contributions have been paid during the 12 months before registering as unemployed.

The maximum daily earnings for benefit calculation purposes are equal to three times the national average daily income for the previous calendar year.

Unemployment allowance (social assistance): A daily allowance of 32.90 kroons is paid for 270 calendar days; 210 calendar days to unemployed persons who left their previous employment on the initiative of the employer for a breach of duties, loss of confidence, or indecent act. Unemployed persons who have received unemployment insurance benefits for a period shorter than 270 days are eligible to receive the unemployment allowance until the end of the 270-day period.

The unemployment allowance may be extended up to the pensionable age if there are less than 180 calendar days until the claimant reaches the pensionable age; up to the expected date of childbirth if the insured is pregnant and there are less than 70 calendar days until the expected date of childbirth; or for up to 90 days if the insured is rearing at least three children younger than age 18.

An additional retraining grant equal to 1.5 times the unemployment allowance is paid if the claimant attends retraining courses.

Administrative Organization

Ministry of Social Affairs (<http://www.sm.ee>) is responsible for general management and supervision.

Labor Market Board (<http://www.tta.ee>), 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 laws: 2004 (family), with amendments; and 2001 (family benefits), with 2002 to 2007 amendments.

Type of program: Social assistance system.

Coverage

All persons residing permanently in Estonia; citizens of foreign states (stateless persons) and their spouses and children who are of Estonian origin; noncitizens residing temporarily in Estonia; and refugees and their children.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Family allowances: All children younger than age 16; up to age 19 if a full-time student.

The child and parent must reside in Estonia.

Family Allowance Benefits

Childbirth allowance: 5,000 kroons is paid for each child; also payable for the adoption of a child.

Child allowance: A monthly allowance is paid to families at twice the child allowance rate for each child.

The child allowance rate is 150 kroons.

Single parent's child allowance: As a supplement to the child allowance, a monthly allowance is paid for children up to age 16 and for children in full-time education at twice the child allowance rate. The parent is not entitled to receive the single parent's child allowance if the child receives a survivor pension.

The child allowance rate is 150 kroons.

Disabled child allowance: As a supplement to the child allowance, a monthly allowance equal to 2.7 times the social benefit rate is paid to a child with a moderate disability or 3.15 times for a severe and profound disability.

The social benefit rate is 400 kroons and is set periodically by parliament.

Large family supplement: Paid to families with at least three children and families raising triplets. The quarterly allowance is equal to the child allowance rate multiplied by the number of children and is paid as a supplement to other child benefits.

The child allowance rate is 150 kroons.

Child care allowance: A monthly allowance is paid for each child at 0.5 times the child care allowance rate to one parent (or the guardian or the person taking substitute care of the child during a child care leave period) rearing one or more children younger than age 3; thereafter, 0.25 times the child care allowance rate for a child between ages 3 and 8 in a family of two children, if the other child is younger than age 3, or in a family with at least three children.

The child care allowance rate is 1,200 kroons.

Supplementary child care allowance: As a supplement to the child care allowance, a monthly allowance of 100 kroons is paid to a parent rearing children for up to a year at home.

Disabled student allowance: A monthly allowance of between 25% and 100% of the social benefit rate (depending on additional expenses) is paid to a nonworking disabled student completing secondary school or in vocational or higher education (not paid in July and August).

The social benefit rate is 400 kroons and is set periodically by parliament.

Conscript's child allowance: A monthly allowance is paid for children of conscripts in the armed forces at four times the child allowance rate during the entire term of the parent's military service.

The child allowance rate is 150 kroons.

Child's school allowance: A lump sum is paid at three times the child allowance rate for each child enrolled in school. The allowance is paid annually at the beginning of the school year.

The child allowance rate is 150 kroons.

Foster care allowance: A monthly allowance is paid at ten times the child allowance rate for children up to age 16 cared for by a guardian or foster parent.

The child allowance rate is 150 kroons.

Start in independent life allowance: A lump sum of 6,000 kroons is paid to orphans or persons without parental care who have spent at least the last 3 years in a children's home or a school for the disabled.

Parental benefit: A lump sum equal to 100% of the reference wage is paid for 455 days, including the period receiving maternity benefit.

The reference wage is equal to the insured's average gross daily wage in the previous calendar year calculated on the basis of insured income used for social tax contribution purposes.

The minimum parental benefit is 2,690 kroons.

The maximum parental benefit is 21,624 kroons.

Administrative Organization

Ministry of Social Affairs (<http://www.sm.ee>) is responsible for general management and supervision.

National Social Insurance Board (<http://www.ensib.ee>) coordinates and administers benefits.

Regional pension offices administer benefits at the local level.

Finland

Exchange rate: US\$1.00 equals 0.68 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1937.

Current laws: 1956 (universal pensions), implemented in 1957, with amendments; 1961 (earnings-related pensions); 1969 (survivor pensions), with 1990 (widowers) amendment; 1986 (partial pension and early pension), with amendments; and 2007 (universal pensions).

Type of program: Universal and social insurance system.

Coverage

Universal pension (income-tested): All persons residing in Finland after age 16 for a total of at least 3 years; persons who become disabled while living in Finland and before reaching age 19, regardless of the length of their period of residence in Finland.

Earnings-related pension: All regular employees aged 18 to 68, persons caring for a child younger than age 3, and students who received a degree for study periods up to a maximum of 5 years.

Special systems for maritime workers and public-sector employees.

Source of Funds

Insured person

Universal pension: None.

Earnings-related pension: 4.1% of gross monthly earnings for employees younger than age 53; 5.2% of gross monthly earnings for employees aged 53 or older.

The minimum monthly earnings for contribution purposes are €48.08.

There are no maximum earnings for contribution purposes.

Self-employed person

Universal pension: None.

Earnings-related pension: 20.6% of declared covered monthly earnings if younger than age 53; 21.7% of declared covered monthly earnings if aged 53 or older.

A self-employed person of any age setting up in business for the first time is allowed a discount of 25% on contributions for the first 48 months. If the business closes down before the end of the 48th month, the remaining discount period can be used for a second period of self-employment. There is no limit on the interval between these periods.

The minimum annual earnings for contribution purposes for self-employed persons are €6,186.65.

The maximum annual earnings for contribution purposes are €140,500.

Employer

Universal pension: From 0.801% to 3.901% of monthly payroll is paid by private employers, depending on the capital of the employer; 1.851% of monthly payroll is paid by local and central government.

Earnings-related pension: The average monthly contribution is 16.8%.

The minimum monthly earnings for contribution purposes are €47.08.

There are no maximum earnings for contribution purposes.

Government

Universal pension: About 40% of the cost of universal pensions and the total cost of housing allowances, disability allowances, pensioner care allowances, survivor pensions, and war veterans' benefits.

Earnings-related pension: The total cost of the earnings-related pension for self-employed persons and farmers whose earnings are less than the minimum annual earnings requirement for contribution purposes. The total cost of covered study periods for students and unpaid periods of child care for persons caring for a child younger than age 3.

Qualifying Conditions

Old-age pension

Universal old-age pension (income-tested): Age 65. Retirement is not necessary.

The pension is payable abroad for a year if the person was a resident of Finland for at least 1 year before moving abroad.

Early pension: Aged 62 to 64.

Deferred pension: A deferred pension is possible from age 65.

Unemployment pension: Paid between ages 60 and 64 when the insured is no longer entitled to the unemployment basic benefit (after at least 500 days of benefit or reaching age 60) and has worked for at least 5 of the last 15 years. The pension is paid only to persons born before 1950.

Special assistance for immigrants: Immigrants aged 65 or older are eligible for special assistance. Assistance is paid if the person is permanently residing in Finland, has been residing in Finland for at least 5 years before the benefit payments start, but does not meet the residence requirements for a universal pension.

Pensioner's care allowance: Paid to a pensioner aged 16 or older with an assessed disability or long-term illness.

Earnings-related old-age pension: The benefit is paid between ages 63 and 68. The insured must retire from covered employment.

Early pension: A reduced earnings-related pension is payable from age 62. The early pension for persons receiving unemployment benefits is not reduced.

Part-time old-age pension: Aged 58 to 67 with a reduced work schedule (16 to 28 hours a week and earning between 35% and 70% of full-time earnings), employed full time for 12 of the last 18 months, and covered during at least 5 of the last 15 years.

Deferred pension: A deferred pension is possible after age 68.

Unemployment pension: Paid at age 60 when no longer entitled to unemployment benefits (after a maximum duration of 500 days) and covered by the scheme for at least 5 of the last 15 years. The pension is paid only to persons born before 1950.

Disability pension

Universal disability pension (income-tested): The insured must be assessed with a permanent incapacity for suitable work and be aged 16 to 64. There is no partial pension. The universal pension can be awarded for a limited or an indefinite period.

Individual early retirement pension: A special type of disability pension may be granted on less stringent medical criteria than the regular disability pension to persons aged 60 to 64. The pension is paid only to persons born in 1943 or earlier.

Disability allowance (aged 16 or older): Paid to disabled non-pensioners or disabled persons not receiving a full pension aged 16 to 64.

Social Insurance Institution (SII) doctors may request a review of the insured's assessed degree of incapacity at any time. Persons receiving the disability pension must inform the SII of any changes in circumstances that may affect entitlement. The review is made by SII doctors based on medical reports by the insured's doctor.

Pensioner's care allowance: Paid to a pensioner aged 16 or older with an assessed disability or long-term illness.

Disability allowance (younger than aged 16): Paid for children younger than age 16 with an assessed disability or long-term illness.

Rehabilitation benefit: Paid to an insured person undergoing rehabilitation for an assessed disability. The rehabilitation period must last more than 30 days.

Special assistance for immigrants: Paid to disabled immigrants aged 16 to 64 who do not meet the residence requirement for a universal pension, but reside permanently in Finland and have been living in the country for at least 5 years before the benefit payments start.

Earnings-related disability pension: The full earnings-related disability pension is paid to persons aged 18 to 62 with an assessed loss of working capacity of at least 60%. The pension is paid when no longer entitled to the cash sickness allowance (300 days excluding Sundays). The pension is replaced by the old-age pension at age 63.

Partial disability: Paid with an assessed loss of working capacity of 40% to 59%.

Rehabilitation benefit: Paid to a disabled employee or a person who may experience a loss of working capacity due to illness or injury. The benefit is granted for a specific period of time.

After consultation with his or her doctor, the insured must provide a plan for treatment or rehabilitation as part of the doctor's statement. The objective of the plan is to promote the return to work. The pension provider assesses the insured's capacity for work.

Survivor pension

Universal survivor pension (income-tested): The insured must have lived in Finland after age 16 for at least 3 years. The widow(er) must have lived in Finland at the date of the insured's death or have moved to Finland within a year of the death of the spouse and lived in Finland after age 16 for at least 3 years. The initial pension, paid for a 6-month period, includes a flat-rate pension. It can be followed by a continuing pension, which is affected by the recipient's other income.

A widow(er) must be younger than age 65, have been married to the deceased before age 65, be caring for a child younger than age 18, or, if childless, be at least age 50 at the time of the spouse's death; in addition, the widow(er) must have been married to the deceased for at least 5 years.

Universal orphan's pension: Younger than age 18 (age 20 if a full-time student) and a resident of Finland or moved to Finland within a year of the insured's death.

Orphan's supplement (income-tested): Younger than age 18 (students aged 18 to 20 are excluded).

Earnings-related survivor pension: The deceased was insured or a pensioner at the time of death. The widow(er) is eligible if he or she had a child with the deceased and the couple were married (or in a registered partnership) before the deceased spouse's 65th birthday. If childless, the couple must have been married for at least 5 years (or in a registered partnership) and the survivor must have been younger than age 50 at the date of marriage and have been aged 50 or older or a disability pensioner for at least 3 years when widowed. The pension is paid to a former spouse if he or she received alimony from the deceased.

Earnings-related orphan's pension: Paid to a child younger than age 18.

Old-Age Benefits

Old-age pension

Universal old-age pension (income-tested): The pension varies from €5.93 to €558.46 a month, according to marital status and the value of other pension income received.

Income test: The benefit is reduced to 50% of the difference between other pension income and €49.25 a month; the pension is not paid if other pension income exceeds €1,028.08 or €1,154.25 a month, according to marital status. The amount is also adjusted for the length of the period of residence in Finland, with the full amount paid if the insured resided in Finland 80% of the time after attaining age 16 up to the date the pension was first paid or the insured reaches age 65.

Early pension: The pension is permanently reduced by 0.4% for each month the pension is taken before age 65.

Deferred pension: The pension is increased by 0.6% for each month the pension is deferred after age 65.

Unemployment pension: The pension is income tested and varies from €5.93 to €558.46 a month, according to marital status and the value of other pension income received.

Child's supplement: A flat rate of €19.48 a month is paid for a child younger than age 16.

Housing allowance: The allowance is €2.96 to €549.52 a month, according to income, housing expenses, municipality, marital status, and the number of family members.

Pensioner's care allowance: The allowance is €54.80, €136.43, or €288.49 a month, according to the extent of care needed.

Special assistance for immigrants (income-tested): The benefit varies from €5.93 to €558.46 a month, according to marital status, the value of other pension income received, and the disposable income of the applicant and his or her spouse.

Benefit adjustment: The universal pension and allowance supplements are adjusted automatically each year for changes in the cost-of-living index.

Earnings-related old-age pension: Pension rights accrue from age 18 up to age 68. Between ages 18 and 52, the pension accrues at the rate of 1.5% of annual earnings; between ages 53 and 62, by 1.9%; from age 63, by 4.5%. Earnings for pension calculation purposes are calculated on the basis of average lifetime earnings.

There is no maximum earnings-related pension.

Early pension: The pension is reduced by 0.6% for each month the pension is taken before age 63, up to a maximum of 7.2%. The old-age pension is paid at age 63 without reduction.

Part-time old-age pension: 50% of the difference between the former full-time income and the current part-time income is paid.

For persons born in 1946 or earlier, the part-time pension is calculated on the basis of current accrual conditions: the accrual rate on earnings from part-time work is 1.5% a year up to the beginning of the year in which the insured is age 60; thereafter, the accrual rate is 2.5%. For persons born in 1947 or later, pension rights accrue from part-time work at a rate of 1.9% a year between ages 58 and 62 and 4.5% a year from age 63.

Deferred pension: The pension is increased by 0.4% for each month the pension is deferred after age 68.

Unemployment pension: Pension rights are accrued during years of employment. If the insured has the right to a projected service (time between the date unemployment began and the retirement age) component, this will later be added to the old-age pension or survivor pension.

Benefit adjustment: Earnings-related benefits are adjusted according to a weighted index for changes in the consumer price index and wages (80:20).

Permanent Disability Benefits

Disability pension

Universal disability pension (income-tested): The pension varies from €5.93 to €558.46 a month, according to marital status and the value of other pension income received.

Income test: The benefit is reduced to 50% of the difference between other pension income and €49.25 a month; the pension is not paid if other pension income exceeds €1,028.08 or €1,154.25 a month, according to marital status. The amount is also adjusted for the length of the residence period in Finland, with the full amount paid if residing in Finland 80% of the time after attaining age 16 up to the date the pension was first paid.

The pension ceases if the insured begins new employment.

Individual early retirement pension: The pension varies from €5.93 to €558.46 a month, according to marital status and the value of other pension income received.

Disability allowance (aged 16 or older): Three rates of benefit are paid: the lower rate is €81.83 a month, the higher rate is €190.94 a month, and the special rate is €370.24 a month.

Child's supplement: A flat rate of €19.48 a month is paid for a child younger than age 16.

Housing allowance: The allowance varies from €2.96 to €549.52 a month, according to income, housing expenses, municipality, marital status, and the number of family members.

Pensioner's care allowance: The allowance is €54.80, €136.43, or €288.49 a month, according to the extent of care needed.

Disability allowance (younger than aged 16): Three rates of benefit are paid: the lower rate is €81.83 a month, the higher rate is €190.94 a month, and the special rate is €370.24 a month.

Rehabilitation benefit: The allowance is equal to 10% of the universal disability pension.

Special assistance for immigrants (income-tested): The benefit varies from €5.93 to €558.46 a month, according to marital status, the value of other pension income received, and the disposable income of the applicant and his or her spouse.

Benefit adjustment: The universal pension and allowances are adjusted automatically each year for changes in the cost-of-living index.

Earnings-related disability pension: Pension rights accrue at the rate of 1.5% a year between ages 18 and 52, 1.9% between ages 53 and 62, and 4.5% from ages 63 to 68. All disability pensioners have the right to projected service from the date the disability began until age 63. The accrual rate for projected service is 1.5% of salary a year until age 50; thereafter, 1.3% a year.

There is no maximum earnings-related disability pension. The insured can receive earnings from employment equal to up to 40% of the pension.

Partial disability pension: 50% of the full pension is paid if the assessed loss of working capacity is between 40% and 59%. The insured can receive earnings from employment that equal up to 60% of the pension.

Rehabilitation benefit: The benefit amount (the same as for the full or partial disability pension) is based on the assessed degree of disability plus a 33% increment for periods of active vocational rehabilitation undertaken by the insured.

Benefit adjustment: Earnings-related benefits are adjusted according to a weighted index for changes in the consumer price index and wages (80:20).

Survivor Benefits

Survivor pension

Universal survivor pension (income-tested): Paid to a widow(er) for the first 6 months following the spouse's death. The maximum basic pension is €288.03 a month, plus a possible housing allowance. From the 7th month, a minimum of €90.22 is paid if the surviving spouse is caring for a dependent child, otherwise the pension is income-tested. The value of the pension varies according to the deceased's length of residence in Finland.

Orphan's universal pension: A child younger than age 18 (age 20 if a full-time student) receives €53 a month; up to €106 a month for a full orphan.

Orphan's pension supplement (income-tested): The orphan's pension may be increased up to a maximum €80.16 (half orphan) or €160.32 (full orphan) a month; the increase is not paid for students aged 18 to 20.

Income test: Pensions for a widow(er) and orphans are reduced to 50% of the difference between other pension income and €49.25 a month; the income-tested widow(er)'s

pension is not paid if other monthly pension or other income exceeds €847.67 or €985.67 a month, according to marital status and the age of children. The orphan's pension supplement is not paid if other pension income exceeds €209.50 a month. The value of the widow(er)'s pension varies according to the deceased's length of residence in Finland, with the full amount paid if the deceased had lived in Finland at least 80% of the time after attaining age 16 up to the date the pension was first paid or age 65.

Benefit adjustment: The universal pension and allowances are adjusted automatically each year for changes in the cost-of-living index.

Earnings-related survivor pension: The widow(er) receives up to 50% of the deceased's pension or up to 50% of the disability pension that the deceased would have been entitled to if he or she had become disabled at the time of his or her death.

The widow(er)'s pension is split if there is also a divorced spouse receiving alimony, depending on the amount of the alimony.

There is no means test for the first 6 months if the surviving spouse is younger than age 65 and is not receiving a pension in his or her own right. If the survivor has dependent children, there is no income test before the youngest child reaches age 18.

Income test: The old-age pension or disability pension accrued by the surviving spouse (even if not in payment) reduces the amount of the earnings-related survivor pension.

Orphan's earnings-related pension: One orphan receives 1/3 of the deceased's pension; up to 5/6 of the deceased's pension is paid for four orphans or more.

The maximum earnings-related survivor pension is equal to 100% of the deceased's pension.

Benefit adjustment: Earnings-related benefits are adjusted according to a weighted index for changes in the consumer price index and wages (80:20).

Administrative Organization

Ministry of Social Affairs and Health (<http://www.stm.fi>) provides general supervision.

Universal pensions: Social Insurance Institution (<http://www.kela.fi>) 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 and survivor pensions. Disability pension claims are determined by the central administration.

Municipalities collect the universal pension contributions with communal (municipal) taxes.

Earnings-related pensions: Operating as a tripartite board, the Finnish Centre for Pensions (<http://www.etk.fi>)

is the statutory central body of the earnings-related pension system.

Carriers for private-sector earnings-related pension plans are approved private insurance companies, pension funds, and foundations.

Insurance Supervision Authority supervises the carriers.

Sickness and Maternity

Regulatory Framework

First and current laws: 2004 (sickness), implemented in 2005, with amendments; and 1983 (maternity), implemented in 1984.

Type of program: Social insurance system.

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

Cash sickness and maternity benefits: All employees, self-employed persons, and students aged 16 to 64.

Medical benefits: All persons residing in Finland.

Source of Funds

Insured person

Cash sickness and maternity benefits: 0.67% of gross monthly earnings.

Medical benefits: 1.24% of gross monthly earnings; 1.41% of gross monthly earnings for pensioners and other beneficiaries.

There are no minimum or maximum earnings for contribution purposes.

Self-employed person

Cash sickness and maternity benefits: 0.67% or 0.81% of gross monthly earnings.

Medical benefits: 1.24% of net monthly earnings (earnings minus deductions).

There are no minimum or maximum earnings for contribution purposes.

Employer

Cash sickness and maternity benefits: 1.97% of monthly payroll (private employers and local and central government).

Medical benefits: None.

Government

Cash sickness and maternity benefits: Necessary subsidies; 100% of the cost of minimum daily allowances.

Medical benefits: 50% of the cost of medical benefits.

Qualifying Conditions

Cash sickness benefits: The insured must have been employed during the last 3 months, unless involuntarily unemployed. The incapacity for work must be certified by a doctor from the 9th day.

Cash sickness allowances (means-tested): The allowance is paid after 55 days of incapacity provided that annual earnings are less than €1,154. Cash sickness allowances are not payable with cash sickness benefits.

Rehabilitation benefits: The insured must be receiving medical treatment, vocational training, or both under a social security rehabilitation program.

Special sickness benefits: The allowance is paid to parents helping to care for a sick child younger than age 16 in hospital or at home.

Cash maternity benefits: The insured must reside in Finland; immigrants must complete a 180-day waiting period.

Medical benefits: The insured must reside in Finland.

Sickness and Maternity Benefits

Sickness benefit: The benefit is equal to 70% of daily earnings for annual earnings up to €30,033, plus 40% of daily earnings for annual earnings between €30,034 and €46,207 and 25% of daily earnings for annual earnings of €46,208 or more.

The benefit is paid after a 10-day waiting period for up to 300 days (excluding Sundays). (The employer pays 100% of earnings for the first 9 days for employees who have worked for at least a month; otherwise, 50%.) Insured persons who have been unemployed for at least 4 months receive at least 86% of the unemployment benefit.

The minimum daily benefit is €2.69.

Sickness allowance (means-tested): The allowance is paid after 55 days of incapacity provided that annual earnings are less than €1,154. The daily benefit is €15.20.

Rehabilitation benefit: The benefit is equal to 70% of daily earnings for annual earnings up to €30,033, plus 40% of daily earnings for annual earnings between €30,034 and €46,207 and 25% of daily earnings for annual earnings of €46,208 or more.

Special sickness benefit: The allowance is paid for 60 days a year (90 days if the child is seriously ill). The benefit is equal to 70% of daily earnings for annual earnings up to €30,033, plus 40% of daily earnings for annual earnings between €30,034 and €46,207 and 25% of daily earnings for annual earnings of €46,208 or more.

The minimum daily benefit is €2.69.

Maternity benefit: The benefit is equal to 70% of daily earnings for annual earnings up to €30,033, plus 40% of daily earnings for annual earnings between €30,034 and €46,207 and 25% of daily earnings for annual earnings of €46,208 or more.

The minimum daily benefit is €15.20.

The benefit is paid to a mother from 50 to 30 days before the expected date of childbirth for up to a maximum of 105 work days.

Special maternity allowance is paid throughout the pregnancy if the mother is exposed to risk factors that cannot be eliminated.

Paternity allowance: Paid for a maximum of 18 days; may be extended by an additional 1 to 12 days.

Parent's allowance: After entitlement to maternity benefits cease, the parent's allowance is paid to either parent for 158 days (excluding Sundays). The allowance is paid for 60 extra days for multiple births and from 100 days to 234 days for the adoption of a child.

Workers' Medical Benefits

Cash refunds are provided for certain medical expenses according to the schedule in law. The cash refunds include 60% of private doctors' fees and 60% of private dental fees; 75% of the cost of prescribed examinations and prescribed treatment greater than €13.46 is deductible; 42% of the cost of medicines is deductible (72% to 100% refund (with a copayment of €3) for drugs used to treat grave and prolonged illnesses; 100% if the annual cost of prescription drugs exceeds €643.14 (with a copayment of €1.50)); and 100% of transportation costs 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.

For municipal health services, the fee for a doctor visit is €11 to €33 per visit or an annual fee of €22. All other services are free.

For hospital care, the fees are €22 per day for outpatient treatment, €26 per day for inpatient treatment, and €72 per day for day surgery.

Prenatal and postnatal maternity health care at medical centers is free.

Dependents' Medical Benefits

Cash refunds are provided for certain medical expenses according to the schedule in law. The cash refunds include 60% of private doctors' fees and 60% of private dental fees; 75% of the cost of prescribed examinations and prescribed treatment greater than €13.46 is deductible; 42% of the cost of medicines is deductible (72% to 100% (with a copayment of €3) refund for drugs used to treat grave and prolonged illness; 100% if the annual cost of prescription drugs exceeds

€643.14 (with a copayment of €1.50)); and 100% of transportation costs in excess of €9.25.

A full refund is provided if annual deductible expenses exceed €157.

For municipal health services, the fee for a doctor visit is €11 to €33 per visit or an annual fee of €22. All other services are free.

For hospital care, the fees are €22 per day for outpatient treatment, €26 per day for inpatient treatment, and €72 per day for day surgery.

Prenatal and postnatal maternity and child health care at medical centers is free.

Administrative Organization

Ministry of Social Affairs and Health (<http://www.stm.fi>) provides general supervision, including the supervision of pensions.

Sickness insurance: Social Insurance Institution (<http://www.kela.fi>) administers the program nationally, reimburses employees' sickness funds, and reimburses employers providing medical benefits directly to their employees.

Public health and hospital services: Provided by municipalities or the federation of municipalities.

Work Injury

Regulatory Framework

First law: 1895.

Current laws: 1948 (employment accidents), with 1971 amendment; and 1988 (occupational diseases), with 1992 amendment.

Type of program: Employer-liability and mandatory insurance with a private carrier system.

Coverage

All employed persons.

Voluntary coverage for self-employed persons.

Special systems for farmers and public-sector employees.

Source of Funds

Insured person: None.

Self-employed person: The insurance premium paid annually varies according to the reported accident rate for the profession. The self-employed person pays the total cost of the premium.

Employer: 0.4% to 7.5% of payroll, according to the assessed degree of risk (the average rate is 1%). The contribution is paid annually.

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period. Accidents that occur while commuting to and from work are covered.

Temporary Disability Benefits

The benefit is paid after a 10-day waiting period. (The employer pays 100% of earnings for the first 9 days for employees who have worked for at least a month; otherwise, 50%.)

For the first 4 weeks, the benefit is equal to 70% of the insured's daily earnings for annual earnings up to €30,033, plus 40% of daily earnings for annual earnings between €30,034 and €46,207 and 25% of daily earnings for annual earnings of €46,208 or more; thereafter, the daily benefit is equal to 1/360 of the insured's annual earnings.

The minimum daily benefit is €2.69.

Partial disability: The benefit is reduced proportionately for a partial disability of 10% or more.

The degree of disability is assessed by the Social Insurance Institution or insurance company on the basis of a statement issued by the insured's doctor.

Benefit adjustment: Benefits are adjusted annually according to the pension index prescribed by law.

Permanent Disability Benefits

Permanent disability pension: If assessed as totally disabled, the basic pension is equal to 85% of the insured's annual earnings up to age 65; thereafter, 70% of earnings.

Annual earnings are the earnings the insured would have earned in one year if the disability had not begun. The minimum annual earnings for pension calculation purposes are €10,350.

Partial disability: The pension is reduced proportionately for a partial disability of 10% or more.

The degree of disability is assessed by the Social Insurance Institution or insurance company based on a statement issued by the insured's doctor.

Supplementary handicap benefit: Paid for a total and permanent disability. The maximum daily benefit is €25.14.

Inconvenience allowance: The allowance is paid for a permanent general disability, according to 20 categories of disability. The value of the allowance varies according to age and gender. The maximum allowance is equal to 60% of the minimum annual earnings used to calculate the permanent disability pension (€10,350).

Benefit adjustment: Benefits are adjusted annually according to the pension index prescribed by law.

Workers' Medical Benefits

Free medical care and the cost of rehabilitation.

Survivor Benefits

Survivor pension: A widow(er) without dependents receives 40% of the deceased's annual earnings.

Orphan's pension: One child younger than age 18 (age 24 if a student or disabled) receives 25% of the deceased's annual earnings; two children share 40%; three children share 50%; and four children or more share 55%.

All survivor benefits combined must not exceed 70% of the deceased's earnings.

Funeral grant: A lump sum of €4,130 is normally paid to the deceased's estate.

Benefit adjustment: Benefits are adjusted annually according to the pension index prescribed by law.

Administrative Organization

Ministry of Social Affairs and Health (<http://www.stm.fi>) provides general supervision.

Federation of Accident Insurance Institutions (<http://www.vakes.fi>) is responsible for implementing statutory accident insurance legislation.

Insurance is administered by licensed private companies.

Unemployment

Regulatory Framework

First laws: 1917 (unemployment insurance) and 1960 (unemployment assistance).

Current laws: 1997 (unemployment); 1998 (financing) with amendments; 1998 (unemployment insurance fund); and 2002 (assistance).

Type of program: Voluntary subsidized insurance (unemployment fund) and social assistance system.

Coverage

Basic unemployment and earnings-related unemployment benefits: All gainfully employed workers aged 17 to 68; and self-employed persons and entrepreneurs aged 17 to 64.

Membership in an earnings-related unemployment fund is voluntary.

Unemployment assistance (means-tested): Jobseekers who have never worked and insured persons who have exhausted entitlement to basic and earnings-related benefits.

Source of Funds

Insured person

Basic unemployment benefit: None.

Earnings-related unemployment benefit: Voluntary contributions of 0.34% of earnings.

Unemployment assistance: None.

Self-employed person

Basic unemployment benefit: None.

Earnings-related unemployment benefit: 2.70% to 2.75% of chosen income.

Unemployment assistance: None.

Employer

Basic unemployment benefit: None.

Earnings-related unemployment benefit: Mandatory contributions of 0.7% of payroll when the total amount of all salaries is €1,681,500 or less; or 2.9% of payroll when the total amount of all salaries is greater than €1,681,500.

Unemployment assistance: None.

Government

Basic unemployment benefit: The total cost.

Earnings-related unemployment benefit: A percentage of the total cost (37.3% in 2006).

Unemployment assistance: The total cost.

Qualifying Conditions

Basic and earnings-related unemployment benefits: The insured must reside in Finland and have worked at least 43 weeks in the 28 months before unemployment began. Entrepreneurs must have worked as an entrepreneur for at least 24 of the last 48 months.

Unemployment is not due to voluntary leaving, work stoppage, or the refusal of a suitable job offer.

For entitlement to the earnings-related benefit, the insured must have been a member of an unemployment fund for at least 10 months.

Unemployment assistance (means-tested): The insured must reside in Finland. Jobseekers younger than age 24 must have completed vocational training and must not have refused a suitable job offer.

Unemployment Benefits

Unemployment benefit (basic benefit): €24.51 a day is paid.

Child's supplement: A daily supplement of €4.64 is paid for one dependent child, €6.82 for two, or €8.79 for three or more dependent children.

Earnings-related benefit (unemployment fund): If monthly earnings are less than €2,205.90, the basic daily benefit is €24.51 plus 45% of the daily wage; if monthly earnings are €2,205.90 or more, the daily benefit is €59.65 plus 20% of daily earnings in excess of €102.60.

Increased earnings-related benefit (unemployment fund)

The benefit is paid to those who have worked for at least 20 years and have been a member of an unemployment fund for at least 5 years. The increased benefit is 55% of the difference between daily wages and the basic daily benefit. If the monthly wage exceeds €2,205.90, the earnings-related benefit declines to 32.5% of the difference between daily wages and the basic daily benefit for the part in excess.

Reemployment program supplement (unemployment fund): The benefit is paid to those who have worked for at least 3 years before their employment contract was terminated for production-related or economic reasons, he or she was a member of an unemployment fund for at least 10 months, and the Employment Office has entered him or her into the reemployment program. The earnings-related benefit with the reemployment program supplement is 65% of the difference between daily wages and the basic daily benefit. If the monthly salary exceeds €2,205.90, the earnings-related benefit declines to 37.5% of the difference between daily wages and the basic daily benefit for the part in excess.

Child's supplement: A daily supplement of €4.64 is paid for one dependent child, €6.82 for two, or €8.79 for three or more dependent children.

The maximum benefit, including the dependent child's supplement, is equal to 90% of the insured's daily wage.

All unemployment benefits are paid after a 7-day waiting period. The benefit is paid 5 days a week for up to 500 days (if the recipient was born before 1950 and reaches age 57 before the benefit has been paid for 500 days, the benefit is paid until the end of the calendar month in which the recipient reaches age 60).

Unemployment assistance (means-tested): The flat-rate benefit varies according to family size and circumstances. The maximum daily benefit is €24.51 if monthly earnings are less than €253 for a single person; €848 for a family. There is no limit to duration.

Child's supplement: A daily supplement of €4.64 is paid for one dependent child, €6.82 for two, or €8.79 for three or more dependent children.

Administrative Organization

Ministry of Social Affairs and Health (<http://www.stm.fi>) supervises unemployment insurance.

Social Insurance Institution (<http://www.kela.fi>), through its local offices, administers the basic benefit program.

The voluntary program is administered by approved unemployment funds.

At least 8,000 members are required for an unemployment fund to receive full government support.

Unemployment Insurance Fund (<http://www.tvr.fi>) collects contributions and pays benefits.

Family Allowances

Regulatory Framework

First law: 1948.

Current laws: 1992 (child allowances), implemented in 1993; and 1996 (child home care allowance), implemented in 1997.

Type of program: Universal system.

Coverage

All persons residing in Finland (parents or guardians) with one or more children.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost. Municipal authorities meet the total cost of the child home care allowance.

Qualifying Conditions

Family allowances: The child must be younger than age 17 and reside in Finland.

Birth grant: Paid to a pregnant woman who has undergone necessary medical examinations and whose pregnancy lasts for at least 154 days. The grant is also paid for the adoption of a child younger than age 18. The grant is increased for multiple births or adoptions.

Adoption grant: Paid to cover the expenses of adopting a child from abroad.

Child home care allowance: The child must be younger than age 3. One of the parents must care for the child at home.

Family Allowance Benefits

Family allowances: €1,200 a year is paid for one child, €2,526 for two, €4,098 for three, €5,916 for four, and €2,064 a year for each additional child.

Single-parent supplement (or legally separated or unmarried parent): €559.20 a year is paid for each qualifying child.

Birth grant: The mother can choose to receive clothing and other necessities (layette) for the newborn or a cash benefit of €140.

Adoption grant: A lump sum of between €1,900 and €4,500 is paid.

Child home care allowance: A basic amount of €3,531 a year is paid for one child younger than age 3 who is cared for at home; a supplement of €725.52 a year is paid for each additional child younger than age 7.

Means-tested supplement: Up to a maximum of €168.19 a month is paid.

Partial home care allowance: €70 a month is paid to a parent who has reduced his or her working hours to a maximum of 30 hours a week.

Administrative Organization

Ministry of Social Affairs and Health (<http://www.stm.fi>) provides general supervision.

Social Insurance Institution (<http://www.kela.fi>) administers the program nationally.

France

Exchange rate: US\$1.00 equals 0.68 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1910.

Current laws: 1945 (nonagricultural employees); 1975 (disabled persons), with 2005 amendment; 1996 (social security organization); 2001 (dependency benefits); and 2003 (pension reform).

Type of program: Social insurance and social assistance system.

Note: A system of mandatory supplementary pensions is administered jointly by employers and employees.

Coverage

Employed persons in commerce and industry; housewives under certain conditions.

Voluntary coverage for nonworking heads of household (old-age pension only), noncovered persons who previously had mandatory coverage for at least 6 months, nonemployed persons caring for a disabled family member, and French citizens working abroad.

Special systems for agricultural, mining, railroad, public utility, and public-sector employees; seamen; nonagricultural self-employed persons; and agricultural self-employed persons.

All elderly and dependent persons residing in France are covered by social assistance.

Source of Funds

Insured person: 6.65% of covered earnings for old-age benefits. (Persons receiving an unemployment allowance greater than the legal minimum wage contribute 11.37% of the allowance for old-age benefits.)

Voluntary contributors pay quarterly contributions according to fixed income bands.

The maximum monthly earnings for contribution purposes are €2,773.

Disability benefits and part of the cost of survivor benefits are financed under Sickness and Maternity, below.

Self-employed person: Not applicable.

Employer: 8.3% of covered payroll for old-age benefits, plus 1.6% of gross payroll for the survivor allowance.

The maximum monthly earnings for contribution purposes for old-age benefits are €2,589. There are no maximum

monthly earnings for contribution purposes for the survivor allowance.

Employer contributions are reduced on wages less than 1.6 times the legal minimum wage, and contributions made on behalf of newly recruited employees younger than age 23 are reimbursed under certain conditions.

Disability benefits and part of the cost of survivor benefits are financed under Sickness and Maternity, below.

Government: Variable subsidies.

Qualifying Conditions

Old-age pension: The full old-age pension is paid at age 60 with at least 160 quarters of coverage under any scheme or 150 quarters of coverage under the general scheme only. Persons who began working at age 14, 15, or 16 and who have 160 quarters of coverage may receive the pension between ages 56 and 59.

A pensioner can begin a new gainful activity immediately after receiving the pension but must wait 6 months before resuming the same gainful activity undertaken before retirement.

Periods during which the insured received the unemployment benefit, preretirement benefit, or a disability pension (with an assessed degree of disability of least 80%) are taken into account for the calculation of the coverage period. Coverage period bonuses are awarded under certain conditions to insured women who have given birth and to parents who have interrupted work in order to rear a child or to care for a sick or disabled child, up to a limit of 8 quarters per child.

There are special qualifying conditions for disabled persons, working mothers, and war veterans.

Partial pension: A reduced pension is awarded at age 60 with at least one quarter of coverage.

Deferred pension: The pension can be deferred beyond age 60, subject to conditions.

Solidarity allowance for the elderly (means-tested):

Awarded to low-income pensioners at age 65 (age 60 if disabled). The solidarity allowance can supplement other old-age benefits.

Means test: A single pensioner must have an annual income of less than €7,719.52; less than €13,521.27 for a couple.

Disability pension: The insured must be younger than age 60, have an assessed loss of at least 2/3 of earning capacity in any occupation, and have 12 months of coverage before the disability began and 800 hours of employment in the last 12 months, including 200 hours in the last 3 months.

Survivor pension (means-tested): Eligible survivors must be aged 51 (aged 50 as of July 1, 2009) or older. (The age condition will cease to apply beginning January 1, 2011.) Eligible survivors include a divorced wife who has not

remarried. Nonmarried partners are not eligible, even if a civil partnership with the deceased had been contracted.

Means test: If the survivor is single, annual personal income must be less than 2,080 times the hourly legal minimum wage (€17,555.20 a year); €28,088.32 a year if the survivor remarries or cohabits. A reduced benefit is paid if annual means, including pension and other income belonging to the survivor and his or her new spouse or partner, exceed the means-test threshold. The means-test threshold is adjusted annually in January.

Child's supplement: Paid if a survivor is younger than age 65, not eligible for a pension from the general system, and has given birth to or reared three or more children.

Survivor allowance (means-tested): Paid if the deceased had at least 3 months of compulsory or voluntary coverage in the last 12 months before death. The survivor must be younger than aged 51 (aged 50 as of July 1, 2009) or older, reside in France or in French Polynesia, must have been married to and not divorced from the deceased, and must not have remarried or cohabited since the insured's death. (The survivor allowance will no longer be paid from January 1, 2011.)

Means test: Personal income must be less than €2,081.62 per quarter.

Death allowance: The deceased was in employment or received an unemployment benefit, a cash sickness benefit, or a disability pension (with an assessed degree of incapacity of at least 66.6%).

Old-Age Benefits

Old-age pension: The full pension is equal to 50% of the insured's reference earnings.

Reference earnings are equal to average adjusted earnings in the best 25 years.

The maximum monthly earnings for benefit calculation purposes are €2,773.

Partial pension: If the total coverage period is less than 160 quarters, only coverage under the general system is taken into account and the pension is proportionately reduced for coverage of less than 150 quarters in the general system. The partial pension must not be less than 25% of the insured's reference earnings.

Deferred pension: The pension amount is increased by 0.75% for each quarter of activity exceeding the number of quarters required for a full pension or for each quarter of activity after age 60 if the insured has yet to qualify for a full pension at that age.

A progressive pension calculated as a part of the total pension is paid if the insured continues to work on a reduced basis after the retirement age, subject to conditions. The total amount of the pension and income from gainful activity must not exceed the insured's last wage before retirement.

A full-rate minimum pension of €6,958.21 a year is paid to insured persons who qualify for a full-rate pension. The minimum pension is reduced proportionately if the total coverage period is less than 160 quarters. The minimum (base and complementary) pension is equal to 85% of the net legal minimum wage.

Constant-attendance allowance: €12,129.94 a year is paid.

Spouse's supplement (income-tested): €609.80 a year is paid at age 65 (ages 60 to 64 if disabled) if the insured had 150 quarters of coverage in the general system. The pension is reduced proportionately if the total coverage period is less than 150 quarters.

Dependent child's supplement: Each child receives €84.69 a month.

Child-rearing supplement: Equal to 10% of the pension if the insured has reared at least three children.

Solidarity allowance for the elderly (means-tested): Paid to raise the old-age pension for a single person up to a minimum of €7,537.30 a year; up to €13,521.27 for a couple.

Benefit adjustment: Benefits are adjusted periodically for changes in the cost of living.

Permanent Disability Benefits

Disability pension: If the insured is assessed as incapable of any professional activity, the pension is equal to 50% of the insured's average earnings; 30% if capable of some gainful activity.

Average earnings are based on earnings in the best 10 years.

The maximum monthly earnings for benefit calculation purposes are €2,589.

The minimum annual pension is €3,009.45.

Special supplement (means-tested): Up to €4,314.03 a year is paid to a single person.

Constant-attendance supplement: Equal to 40% of the disability pension. The minimum supplement is €982.15 a month.

The monthly disability pension is replaced by the old-age pension at age 60.

If the insured resumes gainful activity, the pension continues to be paid for 6 months without an income test; thereafter, the pension is suspended if total income from the pension and earnings exceeds the average wage paid during the calendar year before the year in which the disability began.

Benefit adjustment: Benefits are adjusted periodically for changes in the cost of living.

Survivor Benefits

Survivor pension (means-tested): The pension is equal to 54% of the pension paid or payable to the deceased. If the deceased was married more than once, the pension is split

among the surviving widow(er)s according to the length of their marriage to the deceased.

If the deceased had at least 60 quarters of coverage, the minimum annual pension is €3,137.19; the pension is reduced proportionately for coverage of less than 60 quarters.

The maximum annual pension is €16,638.

Child's supplement: Equal to 10% of the survivor pension. The minimum annual supplement is €313.71. If the survivor pension is reduced according to a means test, the supplement is correspondingly reduced.

Survivor allowance (income-tested): €555.10 a month is paid for up to 2 years following the insured's death; may be extended until age 55 if the survivor is at least age 50.

Death allowance: A lump sum is paid equal to 90 times the deceased's average daily wage in the 3 months before death.

The maximum monthly earnings for benefit calculation purposes are €2,589.

The minimum lump sum is €310.68.

The maximum lump sum is €7,767.

Benefit adjustment: Benefits are adjusted periodically for changes in the cost of living.

Administrative Organization

Ministry of Health, Youth, Sports, and Communities (<http://www.sante.gouv.fr>) and Ministry of Economy and Finance (<http://www.minefi.gouv.fr>) provide general supervision and issue regulations.

National Old-Age Pension Insurance Fund (<http://www.cnaf.fr>) administers old-age pensions and survivor allowances.

National Sickness Insurance Fund (<http://www.ameli.fr>) administers disability and survivor pensions.

Contributions are collected by joint collection agencies (<http://www.urssaf.fr>).

Central Agency of Social Security Institutions (<http://www.acoss.fr>) administers contributions.

Sickness and Maternity

Regulatory Framework

First law: 1928.

Current laws: 1945 (nonagricultural employees), 1996 (social security organization), 1999 (universal coverage), 2001 (paternity leave), 2004 (maternity insurance), and 2004 (sickness insurance reform).

Type of program: Social insurance system.

Coverage

Employed persons, jobseekers, students, and persons in vocational training.

Pensioners and some groups of nonemployed persons are also covered for medical benefits.

Voluntary coverage is possible, including for French citizens working abroad.

Special systems for agricultural, mining, railroad, public utility, and public-sector employees; clergy; seamen; nonagricultural self-employed persons; and agricultural self-employed persons (medical benefits are provided under the general system for some groups).

Source of Funds

Insured person: 0.75% of gross earnings. Old-age pensioners contribute 1.4% of the old-age pension (low-income pensioners are exempt) and 2.4% of any private pension. Jobseekers contribute 1.7% of the preretirement allowance or 2% of the guaranteed minimum income plus 1% of unemployment benefits and training allowances. Students, young persons, and other groups make flat-rate contributions. For voluntarily insured persons working abroad, see Old Age, Disability, and Survivors, above.

The insured's contributions also finance disability and survivor benefits.

Self-employed person: Not applicable.

Employer: 12.8% of payroll, plus 0.3% of payroll for the dependency assistance program and a social solidarity contribution equal to 0.13% of profits (0.16% if profits exceed €760,000).

The employer's contributions also finance disability and survivor benefits.

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. A social contribution (CSG) is also levied on all individual income to finance sickness insurance and family benefits. Government also provides funds for new hospital construction and part of the cost for certain health and social services.

Government contributions also finance disability and survivor benefits.

Qualifying Conditions

Cash sickness benefits: The benefit is paid for up to 6 months if the insured has at least 200 hours of employment in the last 3 months; paid for more than 6 months but less than 3 years with 800 hours of employment in the last 12 months, including 200 hours in the first 3 months. Jobseekers who are currently receiving, or who have received, an unemployment benefit during the last 12 months or who have ceased work within the last 12 months are eligible to receive cash sickness benefits calculated on the basis of their last wage.

Cash maternity benefits: The insured must have at least 10 months of registered coverage and 200 hours of employment in the 3 months before the certification of pregnancy. The insured must cease work for at least 8 weeks. The same qualifying conditions apply for the adoption of a child. The adoption leave period may be shared between the adopting mother and father if both are eligible. Female jobseekers receiving, or who have received, an unemployment benefit during the last 12 months or who have ceased work within the last 12 months are eligible for the cash maternity or adoption benefit calculated on the basis of their last wage.

Paternity benefit: The insured must have at least 10 months of registered coverage and 200 hours of salaried employment in the 3 months before the paternity leave period. The beneficiary must be the child's natural father. Male jobseekers receiving, or who have received, an unemployment benefit during the last 12 months or who have ceased work within the last 12 months are eligible for the cash paternity benefit calculated on the basis of their last wage.

Medical benefits: Benefits are provided for up to a year if the insured has 60 hours of employment in the last month, has paid contributions on wages equal to at least 60 times the minimum wage in the last month, has 120 hours of employment in the last 3 months, or has contributions equal to 120 times the legal minimum wage in the last 3 months. Benefits are provided for up to 2 years if the insured has 1,200 hours of employment in the last year or contributions equal to 2,030 times the minimum wage in the last year. Jobseekers are eligible for medical benefits while receiving unemployment benefits and remain eligible for 4 years after the unemployment benefit ceases. The dependent survivors of an insured person are eligible to receive medical benefits for up to 4 years after the insured's death; no limit for a married or divorced surviving spouse who is rearing or has reared three children and for work injury beneficiaries and their dependents.

Sickness and Maternity Benefits

Sickness benefit: The benefit is equal to 50% of the average daily wage in the 3 months before the incapacity began and is paid for the first 30 days of sick leave; thereafter, 66.6% if the insured has at least three dependent children. The benefit is paid after a 3-day waiting period for up to 360 days in a 3-year period. For a chronic or prolonged illness, the total payment period is 3 years.

The maximum monthly earnings for benefit calculation purposes are €2,773.

The minimum daily benefit is €8.48 (€11.30 if the insured has dependent children).

The maximum daily benefit is €46.21 (€61.62 if the insured has dependent children).

A partial or full benefit is paid if the beneficiary resumes part-time work for rehabilitation purposes.

Benefit adjustment: Benefits are adjusted according to changes in wages once benefits have been paid for more than 3 months.

Maternity benefit: 100% of the insured's average earnings in the 3 months before the maternity leave period (minus an earmarked tax deduction) is paid 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 multiple births of three or more children.

The benefit is paid for 2 additional weeks if maternity hospital care is required as the result of complications arising from the pregnancy or childbirth, except in cases of multiple births of three or more children.

If the mother dies as a result of complications arising from childbirth, the father is eligible for a paid leave period equal to the postnatal leave period followed by a paternity benefit leave period.

In the event of a miscarriage, the duration of the benefit paid is based on the duration of the maternity benefit payable after childbirth.

For the adoption of a child, benefits are paid for 10 weeks if the insured is rearing one or two children; 18 weeks with at least three children; or 22 weeks for multiple adoptions, regardless of the number of children. The adoption leave period can be shared between the adopting mother and father, in which case the combined leave period is extended by 11 days (18 days for multiple adoptions).

The maximum monthly earnings for benefit calculation purposes are €2,773.

The minimum daily benefit is €8.48.

The maximum daily benefit is €74.24; in Alsace-Moselle, €72.71.

Paternity benefit: 100% of the insured's average earnings in the 3 months before the paternity leave begins is paid for a maximum of 11 consecutive days; 18 consecutive days for multiple births. The paternity leave period must be taken in the first 4 months after the date of childbirth.

The paternity leave period is paid in addition to a 3-day leave period paid for by the employer under the labor code.

The maximum monthly earnings for benefit calculation purposes are €2,773.

The minimum daily benefit is €8.48.

The maximum daily benefit is €74.24; in Alsace-Moselle, €72.71.

Benefit adjustment: Maternity, paternity, and adoption benefits are adjusted annually.

Workers' Medical Benefits

Benefits include general and specialist care, hospitalization, laboratory services, medicines, optical and dental care, maternity care, appliances, and transportation. The insured normally pays for services and is reimbursed by the local sickness fund.

Cost sharing: A €1 flat-rate contribution is paid for each medical service up to an annual ceiling (pregnant women or women on maternity leave, hospitalized persons, and persons with low income are exempt). After the deduction of the flat-rate contribution, the sickness insurance reimburses fully or in part the cost incurred by the insured. The amount reimbursed depends on the type of service: 100% of the medical service cost for certain severe illnesses, for work injury beneficiaries who are assessed as 66.6% or more disabled, and for pregnant women from the 6th month of pregnancy up to the 12th day after childbirth, regardless of whether the costs are related to the pregnancy or not; 70% for medical services; 60% for paramedic services; 35% or 65% for pharmaceuticals; 60% or 70% for laboratory services; 65% for optical and appliance fees up to an annual ceiling; and 80% for hospitalization after the deduction of a €16 (€12 in the case of psychiatric service) daily contribution (disabled children, war victims, and work accident beneficiaries are exempt).

The insured can voluntarily insure against all or part of the remaining medical costs with a complementary insurance product.

Insured persons who are eligible for means-tested universal sickness insurance have access to free complementary insurance.

There is no limit to duration.

Dependents' Medical Benefits

Benefits include general and specialist care, hospitalization, laboratory services, medicines, optical and dental care, maternity care, appliances, and transportation. The insured normally pays for services and is reimbursed by the local sickness fund.

Cost sharing: A €1 flat-rate contribution is paid for each medical service up to an annual ceiling (pregnant women or women on maternity leave, hospitalized persons, and persons with low income are exempt). After the deduction of the flat-rate contribution, the sickness insurance reimburses fully or in part the cost incurred by the insured. The amount reimbursed depends on the type of service: 100% of the medical service cost for certain severe illnesses, for work injury beneficiaries who are assessed as 66.6% or more disabled, and for pregnant women from the 6th month of pregnancy up to the 12th day after childbirth, regardless of whether the costs are related to the pregnancy or not; 70% for medical services; 60% for paramedic services; 35% or 65% for pharmaceuticals; 60% or 70% for laboratory services; 65% for optical and appliance fees up to an annual

ceiling; and 80% for hospitalization after the deduction of a flat-rate daily contribution of a €16 (€12 in the case of psychiatric service) daily contribution (disabled children, war victims, and work accident beneficiaries are exempt).

The insured can voluntarily insure against all or part of the remaining medical costs with a complementary insurance product.

Insured persons who are eligible for means-tested universal sickness insurance have access to free complementary insurance.

There is no limit to duration.

Administrative Organization

Ministry of Health, Youth, Sports, and Communities (<http://www.sante.gouv.fr>) and Ministry of Economy and Finance (<http://www.minefi.gouv.fr>) provide general supervision.

National Union of Sickness Insurance Funds negotiates agreements with health practitioners and sets the medical fees reimbursement schedule.

Governed by a bipartite body, the National Sickness Insurance Fund (<http://www.ameli.fr>) administers the system.

Governed by bipartite bodies, the 128 Primary Sickness Insurance Funds and the 4 Overseas General Sickness Insurance Funds register the insured, pay cash benefits, and administer refunds of medical expenses.

Contributions are collected by 101 joint collection agencies (<http://www.urssaf.fr>).

Central Agency of Social Security Institutions (<http://www.acoss.fr>) administers contributions.

Social Debt Amortization Fund (<http://www.cades.fr>) is responsible for managing and eliminating the deficit of the social security general system.

Work Injury

Regulatory Framework

First law: 1898.

Current laws: 1946 (work injury) and 1972 (agriculture).

Type of program: Social insurance system.

Coverage

Employed persons, students, vocational education trainees, certain jobseekers, certain nonpaid members of social service organizations, and convicted persons in prison.

Voluntary coverage for French citizens employed abroad and for persons without mandatory coverage.

Special systems for agricultural, mining, railroad, public utility, and public-sector employees; seamen; nonagricultural self-employed persons; and agricultural self-employed persons.

Source of Funds

Insured person: None; voluntarily insured persons pay variable contributions according to the assessed degree of risk.

Self-employed person: Not applicable.

Employer: The 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. Accidents that occur while commuting to and from work are covered.

Temporary Disability Benefits

During the first 28 days, the benefit is equal to 60% of average daily earnings in the last month up to a ceiling; thereafter, 80%. The benefit is paid from the day after the incapacity for work began until recovery or certification of permanent disability.

The maximum daily earnings for benefit calculation purposes (€277.52 a day) are equal to 0.834% of the maximum annual earnings for social security contribution purposes.

Benefit adjustment: Benefits are adjusted according to changes in wages once benefits have been paid for a period exceeding 3 months.

Permanent Disability Benefits

Permanent disability pension: The annual benefit is equal to 100% of reference earnings.

Reference earnings are equal to total earnings during the last 12 months up to €31,947.56, plus 33.33% of earnings exceeding €33,472.18.

The minimum annual earnings for benefit calculation purposes are €16,736.09.

The maximum annual earnings for benefit calculation purposes are €133,888.72.

Constant-attendance supplement: Equal to 40% of the pension but not less than €12,129.94 a year.

Partial disability: The annual benefit is equal to 100% of reference earnings multiplied by 0.5 times the assessed degree of disability for the portion of disability between 10% and 50% and by 1.5 for the portion greater than 50%.

Reference earnings are equal to total earnings during the last 12 months up to €33,472.18, plus 33.33% of earnings exceeding €33,472.18.

A lump sum of €378.27 is paid for an assessed degree of disability of 1% up to €3,781.38 for an assessed degree of disability of 9%.

Schedule of payments: Benefits are paid quarterly; monthly if the assessed degree of disability is greater than 50%.

Benefit adjustment: Benefits are adjusted annually in January by decree according to changes in the consumer price index.

Workers' Medical Benefits

Medical benefits: All necessary care, including medical treatment and surgery, hospitalization, medicines, appliances, rehabilitation, and transportation. Services are paid for directly by the fund.

There is no cost sharing.

There is no limit to duration.

Survivor Benefits

Survivor pension: The pension is equal to 40% of the deceased's average earnings in the last 12 months of work.

Eligible survivors are a nondivorced or separated spouse or partner whose marriage or civil partnership began before the accident or the onset of the occupational disease that resulted in the insured's death. The condition of marriage or partnership is waived if the couple had a child. A divorced or separated spouse receiving alimony receives a pension equal to the amount of the alimony but not exceeding 20% of the deceased's average earnings in the last 12 months of work, subject to conditions.

Supplement for an elderly or disabled survivor: Equal to 20% of the pension. The survivor must be aged 55 or older or have an assessed disability of at least 50%.

The pension ceases on remarriage and a lump sum equal to 3 years' pension is paid; if the survivor cares for one or more children receiving an orphan's pension, the survivor pension is paid until the payment of the orphan's pension ceases.

Orphan's pension: The pension is equal to 25% of the deceased's average earnings in the last 12 months of work for each of the first two children younger than age 20; 20% for each subsequent child. Full orphans receive 30% each.

Other eligible survivors: The pension is equal to 10% of the deceased's average earnings in the last 12 months of work for each dependent parent, up to a maximum of 30%.

All survivor benefits combined must not exceed 85% of the deceased's average earnings in the last 12 months of work; otherwise, pensions are reduced proportionately.

Schedule of payments: Benefits are paid quarterly; monthly if the total survivor pension is equal to 50% or more of the deceased's earnings.

Benefit adjustment: Benefits are adjusted annually in January by decree according to changes in the consumer price index.

Funeral grant: The cost of the funeral, up to a maximum.

Administrative Organization

Ministry of Health, Youth, Sports, and Communities (<http://www.sante.gouv.fr>) and Ministry of Economy and Finance (<http://www.minefi.gouv.fr>) provide general supervision.

National Union of Sickness Insurance Funds negotiates agreements with health practitioners and sets the medical fees reimbursement schedule.

Governed by a bipartite body, the National Sickness Insurance Fund (<http://www.ameli.fr>) administers the system.

Governed by bipartite bodies, the 128 Primary Sickness Insurance Funds and the four Overseas General Sickness Insurance Funds register the insured, pay cash benefits, and administer refunds of medical expenses.

Contributions are collected by 103 joint collection agencies.

Central Agency of Social Security Institutions (<http://www.acoss.fr>) administers contributions.

Unemployment

Regulatory Framework

First law: 1905.

Current laws: 1958 (unemployment), with 2004 amendment; 1973 (social assistance); 1984 (social insurance and social assistance); and 1988 (minimum benefit).

Type of program: Social insurance and social assistance system.

Coverage

Unemployment insurance: Employed persons in France or in the principality of Monaco, including apprentices, home workers, child carers, and some salaried public-sector workers other than civil servants.

Public-sector workers other than civil servants who are not mandatorily covered receive the same benefits directly from their employer.

Exclusions: Civil servants and self-employed persons.

Special systems for construction workers, dockworkers, merchant seamen, aviators, domestic workers, contract workers, doorkeepers, disabled personnel in sheltered workshops, journalists, performing artists, and certain expatriates.

Unemployment assistance (means-tested): Long-term unemployed persons residing in France who are no longer entitled to unemployment insurance benefits or are not eligible for unemployment insurance benefits and certain other designated categories of unemployed person.

Source of Funds

Insured person: 2.4% of covered earnings.

The maximum monthly earnings for contribution purposes are €11,092.

Self-employed person: Not applicable.

Employer: 4% of covered payroll; 0.15% of covered payroll finances the salary guarantee fund in the event the employer becomes bankrupt.

The maximum monthly earnings for contribution purposes are €11,092.

The employer pays an additional contribution that varies according to the employee's age and the company's total number of employees if an employee older than age 50 is laid off.

Government: The total cost of social assistance.

Qualifying Conditions

Social insurance benefits

Unemployment benefit: Younger than age 60, or between ages 60 and 65 and without the number of quarters of coverage required to qualify for a full old-age pension (160 quarters), with 6 months of work in the last 22 months. The insured must reside in France, be registered at an employment office, and be capable of, and available for, work. Unemployment is not due to voluntary leaving, misconduct, or the refusal of a suitable job offer.

Preretirement benefit: The insured must be at least age 57 (or younger than age 56 under certain labor agreements) at the end of the labor contract, have at least 10 years of employment, and have worked with the same employer during the last year of employment. The employer must have concluded an agreement with the government. A reduced benefit is paid under certain conditions at age 55 if the labor contract is changed into a part-time labor contract.

Social assistance benefits

Solidarity allowance (means-tested): The insured must have at least 5 years of employment in the last 10 years before unemployment, be no longer entitled to unemployment benefits, and be registered at an employment office. The applicant can opt for the solidarity allowance instead of the unemployment benefit if aged 50 or older.

Means test: The household's average monthly income (excluding social benefits, savings, and alimony) in the last 12 months before entitlement to unemployment benefits ceased must not exceed €980 for a single person; €1,540 for a couple.

Insertion allowance (means-tested): Awarded to foreign nationals not covered by unemployment insurance, work injury beneficiaries, persons diagnosed with an occupational disease, refugees, certain groups of noncitizens, and persons who were previously in detention. The applicant must be registered at an employment office.

Means test: The household's average monthly income (social benefits, savings, and alimony are excluded) in the last 12 months before registration as a jobseeker must not exceed €887.40 for a single person; €1,774.80 for a couple.

Insertion minimum income (means-tested): The insured must be aged 25 or older (waived for pregnant women or if the insured has dependent children), registered at an employment office, and ineligible to receive or no longer entitled to receive social insurance and social assistance benefits.

Means test: The household's average monthly income (including salaries, social benefits, and alimony) in the last 3 months must be less than the insertion minimum income.

Activity minimum income: Awarded to unemployed persons receiving the insertion minimum income for at least a year who receive an offer of part-time employment of 20 hours or more a week with a conventional labor contract.

Unemployed retirement-equivalent allowance (means-tested): Paid to unemployed persons younger than age 60 who have 160 quarters of contributions for the old-age pension. The allowance can replace social assistance benefits or supplement the unemployment benefit.

Means test: The household's average monthly income (excluding social benefits) in the last 12 months must not exceed €1,451.04 for a single person; €2,085.87 for a couple.

Unemployment Benefits

Social insurance benefits

Unemployment benefit: The benefit rate varies according to the value of declared previous income between 57.4% and 75% of the average daily wage during the last 12 months. The benefit is paid for 7 months if the insured has contributed for at least 6 months in the last 22 months; 12 months, with 12 months in the last 20 months; 23 months, with 16 months in the last 26 months.

An insured person aged 50 or older can receive benefits for up to 36 months if he or she has contributed for at least 27 of the last 36 months.

The maximum monthly earnings for benefit calculation purposes are €11,092.

The benefit can be partially combined with income from gainful activity for up to 18 months, subject to conditions.

Certain financial support is provided to unemployed persons to encourage geographical relocation and vocational training. Employers who hire jobseekers registered at an employment office for at least 12 months (3 months for jobseekers aged 50 or older) receive financial incentives.

Preretirement allowance: The allowance is equal to 65% of the insured's average earnings in the last 12 months up to a limit of €2,516, plus 50% of the part of the average earnings exceeding €2,516. A half-rate benefit is paid if the labor contract is changed to a part-time labor contract.

The maximum monthly earnings for benefit calculation purposes are €4,958.67.

The minimum monthly benefit is €888.60.

The benefit ceases if the beneficiary resumes full-time gainful activity, receives the old-age pension, or reaches age 65.

Death allowance: The benefit is paid to the surviving spouse and is equal to 120 days' preretirement allowance (plus 45 days for each dependent child).

Social assistance benefits

Solidarity allowance (means-tested): The monthly benefit is €448 if the household's income is less than €560 for a single person or €1,120 for a couple; otherwise, the benefit is equal to the difference between the means-test income (€1,031.80 for a single person; €1,621.40 for a couple) and the household's income. The benefit is awarded for a 6-month period (or for a year if the beneficiary is aged 55 or older and is exempted from jobseeking) and is renewable if qualifying conditions are still satisfied. The benefit can also be extended for a further 6-month period if the beneficiary creates a new company. The benefit ceases if the beneficiary resumes gainful activity, receives the old-age pension, or reaches age 65.

The means-tested solidarity allowance can be combined with earnings (up to a maximum) for up to 12 months (no limit if the beneficiary is older than age 50). The full allowance is paid if also receiving a work injury pension.

Schedule of payments: The benefit is paid monthly, with an additional payment in December.

Insertion allowance (means-tested): The monthly benefit is €315.55 if the household's income is less than €591.60 for a single person or €1,479.00 for a couple; otherwise, the benefit is equal to the difference between the means-test income (€887.40 for a single person; €1,774.80 for a couple) and the household's income. The benefit is awarded for a 6-month period and is renewable for a further 6-month period if the qualifying conditions are still satisfied.

The means-tested insertion allowance can be combined with earnings (up to a maximum) for up to 12 months (without limit if the beneficiary is older than age 50). The full allowance is paid if also receiving a work injury pension.

Schedule of payments: The benefit is paid monthly, with an additional payment in December.

Insertion minimum income (means-tested): €447.91 a month is paid for a single person, €671.87 for a two-member household, €806.24 for a three-member household, €940.61 for a couple with two children. A supplement of €179.16 is paid for each additional child in a family with more than two children. The benefit is reduced by the value of any income. If the beneficiary receives the housing allowance (see Family Allowances, below) or other housing assistance benefits, the insertion minimum income is reduced to a fixed lump sum. The benefit is awarded for renewable 3-month periods.

The full benefit is paid if also receiving a work injury pension.

Schedule of payments: The benefit is paid monthly, with an additional payment in December.

Activity minimum income: The employer receives a sum equal to the insertion minimum income paid to a single person (€447.91), under certain conditions and for a maximum of 18 months.

Unemployed retirement-equivalent allowance (means-tested): The monthly benefit is €968.00 if the household's income is less than €532.04 for a single person or €1,166.87 for a couple; otherwise, the benefit is equal to the difference between the means-test income (€1,527.36 for a single person; €2,195.58 for a couple) and the household's income. The benefit is awarded for renewable 12-month periods, subject to the qualifying conditions being satisfied.

The unemployed retirement-equivalent allowance can also be combined with the social insurance unemployment benefit, up to a maximum of €919 a month.

The means-tested unemployed retirement-equivalent allowance can be combined with earnings up to a maximum. The full benefit is paid if also receiving a work injury pension.

Benefit adjustment: The solidarity allowance and insertion allowance amounts are fixed annually by decree.

Administrative Organization

Unemployment insurance

Ministry of Employment, Social Cohesion, and Housing (<http://www.travail.gouv.fr>) provides general supervision.

Governed by bipartite bodies, the National Interoccupational Union for Employment in Industry and Commerce administers the program.

Governed by bipartite bodies, 30 Employment Associations in Industry and Commerce (<http://www.portail.assedic.fr>), collect contributions, register jobseekers, and pay unemployment insurance benefits at the local level.

Unemployment assistance

Ministry of Employment, Social Cohesion, and Housing (<http://www.travail.gouv.fr>) administers unemployment social assistance.

Employment Associations in Industry and Commerce (<http://www.assedic.fr>) pay social assistance benefits.

Family Allowances Funds pay the insertion minimum income.

Family Allowances

Regulatory Framework

First law: 1932.

Current law: 1946.

Type of program: Universal system.

Coverage

Family allowances: All children residing in France.

Source of Funds

Insured person: None.

Self-employed person: 5.4% of income.

Employer: 5.4% of payroll.

Government: See source of funds under Sickness and Maternity, above.

Qualifying Conditions

Family allowances: A family must have at least two children younger than age 20. A working child must not earn more than 55% of the legal minimum wage.

Young child benefit: The benefit is paid for a child born, adopted, or fostered after December 31, 2003 (for a transitional period, children born, adopted, or fostered before January 1, 2004, receive alternative benefits). The benefit comprises four components:

Birth or adoption grant (means-tested): Paid at the start of the 7th month of pregnancy (or for an adoption).

Means test: The total family income must not exceed a ceiling that varies according to the number of children and family situation (a single person, a couple with a sole breadwinner, or a couple with two incomes).

Base allowance (means-tested): Paid from the month of birth until the child is age 3. The benefit cannot be paid simultaneously for more than one child, except for multiple births. A recipient of the base allowance means-tested benefit is not eligible for the means-tested family supplement.

Means test: The total family income must not exceed a ceiling that varies according to the number of children and family situation (a single person, a couple with a sole breadwinner, or a couple with two incomes).

Supplement for reduced work: Paid to parents who decide to suspend or reduce work to rear a child younger than age 3. The parent must have contributed for at least 4 quarters in the 2 years before the child's birth for the first child, in the last 4 years for families with two children, or in the last 5 years for families with three or more children.

Optional supplement for reduced work: Parents with 3 children or more including at least one child born or adopted after June 30, 2006, can opt for an optional supplement instead of the supplement for reduced work.

Supplement for child care: Paid for children younger than age 6 if the parents are working and pay for child care by an accredited carer or home worker.

Parental allowance for a sick child: Paid for a maximum of 12 months to a parent who has fully or partially ceased employment to care for a seriously sick, injured, or disabled

child. A recipient of the parental allowance for a sick child is not eligible for a supplement for reduced work or the special parental allowance for a disabled child.

Special parental allowance for a disabled child: Paid for children up to age 20 with an assessed disability of at least 50%. The allowance is not means-tested. A recipient of the special parental allowance for a disabled child is not eligible for the parental allowance for a sick child.

Single-parent allowance (means-tested): Guarantees a minimum family income for a single parent who has at least one child or is pregnant.

Means test: The monthly earnings of the beneficiary in the last 3 months must be less than the single-parent allowance amount.

Family backing allowance: The benefit is paid to an orphan or a nonrecognized or abandoned child.

New school year allowance (means-tested): Awarded to schoolchildren, apprentices, or students between ages 6 and 18. The earnings of a working child must not exceed €746.39 a month.

Means test: The total family income must be less than €17,011 for families with one child; €20,937 with two children; €24,863 with three children, plus €3,926 for each additional child. If family income exceeds the ceiling by a small amount, a proportionately reduced allowance may be awarded.

Family supplement (means-tested): Awarded to families with at least three children older than age 3 but younger than age 21.

Means test: The total family income must not exceed a ceiling that varies according to the number of children and family situation (a single person, a couple with a sole breadwinner, or a couple with two incomes). If family income exceeds the ceiling by a small amount, a proportionately reduced allowance may be awarded.

Housing allowance (means-tested): The claimant is entitled to at least one of the family allowance benefits.

Means test: The total family income must not exceed a ceiling that varies according to the number of children, family situation, amount of rent paid, and the location and status of the accommodation.

Home moving allowance: Awarded to large families with three or more children who move home because of an increase in their household size as the result of a newborn child or an adoption. The family must be entitled to the housing allowance.

Family Allowance Benefits

Family allowances: €119.13 a month is paid for two children; €271.75 for three children; €424.37 for four children, plus €152.63 for each subsequent child.

A supplement of €33.51 is paid for children older than age 11 and €59.57 for children older than age 16 (except for the first child in a two-child family).

A flat-rate allowance of €74.06 a month is paid for a maximum of a year to families with three or more children entitled to family allowances including one child who is age 20 but younger than age 21. The earnings of a working child must not exceed €746.39.

Young child benefits: The benefit comprises four components:

Birth grant (means-tested): A lump sum of €855.25 is paid for each child at the 7th month of pregnancy (€1,710.49 for an adopted child).

Base allowance (means-tested): €171.06 a month is paid from the month of childbirth up to the month preceding the child's 3rd birthday. For the adoption of a child, the benefit is paid for a maximum of 3 years, but no later than the child's 20th birthday.

Supplement for reduced work: €232.67 a month is paid if the insured person works less than half the normal working period (nonsalaried persons must work less than 77 hours a month) or €134.13 a month is paid if working between 50% and 80% of the normal working period (less than 122 hours a month for a nonsalaried person). The full rate payable is €359.67 a month; if the beneficiary is not entitled to the base allowance, the full rate is raised to €530.72.

The supplement is paid from the month after childbirth, adoption, or the end of the maternity, paternity, or adoption leave period for 6 months if there is only one child or up to the month before the child's 3rd birthday if there is more than one child.

If the insured resumes work while the child is between 18 months and 29 months of age, the supplement continues to be paid for 2 months.

If both parents have a part-time job and both are eligible to receive the supplement, the combined maximum amount of both supplements must not exceed the full monthly rate.

The receipt of the supplement for reduced work can be combined with the supplement for child care, subject to conditions.

Optional supplement for reduced work: €587.90 a month is paid for a maximum period of 12 months in the first year of birth or adoption. If the beneficiary is not entitled to the base allowance, the supplement is raised to €758.95.

Supplement for child care: An income-related cash benefit calculated according to the number of children and family income is paid to compensate for child care costs. The benefit is paid for each child where care is provided by an accredited carer or as a global payment to the family if the carer is a home worker. The parents' contribution to the child carer's salary must not be less than 15%.

The family allowances fund also reimburses the total social security contributions for an accredited carer or 50% of the social security contributions for a home worker. Social security contributions are paid on the care provider's salary, up to a ceiling.

The receipt of the two types of child care supplement is possible for a family that uses the services of an accredited carer and a home worker, under certain conditions.

The receipt of the child care supplement can be combined with the supplement for reduced work to parents engaged in part-time work.

Parental allowance for a sick child: A daily benefit of €39.58 (€47.02, for a single-parent family) is paid for each day's leave up to a maximum of 22 days per month. The benefit is paid for up to 12 months. A reduced benefit is paid to each of the parents if both reduce their activity to take care of the child.

Parents can opt for a parental leave period of up to 310 working days spread over a 3-year period to provide care for a sick child. In addition, a means-tested health care cost supplement of €101.22 is provided.

Special parental allowance for a disabled child: €119.72 a month is paid. A supplement varying between €89.79 and €999.83 is paid for care provided by a third person. An additional amount may be paid for expenses that are the result of providing treatment for the child's medical condition.

Single-parent allowance (means-tested): If the beneficiary has no income, the benefit is €561.18 for a pregnant woman or €748.24 for a single-parent with one child, plus a supplement of €187.06 for each additional child. For a single-parent with income (including alimony and some social benefits), the allowance is reduced by the amount of income and by a flat-rate housing amount varying according to the number of children. The benefit is paid until the child reaches age 3; otherwise, for a 12-month period if the child is older than age 3.

If the beneficiary resumes gainful activity or begins paid occupational training, the benefit continues to be paid in part or in full for a fixed duration.

The beneficiary is automatically covered by sickness and maternity insurance.

Family backing allowance: €83.76 is paid for a single parent caring for a child; €111.68 if the child is not supported by either parent.

The receipt of the family backing allowance can be combined with the single-parent allowance.

New school year allowance (means-tested): €272.57 is paid for each child. The benefit is paid in August for children younger than age 16; children aged 16 to 18 must provide evidence of continuing studies or apprenticeship.

Family supplement (means-tested): A monthly flat-rate allowance of €155.05 is paid per family.

Housing allowance (means-tested): A variable monthly amount is paid depending on rent level, income, and the number of children.

Home moving allowance: The benefit covers the cost of moving to another home, up to a maximum depending on the number of children.

Benefit adjustment: Family benefit amounts are adjusted annually in January according to forecasted changes in the retail price index. Means-tested benefits are adjusted in July according to the average change in the retail price index during the reference calendar year.

Administrative Organization

Ministry of Health, Youth, Sports, and Communities (<http://www.sante.gouv.fr>) and Ministry of Economy and Finance (<http://www.minefi.gouv.fr>) provide general supervision.

Governed by a tripartite body, the National Family Allowances Fund (<http://www.caf.fr>) coordinates funds and ensures financial equalization.

Governed by a tripartite body, the 123 Local Family Allowances Funds pay benefits.

Contributions are collected through 103 joint collection agencies (<http://www.urssaf.fr>).

Central Agency of Social Security Institutions (<http://www.acoss.fr>) administers contributions.

Germany

Exchange rate: US\$1.00 equals 0.68 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1889 (old-age and disability), implemented in 1891; and 1911 (survivors), implemented in 1914.

Current law: 2002 (pension insurance), with 2007 amendment.

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 are in place 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 younger than age 3, recipients of social security benefits (such as unemployment benefits), conscripts or persons doing community service instead of military service, and voluntary care workers.

Voluntary coverage for persons aged 16 or older who are exempt from compulsory coverage, including German citizens residing abroad and foreign citizens residing in Germany.

Special systems for certain self-employed persons, miners, public-sector employees (supplementary insurance), civil servants, and farmers.

Source of Funds

Insured person: 9.95% of monthly earnings; none if earnings are less than €400 a month (voluntary contributions can be made); a reduced contribution is paid if monthly earnings are between €401 and €800.

The maximum annual earnings for contribution purposes are €63,600 (E - €54,000) (€5,300 per month, E - €4,500) if covered by the German Pension Insurance; €78,600 (E - €66,600) (€6,550, E - € 5,500 per month) if covered by the German Pension Insurance for Miners-Railwaymen-Seamen.

Self-employed person: 19.9% of monthly income. The minimum monthly contribution is €79.60 and the maximum is €1,054.70 (E - €895.50) or a flat-rate amount of €494.52 (E - 417.90).

Employer: 9.95% of monthly payroll; 15% of earnings for employees with monthly earnings less than €400; 16.45% of payroll for employees covered by the German Pension Insurance for Miners-Railwaymen-Seamen.

The maximum annual earnings for contribution purposes are €63,600 (E - €54,000) (€5,300 per month, E - €4,500) if covered by the German Pension Insurance; €78,600 (E - €66,600) (€6,550, E - € 5,500 per month) if covered by the German Pension Insurance for Miners-Railwaymen-Seamen.

Government: A subsidy to compensate for the cost of noninsurance-related benefits.

Qualifying Conditions

Old-age pension: Between 2012 and 2029, the normal pensionable age will rise gradually from age 65 to age 67 with at least 5 years contributions. For all persons born after 1964, the pensionable age is 67. From 2012, a full pension will be payable at age 65 with at least 45 years of contributions.

Age 63 with an assessed degree of disability of at least 50% and at least 35 years of coverage (rising gradually between 2012 and 2029 to age 65); age 65 (for insured persons born before 1952) with at least 15 years of contributions and unemployed for at least 52 weeks after age 58 and 6 months; age 65 (for insured persons who were born before 1952) with at least 15 years of contributions for employees in part-time work for at least 24 months before the normal retirement age; from age 65 for women born before 1952 with at least 10 years of contributions after age 40; from age 60 for miners with at least 25 years of contributions from employment in permanent underground work (rising gradually between 2012 and 2029 to age 62).

Earnings test: The pension paid to pensioners younger than age 65 depends on the level of individual earnings: if monthly earnings are less than €355, the full pension is paid; if earnings are greater than €355, a partial pension is paid at 2/3, 1/2, or 1/3 depending on earnings.

Early pension: From age 63 with at least 35 years of coverage, subject to conditions.

Deferred old-age pension: A deferred pension is possible after age 65.

Disability pension: Paid for a full reduction in earning capacity (unable to work more than 3 hours a day in any form of employment) or a partial reduction in earning capacity (able to work at least 3 hours but not more than 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 the usual or a similar occupation). The

insured must have a total of 5 years of contributions and 36 months of compulsory contributions in the last 5 years. Special conditions apply for a reduction in earning capacity that is the result of a work injury.

Survivor pension: The deceased had at least 5 years of contributions or was a pensioner at the time of death. The pension is income tested.

Small widow(er) pension: Paid to a widow(er) or surviving partner for a maximum of 24 months following the month of the insured's death. The survivor must not have remarried or entered a new partnership after the insured's death.

Large widow(er) pension: Paid to a widow(er) or surviving partner who meets the qualifying conditions for the small widow(er) pension and is aged 45 or older, cares for a child younger than age 18, or is disabled.

Orphan's pension: Paid until the orphan reaches age 27, income tested after age 18.

Special conditions apply for marriages or partnerships that began after January 1, 2002, and for marriages that began before January 1, 2002, and both spouses were born after January 1, 1962.

Old-age pension splitting: Couples can opt for a pension-splitting arrangement instead of receiving entitlement to a survivor benefit if their marriage or partnership began after December 31, 2001; or before January 1, 2002, and both spouses or partners were born after January 1, 1962. Both spouses or partners must have at least 25 years of coverage and be eligible for a statutory old-age pension. Spouses or surviving partners can request that the entitlements to pension benefits accrued during their marriage or partnership be split.

Child's supplement: Paid to a widow(er) or surviving partner receiving the large widow(er) pension and rearing a child younger than age 3.

Old-Age Benefits

Old-age pension: The pension is based on total individual earnings points multiplied by the pension factor of 1.0 and the pension value. (Special rules apply to persons insured under the German Pension Insurance for Miners-Railwaymen-Seamen.)

Individual earnings points are calculated as individual annual earnings divided by the average earnings of all contributors multiplied by the entry factor. An individual earnings point of 1.0 is awarded if the individual's annual earnings correspond to the average earnings of all contributors. In the case of lower or higher individual annual earnings, a corresponding earnings point of less than or more than 1.0 is awarded.

The pension value is calculated as the monthly benefit amount for 1 year's average covered earnings, adjusted for changes in wages. From July 1, 2007, the pension value is €26.27 (E - €23.09).

The normal entry factor is 1.0 and increases or decreases depending on the age at which the insured is first awarded a pension.

Periods of incapacity for work, unemployment, and full-time education between ages 17 and 25 are also taken into account for pension calculation purposes.

There is no statutory minimum pension.

Compensation amount for low-income workers: For low-income workers with at least 35 years of coverage and with less than 0.0625 earning points on average (calculated on the basis of months with full contributions), the value of contributions paid before 1991 is increased to 1.5 times the value, up to a maximum of 75% of the value of contributions for average earnings of all insured persons (0.0625 earning points).

For persons with at least 25 years of coverage, the value of contributions paid after 1992 while caring for a child younger than age 10 is increased to 1.5 times the value, up to the value of contributions for average earnings of all insured persons.

Early pension: The entry factor (1.0) is reduced by 0.003 for each calendar month the pension is taken before age 65.

Deferred pension: The entry factor (1.0) is increased by 0.005 for each calendar month the pension is deferred after age 65.

Benefit adjustment: Benefits are adjusted annually in July according to changes in the pension value. The adjustment formula also includes a durability factor. This factor takes into account changes in the ratio between the number of pensioners and contributors and includes a rule preventing absolute decreases in pension benefits.

Permanent Disability Benefits

Disability pension: The pension is based on total individual earnings points (individual annual earnings divided by the average earnings of all contributors multiplied by the entry factor) multiplied by the pension factor and the pension value.

The pension factor for a full reduction in earning capacity is 1.0; for a partial reduction, 0.5. (Special rules apply to persons covered under the German Pension Insurance for Miners-Railwaymen-Seamen.)

The pension value is calculated as the monthly benefit amount for 1 year's average covered earnings, adjusted for changes in wages. From July 1, 2007, the pension value is €26.27 (E - €23.09).

If the disability begins before age 60, the period from the date of the reduction in earning capacity up to age 60 is taken fully into account for the purpose of calculating the pension.

The normal entry factor (1.0) is reduced by 0.003 for every calendar month a pension is awarded before age 63, up to a maximum reduction of 0.108.

The disability pension ceases at age 65 and is replaced by the old-age pension. The old-age pension payable must be at least equal to the disability pension.

Benefit adjustment: Benefits are adjusted annually in July according to changes in the pension value. The adjustment formula also includes a durability factor. This factor takes into account changes in the ratio between the number of pensioners and contributors and includes a rule preventing absolute decreases in pension benefits.

Survivor Benefits

Survivor pension: The pension paid to a widow(er) or surviving partner is based on the total of the deceased's individual earnings points (individual annual earnings divided by the average earnings of all contributors multiplied by the entry factor) multiplied by the pension factor and the pension value.

The pension factor is 1.0 for the first 3 months after the insured's death; thereafter, 0.25 if the survivor is receiving the small widow(er) pension or 0.55 if receiving the large widow(er) pension and if both spouses or partners were born after January 1, 1962, or if the marriage or partnership began on or after January 1, 2002 (0.6 if the marriage or partnership began before 2002 and one spouse or partner was born before January 2, 1962). (Special rules apply to persons covered by the German Pension Insurance for Miners-Railwaymen-Seamen.)

The pension value is calculated as the monthly benefit amount for 1 year's average covered earnings, adjusted for changes in wages. From July 1, 2007, the pension value is €26.27 (E - €23.09).

The small widow(er) pension is paid for 2 years; an unlimited pension is paid if the marriage or partnership began before January 1, 2002, and the widowed spouse or partner was born before January 2, 1962.

Normally, a widow(er) pension is not paid if the marriage or partnership lasted less than a year. Special rules apply for spouses divorced before July 1, 1977.

Income test: 40% of the survivor's net income above a specified ceiling is deducted from the widow(er) pension from the 4th month of payment.

Old-age pension splitting: The pension of the surviving spouse or partner is calculated by splitting the pension rights accrued by both members of the couple during their marriage or partnership. The survivor pension is not payable.

Child's supplement: Additional earnings points are awarded for the large widow(er) pension if the spouse or partner cares for children. Two earnings points are awarded per month for the first child; one earnings point for each additional child.

Orphan's pension: The pension factor is 0.1 for a half orphan and 0.2 for a full orphan. Supplements are paid depending on the length of the insured's coverage period

and other factors. The pension is paid in full until the orphan reaches age 18; thereafter, if the orphan's net income is above a set limit, 40% of the orphan's net income above this limit is deducted from the pension. (Special rules apply to deceased's persons who were covered by the German Pension Insurance for Miners-Railwaymen-Seamen.)

Benefit adjustment: Benefits are adjusted annually in July according to changes in the pension value. The adjustment formula also includes a durability factor. This factor takes into account changes in the ratio between the number of pensioners and contributors and includes a rule preventing absolute decreases in pension benefits.

Administrative Organization

Federal Ministry of Labor and Social Policy (<http://www.bmas.bund.de>) provides general supervision. Federal Insurance Institute (<http://www.bva.de>) supervises the administrative functions of the German Pension Insurance.

Federal German Pension Insurance (<http://www.deutsche-rentenversicherung-bund.de>), regional agencies of the German Pension Insurance, and the German Pension Insurance for Miners-Railwaymen-Seamen (<http://www.deutsche-rentenversicherung-knappschaft-bahn-see.de>) administer the program.

Since October 1, 2005, administrative responsibilities have been set by a special procedure providing for a distribution of the insured among all pension insurance institutions. For certain insured persons, special responsibility lies with the German Pension Insurance for Miners-Railwaymen-Seamen (<http://www.deutsche-rentenversicherung-knappschaft-bahn-see.de>).

Sickness funds collect contributions and forward them to pension insurance institutions.

Sickness and Maternity

Regulatory Framework

First law: 1883 (sickness insurance), implemented in 1884.

Current laws: 1924 (maternity), with amendments; 1988 (sickness), with amendments; and 1994 (long-term care), with amendments.

Type of program: Social insurance system.

Coverage

All wage and salary workers earning up to €48,150 a year (€43,200 if the employee was insured through private sickness insurance before 2003), including the insured's spouse or partner and children up to age 18 (age 25 if a student or an apprentice) if they are not insured in their own right through a sickness or long-term care fund; pensioners; students; persons with disabilities under certain conditions; apprentices; and beneficiaries of unemployment benefits.

Exclusions: Self-employed persons.

Voluntary coverage for persons who were covered previously, subject to certain conditions.

Special systems for miners, artists, public-sector employees, and self-employed farmers.

Long-term care is provided for all persons covered by the statutory sickness insurance system 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 benefits

Insured person: Contributions vary according to the fund. The average contribution is 7.9% of covered earnings, up to a ceiling. No contributions are made if monthly earnings are less than €400; a reduced contribution is paid if monthly earnings are between €401 and €800. Pensioners contribute an average 7.9% of the pension. (Pension insurance organizations pay the same contribution as compulsory insured pensioners and subsidize voluntarily insured pensioners.) Students' contributions are 7/10 of average contributions.

The maximum annual earnings for contribution purposes are €43,200 (€3,600 a month).

Self-employed person: Not applicable.

Employer: Contributions vary according to the fund. The average contribution is 7% of covered earnings, up to a ceiling; 13% of covered earnings for employees with monthly earnings of less than €400.

The maximum annual earnings for contribution purposes are €43,200 (€3,600 a month).

Government: Subsidy for maternity benefits and for pensioned farmers' health benefits. A subsidy to compensate for the cost of noninsurance-related benefits.

Long-term care benefits

Insured person: 0.85% (0.975% from July 1, 2008) of earnings in most federal states; 1.35% (1.475% from July 1, 2008) of earnings in one federal state. Pensioners contribute 1.7% (1.95% from July 1, 2008) of the pension. Childless insured persons older than age 23 contribute an additional 0.25% of earnings (with the exception of unemployment benefit recipients, persons in civil or military service, and pensioners born before 1940).

The maximum annual earnings for contribution purposes are €43,200 (€3,600 a month).

Self-employed person: Not applicable.

Employer: 0.85% (0.975% from July 1, 2008) of earnings in most federal states; 1.35% (1.475% from July 1, 2008) of earnings in one federal state.

The maximum annual earnings for contribution purposes are €43,200 (€3,600 a month).

Government: Contributes on behalf of unemployed persons, farmers, and for students receiving benefits under the Federal Education Support Act.

Qualifying Conditions

Cash sickness and medical benefits: Paid to members of sickness funds. No minimum membership period is required for medical benefits.

Cash sickness benefits: Paid to insured persons who are caring for a sick child younger than age 12.

Cash maternity benefits: Paid to female members of sickness funds.

Long-term care benefits: The insured must have at least 5 years of coverage in the last 10 years. Benefit entitlement varies according to the required need for care: a substantial need for care at least once a day (degree of care 1), a severe need for care at least three times a day (degree of care 2), or a critical need for care requiring round-the-clock care (degree of care 3). In addition, all levels of care must require assistance with housekeeping several times a week.

Sickness and Maternity Benefits

Sickness benefit: The employer pays 100% of the insured's earnings for up to 6 weeks; thereafter, sickness funds pay 70% of gross earnings (up to a maximum of 90% of net earnings) for up to 78 weeks in a 3-year period for the same illness.

Insured persons who are caring for a sick child receive sickness benefits for up to 10 working days per child but no longer than 25 days per insured person in each calendar year. In single-parent households, the benefit is paid for up to 20 working days per child and for up to 50 days in a calendar year.

Maternity benefit: For female members of a sickness fund with an employment contract, the benefit is equal to 100% of average net earnings (up to €13 a day from the sickness fund with the remainder paid by the employer) during the previous 3 months and is paid 6 weeks before and 8 weeks after the expected date of birth (for a total of 12 months for premature or multiple births); other fund members receive the same amount as for the sickness benefit. If net earnings are greater than the maximum maternity benefit, the employer must pay the difference as a subsidy.

For female employees who are not members of a sickness fund, Federal States pay maternity benefits up to a maximum of €210 a month.

Long-term care allowance: A carer's allowance is paid to insured persons who organize care for themselves (for example, care provided by relatives). The allowance is €205, €410, or €665 a month, depending on the degree and frequency of care required.

The carer's allowance may be combined with benefits in kind (see home care benefits under medical benefits, below) provided by a professional care worker (the carer's allowance decreases in proportion to claimed in-kind benefits).

Social security contributions for carers: Contributions are paid toward 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 persons needing care at home and who are not in paid employment for more than 30 hours a week. The paid contributions depend on the level of care required. Coverage for work injury is also provided. When care giving ceases, former carers have the right to a cost-of-living allowance to facilitate their return to employment.

Workers' Medical Benefits

Benefits are provided to patients by doctors, hospitals, and pharmacists under contract with sickness funds. Benefits include comprehensive medical and dental care, preventive examinations and treatment, laboratory tests, maternity care with a midwife or doctor, hospitalization, surgery, appliances, and prescribed medicines.

Cost sharing: A copayment is necessary for certain benefits (including medicines, appliances, ambulatory care, hospitalization, and transportation), but not for hardship cases (depending on means).

Long-term care (home care benefits): Benefits include 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 partly provided by a care establishment), short-term institutional care, care at home if the care organized by the insured person (see long-term care benefits, above) is temporarily unavailable. Maximum benefit amounts are fixed for the different services.

In-kind benefits for care at home are €384, €921, €1,432, or €1,918, depending on the level of care required.

Long-term care (institutional care benefits): The cost of care services is covered up to maximum amounts. The insured pays the cost of room and meals.

Dependents' Medical Benefits

Medical benefits: Benefits are provided to patients by doctors, hospitals, and pharmacists under contract with sickness funds. Benefits include comprehensive medical and dental care, preventive examinations and treatment, laboratory tests, maternity care with a midwife or doctor, hospitalization, surgery, appliances, and prescribed medicines.

Cost sharing: A copayment is necessary for certain benefits (including medicines, appliances, ambulatory care, hospitalization, and transportation) but not for hardship cases (depending on means).

Long-term care (home care benefits): Benefits include 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 partly provided by a care establishment), short-term institutional care, care at home if the care organized by the insured person (see long-term care benefits, above) is temporarily unavailable. Maximum benefit amounts are fixed for the different services.

In-kind benefits for care at home are €384, €921, €1,432, or €1,918, depending on the level of care required.

Long-term care (institutional care benefits): The cost of care services is covered up to maximum amounts. The insured pays the cost of room and meals.

Administrative Organization

Sickness and maternity: Federal Ministry of Health (<http://www.bmg.bund.de>) provides general supervision.

Federal Insurance Institute (<http://www.bva.de>) supervises federal health insurance institutions and their long-term care funds.

Supervision is provided at state level by designated state authorities.

Sickness funds administer contributions and benefits. Separate sickness funds are organized within federations at the national level 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 for payment for medical services.

Physicians' associations apportion the total sum paid by sickness funds to participating doctors.

Long-term care: Federal Ministry of Health (<http://www.bmg.bund.de>) provides 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 (accident insurance), implemented in 1885; and 1925 (occupational diseases).

Current law: 1996 (accident insurance), implemented in 1997, with amendments.

Type of program: Social insurance system.

Coverage

Employed persons; some categories of self-employed person; voluntarily insured employers; apprentices; students;

children in day care institutions or while receiving care by qualified day care personnel; family helpers in agriculture; persons engaged in specified voluntary activities, including blood donors, volunteers, and accident helpers; persons undergoing rehabilitation in hospitals paid by health or pension insurance; and any other persons with a status similar to that of an employee.

Exclusions: Most categories of self-employed person.

Special system for civil servants and public-sector employees.

Source of Funds

Employees: None.

Self-employed person: Not applicable.

Employer: Contributions vary according to the assessed degree of risk. The average contribution is 1.32% of payroll (2006).

Government: A subsidy for agricultural accident insurance and for the coverage of students, children in day care institutions, and persons engaged in specified voluntary activities. (Coverage for persons engaged in voluntary activities is financed from contributions paid by nonprofit associations, the overall premium income, or tax revenues.)

Qualifying Conditions

Work injury and occupational disease benefits: There is no minimum qualifying period.

Temporary Disability Benefits

After entitlement to the continuous wage payment ceases (in most cases, after 6 weeks), the accident insurance fund pays benefits. The benefit is paid from the day after the disability began for a work injury or an occupational disease until recovery or the award of a pension. If recovery is not anticipated and occupational rehabilitation is not possible, the benefit is paid for a maximum of 78 weeks. The benefit is equal to 80% of the insured's last gross wage, but must not exceed the last net income.

A transition benefit is paid during periods of vocational rehabilitation.

For insured persons aged 18 or older, the minimum annual earnings for benefit purposes are €17,892 (E - €15,120).

The maximum annual earnings for benefit calculation purposes vary depending on the accident insurance fund, but must not be less than €50,400 or more than €84,000.

Permanent Disability Benefits

Permanent disability pension: If the insured is assessed as totally disabled (100%), the annual pension is equal to 2/3 of the previous year's earnings.

Partial disability: If the assessed loss of earning capacity is at least 20%, a percentage of the full pension is paid according to the assessed loss of earning capacity.

Severe disability supplement: An additional 10% of the basic pension is paid if the assessed loss of earning capacity is 50% or more and the insured is not working and not receiving another pension; if the insured is unemployed, the pension is further increased for a maximum of 2 years.

Constant-attendance allowance: From €297 to €1,186 a month (E - €257 to €1,029) is paid.

Benefit adjustment: Benefits are adjusted at the same time and according to changes made to pensions under Old Age, Disability, and Survivors, above.

Workers' Medical Benefits

Benefits include comprehensive medical care; medical, occupational, and social rehabilitation; appliances; and help with housework.

Survivor Benefits

Survivor pension: The pension is equal to 2/3 of the deceased's last earnings and is paid for up to 3 calendar months; thereafter, 40% of the deceased's last earnings is paid if the widow(er) is aged 45 or older, disabled, or caring for at least one child (large widow(er) pension). If the widow(er) does not qualify for the large widow(er) pension, a pension amounting to 30% of the deceased's income is paid for up to 24 calendar months (small widow(er) pension).

Orphan's pension: Each orphan younger than age 18 (age 27 if a student or in training) receives 20% of the deceased's earnings; 30% for a full orphan.

Income test: 40% of net income above a specified ceiling is deducted from the pension paid to survivors older than age 18.

Widow(er) and orphan grant: A lump sum equal to 40% of the deceased's earnings is paid if survivors are not eligible for a survivor pension and the deceased had been assessed with a severe loss of earning capacity of at least 50%. The grant is split equally among survivors.

Other eligible survivors (means-tested): Single parents and grandparents receive 20% of the deceased's earnings each; 30% if a couple.

Divorced spouses (if eligible) may receive a survivor pension. The amount is split between the surviving spouse and the divorced spouse according to the respective length of the marriage to the deceased.

All survivor benefits combined must not exceed 80% of the deceased's earnings.

Death grant: €4,260 (E - €3,600) is paid.

Benefit adjustment: Benefits are adjusted at the same time and according to changes made to pensions under Old Age, Disability, and Survivors, above.

Administrative Organization

Federal Insurance Institute (<http://www.bva.de>) is responsible for the supervision of federal accident insurance institutions.

Federal Ministry of Labor and Social Policy (<http://www.bmas.bund.de>) supervises the field of prevention.

Supreme administrative state authorities responsible for social insurance or authorities assigned by the provincial governments supervise the state accident insurance institutions.

Managed by elected representatives of employers and the insured, accident insurance funds (nonagricultural, agricultural, and public authorities) administer the program.

Agricultural accident insurance provides assistance to guarantee vital farming operations.

Medical benefits are provided exclusively by accident insurance funds.

Unemployment

Regulatory Framework

First law: 1927 (employment service and unemployment insurance).

Current law: 1997 (employment promotion), with amendments.

Type of program: Social insurance and social assistance system.

Coverage

Employed persons, including domestic workers, apprentices, and trainees. Other groups (including participants in occupational training schemes) are also covered, subject to conditions.

Voluntary coverage for self-employed persons, subject to conditions.

Exclusions: Persons in irregular employment.

Source of Funds

Insured person: 1.65% of covered earnings.

The maximum annual earnings for contribution purposes are €63,600 (E - €54,000).

Self-employed person: 3.3% of the monthly reference value. The monthly reference value is €2,450; E - €2,100.

Employer: 1.65% of covered earnings.

The maximum annual earnings for contribution purposes are €63,600 (E - €54,000).

Government: Loans or subsidies to cover any deficit and the cost of noncontributory unemployment benefits.

Qualifying Conditions

Unemployment benefit: The insured must have at least 12 months of covered employment in the last 2 years, be registered at an employment office, and be capable of, available for, and actively seeking employment.

In certain cases, the right to unemployment benefit can be suspended (for up to 12 weeks).

Noncontributory unemployment benefit (means-tested):

Paid to all needy unemployed persons between ages 15 and 65. The person must be ineligible for, or no longer be entitled to, the contributory unemployment benefit, be registered at an employment office, and be capable of, available for, and actively seeking employment. The benefit is also paid to persons living with a needy person capable of work in a supported environment.

If the qualifying conditions are violated, the benefits may be reduced or suspended.

Short-time work benefit: Paid to workers who lose working hours as a result of economic restructuring in the workplace.

Bad weather allowance: Paid to construction workers whose work is halted because of bad weather.

Unemployment Benefits

Unemployment benefit: The benefit is equal to 67% of the insured's net earnings for unemployed persons with children; 60% if without children. The benefit is paid for 6 to 18 months, according to the length of the covered employment period and the claimant's age. The benefit is paid for 15 months to unemployed persons older than age 55 with at least 30 months of covered employment; for 18 months with 36 months of covered employment.

Benefit adjustment: Benefits are adjusted annually in July according to changes made to pensions under Old Age, Disability, and Survivors, above.

Noncontributory unemployment benefit (means-tested):

100% of the standard flat-rate benefit is paid for a single person or a single parent. Since 2007, a single standard flat-rate unemployment benefit of €347 has been applied in principle everywhere in Germany. An additional 90% of the standard flat-rate benefit may be paid if the claimant has an unemployed partner aged 19 or older (€312 a month per person); 80% for children between ages 15 and 18 (€278 a month); 60% for children younger than age 15 (€208 a month).

In addition, support is provided for heating and housing costs.

There is no limit to duration.

Means test: A portion of the beneficiary's income above €100 a month is deducted from the benefit (20% of income between €100.01 and €800.00; 10% of income between €800.01 and €1,200.00 or €1,500.00 (if the claimant has children)).

Benefit adjustment: Standard flat-rate benefits are adjusted annually in July according to changes made to pensions under Old Age, Disability, and Survivors, above.

Short-time work benefit: The benefit is equal to 67% (60% if without children) of the difference between previous and current income and is paid for up to 6 months.

Bad weather allowance: The allowance is paid after the 100th hour of stoppage between November 1 and March 31. The allowance is equal to 67% (60% if without children) of the difference between previous and current income.

Administrative Organization

Federal Ministry of Labor and Social Policy (<http://www.bmas.bund.de>) provides overall supervision.

Federal Employment Agency (<http://www.arbeitsagentur.de>) administers contributory benefits.

Local employment offices are responsible for job placements, career guidance, and benefits administration. Other agencies and 69 municipal bodies are responsible for the administration of noncontributory benefits.

Sickness funds collect contributions.

Family Allowances

Regulatory Framework

First laws: 1954 (child benefit), implemented in 1955; and 1985 (child rearing allowance).

Current laws: 2004 (child-rearing allowance); 2005 (child benefit); and 2007 (parental benefit).

Type of program: Universal and social assistance system.

Coverage

Parents with one or more children.

Full orphans and children who have lost contact with their parents.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: None.

Government: The total cost.

Qualifying Conditions

Child benefit: The child must be younger than age 18 (age 21 if unemployed, age 27 if in full-time education, searching for an apprenticeship or in voluntary work, no limit if disabled). For children younger than age 18, the benefit ceases if the child's own annual income is greater than €7,680.

Child allowance (means-tested): Paid to parents with at least one child younger than age 25, who are able to meet their own needs, but not those of their children. Must be entitled to receive the child benefit and have earnings between a specified minimum and maximum. Persons receiving other means-tested benefits are not eligible.

Child-rearing allowance (means-tested): Paid to parents rearing a child younger than age 2 born before January 1, 2007. Parents must be nonemployed, in vocational training, or working not more than 30 hours a week with income not exceeding a specified annual ceiling.

Optionally, parents can receive a higher monthly rate of benefit for 1 year.

The annual income ceiling in the first 6 months for a couple with one child is €30,000 (€22,086 if opting for a 1-year benefit); for single parents with one child, €23,000 (€19,086 if opting for a 1-year benefit). The annual income ceiling after the first 6 months for a couple with one child is €16,500 (€22,086 if opting for a 1-year benefit); for single parents with one child, €13,500 (€19,086 if opting for a 1-year benefit).

The income ceiling increases by €3,140 for each additional child.

Parental benefit: Paid to parents rearing a child younger than age 14 months. Parents must be nonemployed or working not more than 30 hours a week. One parent may receive the parental allowance for a maximum of 12 months after the birth; parents may share the entitlement for a combined maximum of 14 months, with at least 2 months paid to the other parent.

Family Allowance Benefits

Child benefit: €154 a month is paid for the first, second, and third child; €179 for each subsequent child.

Child allowance (means-tested): Up to €140 per child is paid for a maximum 36 months; if entitled to an allowance for more than one child in the household, a combined total allowance is paid. The child's own income may reduce the benefit.

Child-rearing allowance (means-tested): Up to €300 a month is paid for each child up to age 2. Optionally, parents can receive €450 a month for each child up to age 1.

Parental benefit: A minimum equal to 67% of the net income of the parent claiming the benefit is paid, up to a maximum of €1,800 (€300 if not in employment) a month.

Administrative Organization

Federal Ministry for Family, Seniors, Women, and Youth (<http://www.bmfsfj.de>) provides general supervision.

Federal Revenue Office (Family Fund) (<http://www.bzst.bund.de>) administers child benefits and child allowances through regional and local labor offices of the Federal Employment Agency (<http://www.arbeitsagentur.de>).

Child benefits for public employees are administered through salary payment offices.

Federal states are responsible for the realization of the federal child-rearing law and the parental benefit law. Child-rearing centers administer the program.

Administrative costs are reimbursed by the federal government.

Greece

Exchange rate: US\$1.00 equals 0.68 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1934.

Current laws: 1951 (social security), with amendments; 1960; 1978 (legislation and regulation); 1981 (noncontributory old-age pension); 1988 (noninsured persons); 1990 (regulation); 1991 (pensions); 1992 (social security); 1997 (contributions); 2000 (financing and administration); 2002 (social security); and 2004 (social security).

Type of program: Social insurance system.

Note: Noncontributory pensions are payable to eligible persons not covered by the social insurance system.

Coverage

Employees in industry, commerce, and related occupations and certain urban self-employed persons (including actors, newspaper vendors, and chartered accountants).

Exclusions: Employed and self-employed persons covered by approved occupational and public-sector funds providing equivalent benefits.

Voluntary coverage is possible, subject to conditions.

Special systems for agricultural workers, shipping agents, doctors and dentists, commercial motor vehicle operators, architects, notaries, public-sector employees, tradesmen, and craftsmen.

Source of Funds

Insured person: 6.67% of covered monthly earnings; 8.87% of covered monthly earnings if in arduous or unhealthy employment.

There are no minimum earnings for contribution and benefit calculation purposes.

The maximum earnings for contribution and benefit calculation purposes for persons who were first insured after December 31, 1992, are €73,913.98 a year, or 14 monthly salaries of €5,279.57.

Self-employed person: 6.67% of covered monthly earnings; 8.87% of covered monthly earnings if in arduous or unhealthy employment.

There are no minimum earnings for contribution and benefit calculation purposes.

The maximum earnings for contribution and benefit calculation purposes for persons who were first insured after

December 31, 1992, are €73,913.98 a year, or 14 monthly salaries of €5,279.57.

Employer: 13.33% of covered monthly payroll; 14.73% covered monthly payroll if the employee is in arduous or unhealthy work.

There are no minimum earnings for contribution and benefit calculation purposes.

The maximum earnings for contribution and benefit calculation purposes for persons who were first insured after December 31, 1992, are €73,913.98 a year, or 14 monthly salaries of €5,279.57.

Government: 10% of annual payroll as an employer and a guaranteed annual state subsidy.

Qualifying Conditions

Old-age pension: Age 65 (men) or age 60 (women) with at least 4,500 days of contributions; age 62 (men) or age 57 (women) with at least 10,000 days of contributions; or age 58 (men and women) with at least 10,500 days of contributions. The full pension is also paid at any age to insured persons with at least 11,100 days of contributions and at the pensionable age to insured persons with specified disabilities and at least 4,050 days of contributions.

Age 60 (men) or age 55 (women) with at least 4,500 days of contributions of which 3,600 days were in arduous or unhealthy employment, including at least 1,000 days in the last 13 years. Age 58 (men) or age 53 (women) with at least 4,500 days of contributions of which 3,600 days were in the construction or technical sector, including at least 1,000 days in the last 13 years. Age 58 (men) or age 53 (women) with at least 4,500 days of contributions in the construction or technical sector, including 500 days in the last 13 years. Age 55 (men and women) with at least 10,500 days of contributions, including 7,500 days in arduous or unhealthy employment. Age 55 (women with dependent or disabled children) with at least 5,500 days of contributions. Mothers with disabled children and spouses of disabled persons must have at least 7,500 days of contributions.

The pension is suspended if the pensioner is younger than age 55 and working. The pension is earnings tested if the insured keeps working after age 55.

Early pension: Must have been first insured before January 1, 1993. Age 60 (men) or age 55 (women) with at least 4,500 days of contributions, including 100 days' work in the last 5 years; age 60 (men) or age 55 (women) with at least 10,000 days of contributions, including 100 days' work in the last 5 years.

Deferred pension: A deferred pension is possible, subject to conditions.

Benefits are payable abroad under a reciprocal agreement.

Pensioner social solidarity grant (old age): Age 60 or older and residing in Greece. Overall net annual income from salaries and pensions (including the old-age pension) must not exceed €6,824.45; total annual personal taxable income must not exceed €7,961.87; and total annual family taxable income must not exceed €12,389.65.

Disability pension: For the full pension, the insured must be assessed at least 80% disabled with a maximum of 4,500 days of contributions (1,500 days if the insured began working after 1993); 300 days if younger than age 21 (from age 21, the number of required contribution days increases with age up to the maximum); or 1,500 days of contributions, including 600 days in the 5 years before the disability began. (For insured persons who began working after 1993, the contribution days in the 5 years before the disability began can include credited days of contributions.)

Partial disability: The insured must be assessed at least 50% disabled.

No benefit is paid for an assessed degree of disability of 49% or less.

The Health Committee of the Social Insurance Institute assesses the degree of disability, normally every 2 years.

Benefits are payable abroad under a reciprocal agreement.

Special pension: Paid if the insured is assessed as totally blind with at least 4,050 days of contributions. There is no age requirement.

Benefits are payable abroad under a reciprocal agreement.

Special allowance: Paid to insured persons (or their family members) who have a severe and permanent disability. The insured must have 350 days of contributions in the last 4 calendar years before the disability began, including 50 days in the last 12 or 15 months, or a total of 1,000 days of contributions.

Benefits are payable abroad under a reciprocal agreement.

Pensioner social solidarity grant (disability): There is no age requirement but the person must be assessed at least 50% disabled and be residing in Greece. Net annual income from salaries and pensions (including the nonwork- and work-related disability pension) must not exceed €6,824.45; total annual personal taxable income must not exceed €7,961.87; and total annual family taxable income must not exceed €12,389.65.

Survivor pension: The qualifying conditions vary according to the date the deceased first entered the system. Normally, the number of contribution days is half that required for the disability pension.

For persons first insured before January 1, 1993, eligible survivors include a widow (or a disabled widower without means) who was married to the deceased for at least 6 months (2 years if the deceased was a pensioner); a divorced spouse with limited income who was married to the deceased for at least 15 years and was receiving ali-

mony; dependent children up to age 18 (age 24 if a student, disabled, or a full orphan); dependent grandchildren and stepchildren; and dependent parents.

For persons first insured after December 31, 1992, eligible survivors include a widow(er) who was married to the deceased for at least 1 year (2 years if the deceased was a pensioner; the marriage condition is waived if the spouse has a dependent child); a divorced spouse with limited income who was married to the deceased for at least 15 years and was receiving alimony; and dependent children up to age 18 (age 24 if a student, disabled, or a full orphan).

The following conditions cover all insured persons regardless of when the deceased entered the system: the surviving spouse, irrespective of age, is entitled to the survivor pension for a period of 3 years beginning the month following the insured's death; survivors may receive benefits beyond 3 years provided they do not work or receive any other pension or are assessed with 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.

Benefits are payable abroad under a reciprocal agreement.

Pensioner social solidarity grant (survivors): Aged 60 or older and residing in Greece. Net annual income from salaries and pensions (including the survivor pension) must not exceed €7,452.32; total annual personal taxable income must not exceed €8,694.38; and total annual family taxable income must not exceed €13,529.54.

A surviving divorced spouse who is eligible for a survivor pension is not eligible to receive the pension social solidarity grant (survivors).

Old-Age Benefits

Old-age pension: The basic pension is based on the length of the coverage period and pensionable earnings in the last 5 years or (if first insured after December 31, 1992) the best 5 years in the last 10 years, whichever is greater. The basic pension is increased according to the insured's classification in one of 28 wage classes. The increase is calculated as 1% of earnings for every 300 days of contributions between 3,300 days and 7,800 days and as 1.5% to 2.5% (depending on wage class) for every 300 days exceeding 7,800 days. An increase is also calculated for insured persons who paid contributions while employed in arduous and unhealthy work but do not satisfy the qualifying conditions for an old-age pension payable for arduous and unhealthy work.

Early pension: The pension is reduced by 1/267 for each month of early retirement.

The minimum pension for a single person is €463.18 a month; €497.26 with a spouse; €519.39 with a spouse and one child; €541.24 with a spouse and two children; €563.16 with a spouse and three children; €486.06 with one child; €508.40 with two children; or €530.31 with three children.

The total maximum monthly pension is €3,503.

Schedule of payments: Fourteen payments a year.

Earnings test: The pension is reduced by 70% if the beneficiary is aged 55 or older, without dependents, and earns more than €733.78 from employment; a supplement equal to 20% of the pension is paid for each child up to age 18 (age 24 if a student, no limit if disabled).

Deferred pension: A deferred pension is payable, subject to conditions.

Benefit adjustment: Pensions are indexed to changes in the civil service pension.

Pensioner social solidarity grant (old age): €195.15 a month is paid with net income up to €6,786.93; €146.36 with net income from €6,786.94 to €7,053.12; €97.58 with net income from €7,053.13 to €7,230.51; €48.79 with net income from €7,230.52 to €7,452.32.

Schedule of payments: Fourteen payments a year.

Benefit adjustment: Benefits are indexed to changes in the civil service pension.

Permanent Disability Benefits

Disability pension: The basic pension is based on the length of the coverage period and pensionable earnings in the last 5 years. The basic pension is increased according to the insured's classification in one of 28 wage classes. The increase is calculated as 1% of earnings for every 300 days of contributions between 3,300 days and 7,800 days and as 1.5% to 2.5% (depending on wage class) for every 300 days exceeding 7,800 days. An increase is also calculated for insured persons who paid contributions while employed in arduous and unhealthy work.

Entitlement to the pension begins when the cash sickness benefit ends. For an assessed degree of disability of 80% or more (severe), 100% of the pension is paid; for an assessed degree of disability of 67% to 79.9% (ordinary), 75% of the pension is paid (100% if the insured has 6,000 days of coverage and the disability is the result of a psychiatric condition).

Constant-attendance allowance: Paid with an assessed degree of disability of at least 67%.

Partial disability: For an assessed degree of disability of 50% to 66.9%, 50% of the pension is paid (75% if the assessed disability is the result of a psychiatric condition).

For persons who were first insured before January 1, 1993, the minimum monthly pension is €463.18 plus supplements for a dependent spouse and children.

For persons who were first insured after December 31, 1992, the minimum monthly pension is €471.86; €495.44 if the insured has one child; €523.75 with two children; €556.78 with three children; €589.82 with four children; €622.86 with five children.

The maximum monthly pension is €2,315.00.

Schedule of payments: Fourteen payments a year.

Special pension: The pension is calculated as if the insured has 10,500 days of paid contributions.

Special allowance: The allowance is equal to 20 times the minimum wage of an unskilled worker.

Benefit adjustment: Benefits are indexed to changes in the civil service pension.

Pensioner social solidarity grant (disability): €195.15 a month is paid with net income up to €6,786.93; €146.36 with net income from €6,786.94 to €7,053.12; €97.58 with net income from €7,053.13 to €7,230.51; €48.79 with net income from €7,230.52 to €7,452.32.

Schedule of payments: Fourteen payments a year.

Benefit adjustment: Benefits are indexed to changes in the civil service pension.

Survivor Benefits

Survivor pension: The pension varies according to the date the deceased first entered the system. The surviving spouse, irrespective of age, is entitled to the survivor pension for a period of 3 years beginning the month following the insured's death. A surviving spouse receives the full pension payable to the deceased provided that he or she does not work or receive any other pension or has an assessed degree of disability of at least 67%; 70% is paid if the spouse is within 3 years of age 65 and working or receiving a pension; 50% if the spouse is younger than age 65 and working or receiving a pension; or 70% if the spouse is aged 65 or older and working or receiving a pension.

The pension ceases on remarriage.

A surviving divorced spouse may receive a pension equal to 30% of the survivor pension if he or she was married to the deceased for at least 15 years; 40% if married for at least 25 years. An eligible surviving divorced spouse is not entitled to receive the minimum survivor pension or the pensioner social solidarity grant (survivors).

The minimum survivor pension is €416.85 a month for persons first insured before January 1, 1993; €377.48 a month for persons first insured after December 31, 1992.

Orphan's pension: If the deceased was first insured before January 1, 1993, each orphan up to age 18 (age 24 if a student, no limit if disabled) receives 20% of the insured's basic pension; 50% for a full orphan. If the deceased was first insured after December 31, 1992, each orphan up to age 18 (age 24 if a student, no limit if disabled) receives 20% of the insured's basic pension; 60% for a full orphan.

The minimum orphan's pension is €416.85 a month for persons first insured before January 1, 1993; €377.48 a month for persons first insured after December 31, 1992.

Grandchild's or parent's pension (in the absence of other eligible survivors): 20% of the deceased's pension is paid for a grandchild up to age 18 (age 24 if a student, no limit if disabled); 40% for a widowed mother; 40% for

a dependent father. (The deceased must have been first insured before January 1, 1993.)

The minimum pension is €416.85 a month.

All survivor benefits combined must not exceed 100% of the deceased's pension.

Schedule of payments: Fourteen payments a year.

Benefit adjustment: Benefits are indexed to changes in the civil service pension.

Funeral grant: A lump sum of €722.96 is paid to the person who paid for the funeral.

Pensioner social solidarity grant (survivors): €195.15 a month is paid with net income up to €6,786.93; €146.36 with net income from €6,786.94 to €7,053.12; €97.58 with net income from €7,053.13 to €7,230.51; €48.79 with net income from €7,230.52 to €7,452.32.

Schedule of payments: Fourteen payments a year.

Benefit adjustment: Benefits are indexed to changes in the civil service pension.

Administrative Organization

Ministry of Employment and Social Protection (<http://www.ggka.gr>) provides general supervision.

Managed by a governor and tripartite governing body, the Social Insurance Institute (<http://www.ika.gr>) 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.

Sickness and Maternity

Regulatory Framework

First law: 1922.

Current laws: 1951 (social security) and 1983 (health).

Type of program: Social insurance system.

Coverage

Employees in industry, commerce, and related occupations and certain urban self-employed persons. Pensioners and noncontributory old-age pensioners are covered for medical benefits.

Exclusions: Employed and self-employed persons covered by approved occupational and public-sector funds providing equivalent benefits.

Special systems for agricultural workers, shipping agents, doctors and dentists, commercial motor vehicle operators, architects, notaries, public-sector employees, tradesmen, and craftsmen.

Source of Funds

Insured person: 0.4% of covered monthly earnings (cash benefits) and 2.15% of covered monthly earnings (medical benefits). Pensioners contribute 4% of the monthly pension.

The insured's contributions also finance work injury benefits.

There are no minimum earnings for contribution and benefit calculation purposes.

The maximum earnings for contribution and benefit calculation purposes for persons who were first insured after December 31, 1992, are €73,913.98 a year, or 14 monthly salaries of €5,279.57.

Self-employed person: 0.4% of covered monthly earnings (cash benefits) and 2.15% of covered monthly earnings (medical benefits).

There are no minimum earnings for contribution and benefit calculation purposes.

The maximum earnings for contribution and benefit calculation purposes for persons who were first insured after December 31, 1992, are €73,913.98 a year, or 14 monthly salaries of €5,279.57.

Employer: 0.8% of covered monthly payroll (cash benefits) and 4.3% of covered monthly payroll (medical benefits).

The employer's contributions also finance work injury benefits.

There are no minimum earnings for contribution and benefit calculation purposes.

The maximum earnings for contribution and benefit calculation purposes for persons who were first insured after December 31, 1992, are €79,913.98 a year, or 14 monthly salaries of €5,279.57.

Government: Guaranteed annual state subsidy.

Qualifying Conditions

Cash sickness benefits: The insured must have at least 100 days of contributions in the calendar year before the incapacity began or 100 days of contributions in the last 15 months excluding the last quarter. The benefit is paid for 182 days to 720 days, according to the length of the contribution period.

Cash maternity benefits: The insured woman must have 200 days of contributions in the last 2 years.

Medical benefits: The insured must have 50 days of contributions in the last year or last 15 months (excluding the last quarter) or must be a pensioner.

Maternity medical benefits: Provided for insured women and the dependent wife of an insured man or pensioner.

Sickness and Maternity Benefits

Sickness benefit: The benefit is equal to 50% of daily earnings, according to the insured's classification in one of 28 wage classes. There is a 3-day waiting period. (If the insured has worked for the same employer for at least a year, the employer must pay the difference between the cash benefit and the employee's earnings for a month; if the employment period is less than a year, the employer pays the difference for 2 weeks.)

Dependent's supplement: 10% of the benefit is paid for each dependent, up to a maximum of 40%.

The maximum daily benefit, including the dependents' supplements, for the first 15 days must not exceed €15.22; from the 16th day to the 30th day, €27.97; after the 30th day, the maximum must not exceed 70% of the daily wage of the wage class in which the worker is classified.

If the insured is hospitalized and there are no dependents, the benefit is paid at 33% of the awarded rate.

Funeral grant: A lump sum is paid at least equal to eight times the insured earnings of the lowest of the 28 wage classes.

Maternity benefit: The benefit is equal to 50% of daily earnings and is paid for up to 56 days before and 63 days after childbirth.

Dependent's supplement: 10% of the benefit is paid for each dependent, up to a maximum of 40%.

The minimum benefit is equal to 2/3 of the insured's earnings. (The insured may also receive a maternity supplement equal to a maximum of 1/3 of earnings.)

The maximum daily benefit is €45.19 with no dependents; €63.27 a day with a maximum of four dependents.

Birth grant: €881.70 is paid for each child.

Workers' Medical Benefits

Medical services are ordinarily provided directly to patients through the facilities of the Social Insurance Institute. Benefits include general and specialist care; care in a hospital, sanatorium, or nursing home; medicines; maternity care; dental care; appliances; and transportation.

Cost sharing: The insured pays 25% of pharmaceutical costs and up to 25% of the cost of other services (including prostheses and eyeglasses) except for hospitalization. Social solidarity grant pensioners pay 10% of costs.

There is no limit to duration.

Dependents' Medical Benefits

Medical services are ordinarily provided directly to patients through the facilities of the Social Insurance Institute. Benefits include general and specialist care; care in a hospital, sanatorium, or nursing home; medicines; maternity care; dental care; appliances; and transportation.

Cost sharing: The insured pays 25% of pharmaceutical costs and up to 25% of the cost of other services (including prostheses and eyeglasses) except for hospitalization. Social solidarity grant pensioners pay 10% of costs.

There is no limit to duration.

Administrative Organization

Ministry of Employment and Social Protection (<http://www.ggka.gr>) provides general supervision.

Managed by a governor and tripartite governing body, the Social Insurance Institute (<http://www.ika.gr>) administers the program through branch offices for most covered workers.

Social Insurance Institute operates its 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 (social security).

Type of program: Social insurance system.

Coverage

Employees in industry, commerce, and related occupations.

Exclusions: Employed persons covered by approved occupational and public-sector funds providing equivalent benefits and all self-employed persons.

Voluntary coverage is not possible.

There are no special systems for any specified groups of employees.

Source of Funds

Insured person: See source of funds under Sickness and Maternity, above.

Self-employed person: Not applicable.

Employer: See source of funds under Sickness and Maternity, above; plus 1% of monthly payroll, depending on the reported accident rate.

Government: Guaranteed annual state subsidy.

Qualifying Conditions

Work injury benefits

Work injuries: The injury must be reported in the 5 days following the accident. Accidents that occur while commuting to and from work are covered.

Occupational diseases: The minimum qualifying period is set by law for each specified occupational disease. In certain cases, eligibility is determined by the Health Commission of the Social Insurance Institute.

Temporary Disability Benefits

The benefit is equal to 50% of daily earnings, according to one of 28 wage classes. There is a 3-day waiting period. (If the insured has worked for the same employer for at least a year, the employer must pay the difference between the cash benefit and the employee's earnings for a month; if the employment period is shorter than a year, the employer pays the difference for 2 weeks.)

Dependent's supplement: 10% of the benefit is paid for each dependent, up to a maximum of 40%.

The maximum daily benefit, including dependents' supplements, for the first 15 days must not exceed €15.22; from the 16th day to the 30th day, €27.97; after the 30th day, the maximum must not exceed 70% of the daily wage of the insurance class in which the worker is classified.

If the insured is hospitalized and there are no dependents, the benefit is paid at 33% of the awarded rate.

Permanent Disability Benefits

Permanent disability pension: For an assessed degree of disability of 80% or more (severe), 100% of the pension is paid; for an assessed degree of disability of 67% to 79.9% (ordinary), 75% of the pension is paid (100% if the insured has at least 6,000 days of coverage and the disability is the result of a psychiatric condition).

The pension is calculated using the insured's average wage in the last 5 years (if first insured after December 31, 1992).

Partial disability: For an assessed degree of disability of 50% to 66.9%, 50% of the pension is paid (75% if the disability is the result of a psychiatric condition).

No benefit is paid for an assessed degree of disability of 49.9% or less.

The insured can request that the assessed degree of disability be assessed every 6 months.

The Health Commission of the Social Insurance Institute is responsible for assessing the degree of disability.

The minimum pension is equal to 70% of the minimum wage, plus supplements for a dependent spouse and children.

Schedule of payments: Fourteen payments a year.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index.

Constant-attendance allowance: Paid with an assessed degree of disability of at least 67%.

Benefit adjustment: Benefits are indexed to changes in the civil service pension.

Workers' Medical Benefits

Medical services are ordinarily provided directly to patients through the facilities of the Social Insurance Institute. Benefits include general and specialist care; care in a hospital, sanatorium, or nursing home; medicines; maternity care; dental care; appliances; and transportation.

There is no cost sharing.

There is no limit to duration.

Survivor Benefits

Survivor pension: The survivor pension varies according to the date the deceased first entered the system. The surviving spouse, irrespective of age, is entitled to the survivor pension for a period of 3 years beginning the month following the insured's death.

If the deceased was first insured before January 1, 1993, the widow(er)'s pension is equal to 70% of the insured's pension. If the deceased was first insured after 1 January, 1993, the widow(er)'s pension is equal to 50% of the insured's pension.

The pension ceases on remarriage.

A surviving divorced spouse may receive a pension equal to 30% of the survivor pension if he or she was married to the deceased for at least 15 years; 40% if married for at least 25 years. An eligible surviving divorced spouse is not entitled to receive the minimum survivor pension or the pensioner social solidarity grant (survivors).

The minimum survivor pension is €416.85 a month for persons first insured before January 1, 1993; €377.48 a month for persons first insured after December 31, 1992.

Orphan's pension: If the deceased was first insured before January 1, 1993, each orphan up to age 18 (age 24 if a student, no limit if disabled) receives 20% of the insured's basic pension; 60% for a full orphan. If the deceased was first insured after December 31, 1992, each orphan up to age 18 (age 24 if a student, no limit if disabled) receives 25% of the insured's basic pension; 50% for a full orphan.

The minimum orphan's pension is €416.85 a month for persons first insured before January 1, 1993; €377.48 a month for persons first insured after December 31, 1992.

Grandchild's or parent's pension (in the absence of other eligible survivors): 20% of the deceased's pension is paid for a grandchild up to age 18 (age 24 if a student, no limit if disabled); 40% for a widowed mother; 40% for

a dependent father. (The deceased must have been first insured before January 1, 1993.)

The minimum survivor pension is €416.85 a month.

All survivor benefits combined must not exceed 100% of the deceased's pension.

Schedule of payments: Fourteen payments a year.

Benefit adjustment: Benefits are indexed to changes in the civil service pension.

Funeral grant: A lump sum of €722.96 is paid to the person who paid for the funeral.

Administrative Organization

Ministry of Employment and Social Protection (<http://www.ggka.gr>) provides general supervision.

Managed by a governor and tripartite governing body, the Social Insurance Institute (<http://www.ika.gr>) 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 (unemployment benefit), 1989, and 1990.

Type of program: Social insurance system.

Coverage

Employees in industry, commerce, and related occupations and persons aged 20 to 29 who have never worked.

Exclusions: Self-employed persons.

Special systems for seamen and printing workers.

Source of Funds

Insured person: 1.33% of covered or gross earnings.

There are no minimum earnings for contribution and benefit calculation purposes.

The maximum earnings for contribution and benefit calculation purposes are €78.41 a day, or €2,058.25 a month. (There are no maximum earnings for contribution and benefit purposes for persons who were first insured after December 31, 1992.)

Self-employed person: Not applicable.

Employer: 2.67% of covered or gross earnings on behalf of employees.

There are no minimum earnings for contribution and benefit calculation purposes.

The maximum earnings for contribution and benefit calculation purposes are €78.41 a day, or €2,058.25 a month. (There are no maximum earnings for contribution and benefit purposes for persons who were first insured after December 31, 1992.)

Government: Guaranteed annual state subsidy.

Qualifying Conditions

Unemployment benefit: The insured must have at least 125 days of contributions in the last 14 months, excluding working days in the last 2 months; 200 days in the last 2 years, excluding working days in the last 2 months (for a first-time beneficiary, at least 80 days in each of the last 2 years). The insured must be capable of, and available for, work and be registered at an employment office. Unemployment must be involuntary. The insured must be younger than age 65 and not receiving a disability pension.

Young person's benefit: Must be aged 20 to 29 and have never worked.

Special unemployment benefit (means-tested): Paid if not eligible for the unemployment benefit or if the insured is no longer entitled to the unemployment benefit. Must be unemployed and income must not exceed €7,923.70.

Special seasonal allowance: Paid to workers in seasonal employment (including tourist-sector employees, builders, tobacco workers, actors, and musicians).

Unemployment Benefits

Unemployment benefit: The benefit is equal to 40% of daily wages (blue-collar workers) or 50% of monthly salary (white-collar workers). The benefit is paid after a 6-day waiting period for up to 5 months if the insured has at least 125 days of employment; up to 8 months with at least 180 days; up to 10 months with at least 220 days; up to 12 months with at least 250 days and aged 49 or older.

The minimum daily benefit is €12.45.

Dependent's allowance: Each dependent receives 10% of the insured's earnings, up to a maximum of 40%.

Young person's benefit: Paid for 5 months at the single-person rate, plus a supplement for each child.

Special unemployment benefit (means-tested): A minimum of 13 daily unemployment benefits (€16.72) is paid, plus a 10% supplement for each dependent.

Special seasonal allowance: Paid annually, the lump sum varies according to the nature of the insured's employment.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index.

Administrative Organization

Ministry of Employment and Social Protection (<http://www.ggka.gr>) provides general supervision.

Managed by a tripartite board, the Manpower Employment Organization (<http://www.oaed.gr>) administers benefits and employment services through local employment offices.

Managed by a governor and tripartite governing body, the Social Insurance Institute (<http://www.ika.gr>) collects contributions.

Family Allowances

Regulatory Framework

First and current laws: 1958, with amendments; and 1999.

Type of program: Employment-related system.

Coverage

Employees in industry, commerce, and related occupations.

Exclusions: Employed persons covered by approved occupational and public-sector funds providing equivalent benefits and all self-employed persons.

Voluntary coverage is not possible.

There are no special systems for any specified groups of employees.

Source of Funds

Insured person: 1% of covered or gross earnings.

There are no minimum earnings for contribution and benefit calculation purposes.

The maximum earnings for contribution and benefit calculation purposes are €78.41 a day, or €2,058.25 a month. (There are no maximum earnings for contribution and benefit purposes for persons who were first insured after December 31, 1992.)

Self-employed person: Not applicable.

Employer: 1% of covered or gross earnings on behalf of employees.

There are no minimum earnings for contribution and benefit calculation purposes.

The maximum earnings for contribution and benefit calculation purposes are €78.41 a day, or €2,058.25 a month. (There are no maximum earnings for contribution and benefit purposes for persons who were first insured after December 31, 1992.)

Government: Guaranteed annual state subsidy.

Qualifying Conditions

Family allowances: The child must be younger than age 18 (no limit if disabled, age 22 if a student), single, and living in Greece or another European Union member country. For full allowances, the parent must have had 50 days of employment in the preceding year, must have received unemployment benefits for at least 2 months, is unable to work for a continuous period of 2 months, or has not worked for 2 months as a result of maternity leave.

Family Allowance Benefits

Family allowances: €8.22 a month is paid for one child, €24.65 for two, €55.47 for three, €67.38 for four, and €11.29 for each additional child.

Single parent supplement (means-tested): An additional €3.67 a month per child may be paid if the parent is a widow(er), disabled, or a soldier.

Disabled child supplement: An additional €3.67 a month is paid for each disabled child.

Administrative Organization

Ministry of Employment and Social Protection (<http://www.ggka.gr>) provides general supervision.

Managed by a tripartite board, the Manpower Employment Organization (<http://www.oaed.gr>) administers benefits and employment services through local employment offices.

Managed by a governor and tripartite governing body, the Social Insurance Institute (<http://www.ika.gr>) collects contributions.

Guernsey

Exchange rate: US\$1.00 equals
0.48 pounds (£).

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1925 (old-age) and 1935 (old-age and survivors).

Current laws: 1971 (social assistance); 1978 (social insurance), with 2003 amendment; and 1984 (attendance and invalid care).

Type of program: Social insurance and social assistance system.

Coverage

Social insurance: Employed and self-employed persons. Voluntary coverage for nonemployed persons younger than age 20.

There are no special systems for any specified groups of employees.

Social assistance and disability income-tested allowances: All persons residing in Guernsey.

Source of Funds

Insured person: 6% of covered earnings.

The minimum weekly earnings for contribution purposes are £105.

The maximum weekly earnings for contribution purposes are £1,248.

The insured's contributions also finance sickness, maternity, work injury, and unemployment benefits; prescription medicines; long-term care; and some medical services.

Voluntarily insured persons contribute 9.9% of annual income for old-age, disability, and survivor benefits; sickness and maternity benefits; prescription medicines; long-term care; and some medical services (4.2% of annual income for health care only; 2.6% of annual income for long-term care and medical benefits only).

The minimum annual income of a nonemployed person for contribution purposes is £13,650.

The maximum annual earnings for contribution purposes are £64,896.

Self-employed person: 10.5% of covered earnings.

The minimum annual earnings for contribution purposes are £5,460.

The maximum annual earnings for contribution purposes are £64,896.

The self-employed person's contributions also finance sickness, maternity, and work injury benefits; prescription medicines; long-term care; and some medical services.

Employer: 6.5% of covered payroll.

The minimum weekly earnings for contribution purposes are £105.

The maximum weekly earnings for contribution purposes are £2,079.

The employer's contributions also finance sickness, maternity, work injury, and unemployment benefits; prescription medicines; long-term care; and some medical services.

Government: A grant equal to 15% of total contribution receipts and the total cost of social assistance and other non-contributory benefits; contributes as an employer.

Qualifying Conditions

Old-age pension: Age 65 with at least 156 paid contributions since 1952 and an annual average of 10 paid or credited weekly contributions in the 45-year period between age 20 and age 65. The full pension is paid for an annual average of at least 50 paid or credited weekly contributions.

Partial pension: The pension is proportionately reduced for an annual average of between 10 and 49 paid or credited weekly contributions.

Contributions may be credited for persons who are not working in order to care for a child younger than age 16.

Retirement from paid employment is not required.

Early pension: There is no early pension.

Deferred pension: There is no deferred pension.

The old-age pension is payable abroad.

Disability pension (invalidity benefit): The insured must be assessed as incapable of any work and have at least 26 paid weekly contributions. The benefit is payable after entitlement to cash sickness benefits ceases.

The disability pension is payable abroad.

Attendance allowance (income-tested): Paid after 3 months of severe disability (special conditions apply if the person is terminally ill). The person was born in Guernsey or resided in Guernsey for at least 5 years. The allowance is subject to an annual income ceiling of £75,000.

Invalid care allowance (income-tested): Paid to a person caring for a severely disabled person for at least 35 hours a week and earning less than £105 a week from employment. The allowance is subject to an annual income ceiling of £75,000.

Bereavement payment (survivor grant): The deceased had an annual average of at least 10 paid or credited weekly contributions between age 20 and the year of death. The benefit is payable to all widow(er)s. The survivor must have been married to the deceased.

The bereavement payment is paid in addition to other survivor benefits that the survivor may be entitled to.

Widowed parent's allowance: The deceased had an annual average of at least 10 paid or credited weekly contributions between age 20 and the year of death. The allowance is paid to a surviving spouse with at least one dependent child. The survivor must have been married to the deceased.

Bereavement allowance: The deceased had an annual average of at least 10 paid or credited weekly contributions between age 20 and the year of death. The allowance is paid to a surviving spouse aged 45 to 64 with no dependent children who was married to the deceased.

Death grant: The deceased had an annual average of at least 10 paid or credited weekly contributions between age 20 and the year of death and 26 weekly contributions paid or credited since 1971. The grant is paid on the death of the insured, his or her spouse or surviving spouse, or his or her child.

All survivor payments, allowances, and grants are payable abroad.

Supplementary benefits (income-tested): Paid to persons older than age 60, disabled persons, persons caring for a family member, or single parents. The benefit is subject to a weekly income ceiling of £367.

Old-Age Benefits

Old-age pension: The full weekly pension is £160.75 if the insured has an annual average of at least 50 paid or credited weekly contributions in the 45-year period between age 20 and age 65.

Partial pension: If the insured has an annual average of 10 to 49 paid or credited weekly contributions, the full weekly pension is proportionately reduced and varies between £33.05 and £157.55.

Dependent's supplement: The full weekly supplement for a dependent adult is £80.50. The reduced weekly supplement varies between £17 and £78.90 for an annual average number of weekly contributions between 10 and 49.

Supplementary benefit (income-tested): The benefit is paid according to need and varies according to the family's situation and the number and age of dependents, up to a maximum of £367 a week.

Benefit adjustment: All old-age benefits are adjusted annually by the States of Guernsey on the recommendation of the Social Security Department.

Permanent Disability Benefits

Disability pension (invalidity benefit): The full weekly pension is £144.06 if the insured has at least 50 paid or credited weekly contributions in the relevant contribution year; with 26 to 49 paid or credited weekly contributions, the weekly pension is proportionately reduced and varies between £79.24 and £139.72.

The relevant contribution year for benefit claims made between January and June is 2 years before the year of the claim; for benefit claims made between July and December, 1 year before the year of the claim.

The disability pension is replaced by the old-age pension at age 65.

Attendance allowance: A weekly allowance of £81.45 is paid.

Invalid care allowance: A weekly allowance of £65.75 is paid.

Supplementary benefit (income-tested): The benefit is paid according to need and varies according to the family's situation and the number and age of dependents, up to a maximum of £367 a week.

Benefit adjustment: All disability benefits are adjusted annually by the States of Guernsey on the recommendation of the Social Security Department.

Survivor Benefits

Bereavement payment (survivor grant): A lump sum of £1,458 is paid if the deceased had an annual average of at least 50 paid or credited weekly contributions between age 20 and the year of death; with 10 to 49 paid or credited weekly contributions, the lump sum is proportionately reduced and varies between £292 and £1,429.

Widowed parent's allowance: The weekly allowance is £169 if the deceased had an annual average of at least 50 paid or credited weekly contributions between age 20 and the year of death; with 10 to 49 paid or credited weekly contributions, the weekly allowance is proportionately reduced and varies between £72.20 and £166.60.

The widowed parent's allowance ceases on remarriage or cohabitation.

The widowed parent's allowance is replaced by the old-age pension at age 65.

Bereavement allowance: The weekly allowance is £145.25 if the deceased had an annual average of at least 50 paid or credited weekly contributions between age 20 and the year of death; with 10 to 49 paid or credited weekly contributions, the weekly allowance is proportionately reduced and varies between £29.05 and £142.35.

The bereavement allowance is replaced by the old-age pension at age 65.

Death grant: A lump sum of £460 is paid if the insured had an annual average of 45 to 52 paid or credited weekly contributions between age 20 and the year of death; £345 with 30 to 44 paid or credited weekly contributions; £230 with 10 to 29 paid or credited weekly contributions.

Supplementary benefit (income-tested): The benefit is paid according to need and varies according to the family's situation and the number and age of dependents, up to a maximum of £367 a week.

Benefit adjustment: All survivor benefits are adjusted annually by the States of Guernsey on the recommendation of the Social Security Department.

Administrative Organization

Social Security Department (<http://www.gov.gg>) administers the program.

Sickness and Maternity

Regulatory Framework

First laws: 1964 (sickness), 1971 (maternity), and 1972 (medicines).

Current laws: 1971 (social assistance); 1978 (social insurance), with 1999 (maternity) and 2003 amendments; 1990 (medical benefits); and 2002 (long-term care).

Type of program: Social insurance (cash benefits), social assistance (means-tested benefits), and universal (medical benefits and long-term care) system.

Coverage

Cash sickness and maternity benefits: Employed and self-employed persons with weekly earnings of £105 or more.

Voluntary coverage for nonemployed persons younger than age 20.

There are no special systems for any specified groups of employees.

Long-term care benefit: All persons who have resided in Guernsey for at least 5 years, including the year immediately before the year of the claim.

There are no special systems for any specified groups of employees.

Medical benefits: All persons residing in Guernsey.

Source of Funds

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

Self-employed person: See source of funds under Old Age, Disability, and Survivors, above.

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

Government: See source of funds under Old Age, Disability, and Survivors, above; the total cost of supplementary benefits.

Qualifying Conditions

Cash sickness benefits: The insured must have at least 26 weeks of paid contributions since 1965 and at least 26 paid or credited weekly contributions in the relevant contribution year.

The relevant contribution year for benefit claims made between January and June is 2 years before the year of the claim; for benefit claims made between July and December, 1 year before the year of the claim.

Cash maternity allowances: The insured must have at least 26 paid or credited weekly contributions in the relevant contribution year.

The relevant contribution year for benefit claims made between January and June is 2 years before the year of the claim; for benefit claims made between July and December, 1 year before the year of the claim.

Maternity grant: Must be insured and ordinarily reside in Guernsey.

Long-term care benefit: The insured must have resided in Guernsey for 5 years at any time, including the year immediately before receiving long-term care benefit. The person receives residential care or nursing care.

Sickness and Maternity Benefits

Sickness benefit: The full weekly benefit is £118.30 if the insured has at least 50 paid or credited weekly contributions in the relevant contribution year; with 26 to 49 weekly contributions, the weekly benefit is proportionately reduced and varies between £65 and £114.73.

The benefit is payable for up to 26 weeks.

Maternity allowance: The full weekly benefit is £118.30 if the insured has at least 50 paid or credited weekly contributions in the relevant contribution year; with 26 to 49 weekly contributions, the weekly allowance is proportionately reduced and varies between £65.10 and £114.73.

The allowance is paid for 18 consecutive weeks starting between 1 and 11 weeks before the expected date of birth, depending on the insured's choice.

Maternity grant: A lump sum of £297 is paid.

Long-term care benefit: The benefit is £341 a week for residential home care and £637 a week for nursing home care. (The beneficiary must make a weekly copayment of £154.)

There is no limit to duration for long-term care benefits.

Workers' Medical Benefits

Acute hospital accommodation is provided by the government. Specialist medical services are provided by specialist group practices contracted to the government.

Cost sharing: A flat-rate fee of £2.70 is charged for medical prescriptions. There is no charge for persons older than age 64 or for social assistance beneficiaries and their dependents. £12 is paid for the cost of each medical consultation with an approved doctor in the surgery or at home; £6 for a nurse consultation.

Dependents' Medical Benefits

Acute hospital accommodation is provided by the government. Specialist medical services are provided by specialist group practices contracted to the government.

Eligible dependents are the insured's children. Insured non-working spouses are covered in their own right.

Cost sharing: A flat-rate fee of £2.70 is charged for medical prescriptions. There is no charge for persons older than age 64 or for social assistance beneficiaries and their dependents. £12 is paid for the cost of each medical consultation with an approved doctor in the surgery or at home; £6 for a nurse consultation.

Administrative Organization

Social Security Department (<http://www.gov.gg>) administers cash benefits.

Health and Social Services Department administers hospital benefits.

Work Injury

Regulatory Framework

First law: 1925.

Current law: 1978 (social insurance), with 2003 amendment.

Type of program: Social insurance system.

Coverage

Employed and self-employed persons.

Voluntary coverage is not possible.

There are no special systems for any specified groups of employees.

Source of Funds

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

Self-employed person: See source of funds under Old Age, Disability, and Survivors, above.

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

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

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

Temporary disability benefit (industrial injury): The weekly benefit is £118.30 for up to a maximum of 26 weeks; thereafter, the insured may be entitled to receive the full disability pension (see Old Age, Disability, and Survivors, above) until reaching pensionable age.

Permanent Disability Benefits

Permanent disability benefit (industrial disablement): If the insured is assessed with a full disability (100%), the weekly pension is £129.50; the benefit is proportionately reduced for an assessed degree of disability of less than 100%. No benefit is paid if the assessed degree of disability is less than 20%.

The degree of disability is assessed by a medical board.

Benefits are also provided under Old Age, Disability, and Survivors and Sickness and Maternity, above.

Benefit adjustment: Benefits are adjusted annually by the States of Guernsey on the recommendation of the Social Security Department.

Workers' Medical Benefits

Acute hospital accommodation is provided by the government. Specialist medical services are provided by specialist group practices contracted to the government.

There is no cost sharing.

Survivor Benefits

Bereavement payment (survivor grant): A lump sum of £1,458 is paid if the deceased had an annual average of at least 50 paid or credited weekly contributions between age 20 and the year of death; with an annual average of 10 to 49 paid or credited weekly contributions, the lump sum is proportionately reduced and varies between £292 and £1,429.

Widowed parent's allowance: The weekly allowance is £169 if the deceased had an annual average of at least 50 paid or credited weekly contributions between age 20 and the year of death; with an annual average of 10 to 49 paid or credited weekly contributions, the weekly allowance is proportionately reduced and varies between £72.20 and £166.60.

If the deceased had an annual average of less than 10 paid or credited contributions and his or her death was the result of a work injury, the minimum number of contributions used for benefit calculation purposes is 10.

Bereavement allowance: The weekly allowance is £145.25 if the deceased had an annual average of at least 50 paid or credited weekly contributions between age 20 and the year of death; with an annual average of 10 to 49 paid or credited weekly contributions, the weekly allowance is proportionately reduced and varies between £29.05 and £142.35.

The allowance is payable to a surviving spouse aged 45 to 64 with no dependent children who was married to the deceased.

Benefit adjustment: Benefits are adjusted annually by the States of Guernsey on the recommendation of the Social Security Department.

Administrative Organization

Social Security Department (<http://www.gov.gg>) administers the program.

Unemployment

Regulatory Framework

First law: 1964.

Current law: 1978 (social insurance), with 2003 amendment.

Type of program: Social insurance system.

Coverage

Employed persons with weekly earnings of £105 or more.

Exclusions: Self-employed and nonemployed persons.

Source of Funds

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

Self-employed person: Not applicable.

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

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

Qualifying Conditions

Unemployment benefits: The insured must have at least 26 weeks of paid or credited weekly contributions. The full benefit is paid with at least 50 paid or credited contributions in the relevant contribution year; with less than 50 paid or credited weekly contributions, the benefit is proportionately reduced.

The relevant contribution year for benefit claims made between January and June is 2 years before the year of the claim; for benefit claims made between July and December, 1 year before the year of the claim.

The insured must register at a job center each week to confirm his or her availability for work. The insured may be disqualified for 10 weeks for leaving employment voluntarily, misconduct, or refusing a suitable work offer.

Unemployment Benefits

The weekly benefit is £118.30 if the insured has at least 50 paid or credited weekly contributions in the relevant contribution year; with 26 to 49 weekly contributions, the weekly benefit is proportionately reduced and varies between £65.10 and £114.73.

The benefit is paid for up to 180 days.

Requalification for benefit requires 13 new weeks of employment with at least 20 hours of work a week.

Benefit adjustment: Benefits are adjusted annually by the States of Guernsey on the recommendation of the Social Security Department.

Administrative Organization

Social Security Department (<http://www.gov.gg>) administers the program.

Family Allowances

Regulatory Framework

First law: 1943.

Current law: 1950 (family allowances).

Type of program: Universal system.

Coverage

All persons residing in Guernsey with one or more children.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Family allowances: The child must be younger than age 16 (age 20 if a student). The claimant was born in Guernsey or has resided in Guernsey for at least 52 weeks in the last 2 years.

Family Allowance Benefits

Family allowance: £13.85 is paid weekly for each child to the parent or guardian.

Benefit adjustment: Benefits are adjusted annually by the States of Guernsey on the recommendation of the Social Security Department.

Administrative Organization

Social Security Department (<http://www.gov.gg>) administers the program.

Hungary

Exchange rate: US\$1.00 equals 172.24 forints.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1928.

Current laws: 1997 (social security), implemented in 1998; 1997 (social insurance), implemented in 1998; and 1997 (individual account).

Type of program: Social insurance and individual account system.

Note: Persons insured before June 30, 1998, or who became insured after this date but before reaching age 42, can choose between the social insurance system and the mixed system of social insurance and individual accounts. The mixed system is mandatory for all others.

Coverage

Employed persons, including employed pensioners; members of handicraft and agricultural cooperatives; self-employed persons; apprentices at professional training schools; outside workers; artistic performers; lawyers; public notaries; the clergy; and recipients of unemployment benefits, family allowances, or the child care fee (see Sickness and Maternity, below).

Voluntary coverage for persons not covered by compulsory insurance, including independent farmers.

Source of Funds

Insured person

Social insurance only: 9.5% of covered monthly earnings.

Social insurance and individual account: 1.5% of covered monthly earnings for social insurance and 8% of covered monthly earnings for the individual account, plus a percentage of contributions and the account balance for administrative fees.

The minimum earnings for contribution purposes are equal to the monthly minimum wage of 69,000 forints.

The maximum daily earnings for contribution purposes are 19,500 forints.

The insured's contributions also finance work injury benefits.

Self-employed person

Social insurance only: 33.5% of declared monthly earnings.

Social insurance and individual account: 25.5% of declared monthly earnings for social insurance and 8% of declared

monthly earnings for the individual account, plus a percentage of contributions and the account balance for administrative fees.

The minimum declared earnings for contribution purposes are equal to the monthly minimum wage of 69,000 forints.

The self-employed person's contributions also finance work injury benefits.

Employer: 24% of monthly payroll for social insurance only.

The minimum earnings for contribution purposes are equal to the monthly minimum wage of 69,000 forints.

There are no maximum earnings for contribution purposes.

The employer's contributions also finance work injury benefits.

Government: Any deficit in the social insurance system; the cost of temporary disability and regular social annuity benefits (see disability benefits, below).

Government contributions also finance work injury benefits.

Qualifying Conditions

Old-age pension

Old-age pension (social insurance): Age 62 with at least 20 years of service (men). Age 61 (rising to age 62 by 2009) with at least 20 years of service (women).

Partial pension: Age 62 with at least 15 years of service (men and women).

Old-age pensioners may continue to work.

Age 60 for insured persons who worked in arduous or unhealthy activities for at least 10 years (men) or at least 8 years (women); the retirement age is reduced by 1 year for each additional 5-year period (men) or 4-year period (women) of arduous or unhealthy work.

Advanced pension: Paid from age 60 (men) or age 57 (women) with at least 38 years of coverage. A reduced advanced pension is paid to insured persons who require no more than 5 more years of coverage to qualify for the full advanced pension.

From 2009, age 60 (men) or age 59 (women) with at least 40 years of coverage. A reduced advanced pension will be paid with at least 37 years of coverage.

From 2010, advanced pension payments will be suspended if the working salary of a pensioner younger than age 62 who first received pension benefits before 2008 is equal to the statutory annual minimum wage.

Early pension: There is no early pension.

Deferred pension: The pension is increased for each month the claim for the old-age pension is deferred, except in some professions.

Old-age pensions are payable abroad.

Old-age pension (individual account): Age 62 (men and women).

Disability pension

Disability pension (social insurance): For a nonaccident-related disability pension, the required coverage period varies from at least 2 years of coverage if younger than age 22 up to a maximum of 20 years of coverage at age 55. For an accident-related disability pension, there is no qualifying period.

The value of the pension varies, according to three groups of assessed disability: Group I, 100% loss of working capacity and a need for permanent care provided by others; Group II, 100% loss of working capacity but no need for permanent care provided by others; and Group III, with at least a 67% loss of working capacity.

The national medical board assesses the degree of loss in working capacity.

The disability pension is not replaced by the old-age pension at the normal retirement age.

Disability annuity (social insurance): The annuity is paid to disabled persons aged 18 to 25 with a 100% loss in working capacity.

Temporary disability and regular social annuity (social insurance): Paid to disabled persons whose employment has been terminated. The disabled person must not be eligible for the old-age pension, disability pension, unemployment benefits, sickness benefits, work injury benefits, or the maternity allowance and must not be engaged in work rehabilitation.

Disability pensions are payable abroad.

Disability pension (individual account): No benefits are provided.

Survivor pension

Survivor pension (social insurance): The deceased was a pensioner or satisfied the coverage qualifying period for a disability pension at the time of death.

Eligible survivors include a widow(er); divorced spouse; cohabiting partner; children younger than age 16 (age 25 for full-time students, no limit if disabled), including the surviving partner's children; sisters and brothers; grandchildren; dependent parents and grandparents who are disabled or aged 65 or older; and foster parents who had supported the deceased for at least 10 years.

A temporary pension is paid to a spouse who was older than the normal retirement age at the date of marriage and lived with the deceased for more than 5 years or had a child with the deceased; unmarried couples must have lived together for at least a year and have had a child or have lived together for at least 10 years if they have no children; or divorced or separated for more than a year and receiving alimony. The temporary pension is continued permanently if the survivor is older than the normal retirement age, is

disabled, or has at least two dependent children who are eligible for the orphan's pension.

Survivor pensions are payable abroad.

Old-Age Benefits

Old-age pension (social insurance): The pension is equal to 33% of average earnings for the first 10 years of coverage, plus 2% for each additional year between 11 and 25 years of coverage, 1% for each additional year between 26 and 36 years of coverage, 1.5% for each additional year between 37 and 40 years of coverage, and 2% for each year exceeding 40 years of coverage.

Average earnings are based on average indexed monthly earnings since 1988.

An insured person who has an individual account receives 75% of the social insurance pension.

Partial pension: A reduced pension is paid with at least 15 years of service.

Advanced pension: Calculated in the same way as the old-age pension, above.

Early pension: There is no early pension.

Deferred pension: The pension is increased by 0.5% for each 30-day period of deferral.

The minimum monthly pension is 28,500 forints with at least 20 years of contributions.

The maximum old-age pension is equal to average earnings.

Benefit adjustment: Benefits are adjusted annually in January according to 50% of the predicted increase in the consumer price index for the current year and 50% of the predicted increase in net average monthly earnings. Corrections to the adjustment are made in November according to the annual changes in the consumer price index and net average monthly earnings.

Old-age pension (individual account): The pension depends on the value of the insured's contributions plus accrued interest. The pension is paid as a life annuity or as a lump sum if the insured has less than 180 months of contributions at retirement. A lump sum is paid to the insured's estate if the insured dies before the retirement age.

There is no minimum pension.

There is no maximum pension.

Benefit adjustment: Benefits are adjusted according to a decision of the pension fund, based on an actuarial assessment.

Permanent Disability Benefits

Disability pension

Disability pension (social insurance): The pension for an insured person with less than 25 years of coverage ranges from 37.5% to 63% of average earnings (Group III); with

25 years or more of coverage, the pension is equal to 33% of average earnings for the first 10 years of coverage, plus 2% for each additional year between 11 and 25 years of coverage, 1% for each additional year between 26 and 36 years of coverage, and 1.5% for each year exceeding 36 years of coverage.

The Group II pension is paid at a rate 5% higher than the Group III pension; the Group I pension is paid at a rate 10% higher than the Group III pension.

Average earnings are based on average indexed monthly earnings since 1988.

The minimum monthly disability pension is 30,850 forints (Group I), 29,800 forints (Group II), or 28,500 forints (Group III).

The maximum monthly disability pension is equal to 100% of average earnings.

Disability annuity (social insurance): 32,610 forints a month is paid.

Temporary disability annuity (social insurance): The monthly benefit is equal to 75% of the old-age pension payable to the insured at the normal retirement age.

The minimum monthly temporary disability annuity is equal to the minimum monthly regular social annuity.

Regular social annuity (social insurance): 26,420 forints a month is paid.

Persons receiving disability benefits may continue to work if current earnings are no greater than 80% of earnings before the disability began.

Benefit adjustment: Benefits are adjusted annually in January according to 50% of the predicted increase in the consumer price index for the current year and 50% of the predicted increase in net average monthly earnings. Corrections to the adjustment are made in November according to the annual changes in the consumer price index and net average monthly earnings.

Disability pension (individual account): No benefits are provided.

Survivor Benefits

Survivor pension

Widow(er)'s temporary pension (social insurance): The pension is equal to 60% of the old-age or disability pension that the deceased would have been entitled to at the time of death. The pension is paid for 12 months; may be extended to 18 months if the spouse is rearing the deceased's child or until the child is age 3 if the child is disabled.

There is no minimum pension.

There is no maximum pension.

The temporary widow(er) pension ceases if the widow(er) remarries before reaching the normal retirement age.

Widow(er)'s permanent pension (social insurance): The pension is equal to 60% of the old-age or disability pension the deceased would have been entitled to at the time of death. The pension is reduced to 30% if the widow(er) receives an old-age pension, disability pension, or work injury pension in his or her own right.

There is no minimum pension.

There is no maximum pension.

The permanent widow(er) pension ceases if the widow(er) remarries before reaching the normal retirement age.

Grandparent's or parent's pension (social insurance): The pension is equal to 60% of the old-age or disability pension the deceased would have been entitled to at the time of death.

There is no minimum pension.

There is no maximum pension.

Orphan's pension (social insurance): 30% of the deceased's pension is paid for each orphan; a full orphan or an orphan with a disabled surviving parent receives 60% of the highest pension of either parent.

The minimum monthly orphan's pension is 24,250 forints per child.

There is no maximum total survivor pension.

Individual account (survivor pension): No benefits are provided.

Administrative Organization

Social insurance

Ministry of Social Affairs and Labor (<http://www.szmum.gov.hu>) supervises the program.

Central Administration of National Pension Insurance (<http://www.onyf.hu>) administers social insurance benefits through its local branches.

National Health Insurance Fund (<http://www.oep.hu>) collects contributions through its local branches.

Individual account

Ministry of Finance (<http://www.p-m.hu>) supervises the individual accounts.

Authorized private pension fund administrators administer the individual accounts.

Sickness and Maternity

Regulatory Framework

First law: 1891.

Current law: 1997 (health insurance), implemented in 1998, with amendments.

Type of program: Social insurance system.

Coverage

Cash sickness benefits: Employed persons, members of cooperatives, apprentices in industrial training, artisans, self-employed persons, independent farmers, performing artists, lawyers, and recipients of unemployment benefits.

Cash maternity benefits: All employed or self-employed women who have worked for at least 180 days in the 2 years before the expected date of childbirth.

Medical benefits: All insured persons eligible for cash sickness benefits, pensioners, beneficiaries of unemployment benefits, beneficiaries of social assistance benefits and allowances, beneficiaries of pensions provided by churches, full-time students who are Hungarian citizens residing in Hungary, and all dependent family members and children. Hungarian citizens in otherwise exempted activities (including dependents) who have no alternative coverage must contribute for medical benefits.

Voluntary coverage for noncitizens residing in Hungary.

Source of Funds

Insured person: 4% of gross monthly earnings for benefits in kind and 2% of gross monthly earnings for cash benefits; voluntary contributors or persons in an exempted activity contribute a flat rate of 4,350 forints; noncitizens residing in Hungary contribute an amount equal to the minimum monthly wage and 30% of the minimum monthly wage for each child aged 18 or younger.

The minimum monthly wage is 69,000 forints.

There are no minimum earnings for contribution purposes.

The insured's contributions also finance work injury benefits.

Self-employed person: 15% of declared monthly earnings.

The minimum declared earnings for contribution purposes are equal to 15% of the minimum monthly wage (62,500 forints).

The self-employed person's contributions also finance work injury benefits.

Employer: 4.5% of gross monthly income for benefits in kind, 0.5% of gross monthly income for cash benefits, and 1,950 forints a month per employee to the National Health Insurance Fund.

There are no minimum earnings for contribution purposes.

The employer's contributions also finance work injury benefits.

Government: Any deficit; the government reimburses the National Health Insurance Fund for cost of the child care fee.

Government contributions also finance work injury benefits.

Qualifying Conditions

Cash sickness benefits: Must be insured; a loss of earning capacity resulting from an incapacity that begins in the first 3 days after insured employment ceases.

If the insured has less than a year of continuous coverage, the benefit is reduced proportionately.

The loss of earning capacity must be assessed, certified, and periodically reviewed by a doctor.

Cash maternity benefits

Maternity allowance: The insured must have at least 180 days of coverage in the last 2 years; the expected date of childbirth is in the first 42 days after insured employment ceased (28 days if currently receiving sickness benefits).

Child care fee: The insured must have at least 180 days of coverage in the 2 years before the date of childbirth. The child must live with the claimant's family and one of the parents must stay at home to care for the child.

Medical benefits: There is no minimum qualifying period.

Sickness and Maternity Benefits

Sickness benefit: The benefit is equal to 70% of average daily gross earnings if the insured has more than 2 years of coverage; 60% with up to 2 years of coverage; 60% if hospitalized.

Average daily gross earnings are based on earnings since January 1 of the previous year or the earnings of the last 180 days before the incapacity began.

The benefit is paid for up to 1 year; for a period equal to the duration of the continuous coverage period immediately before the incapacity began if the coverage period is less than a year.

Sickness benefits are also paid in the case of pregnancy where the insured is not entitled to a maternity allowance, for mothers breast-feeding a hospitalized child older than age 1, or for caring for a sick child. The duration of benefits varies according to the sick child's age and the parents' marital status.

There is no minimum benefit.

There is no maximum benefit.

Maternity allowance: The benefit is equal to 70% of daily average gross earnings before the expected date of childbirth. (In the absence of earnings, the current minimum monthly wage is used.) The benefit is paid for 4 weeks before and 20 weeks after the expected date of childbirth or for 24 weeks after the expected date of childbirth, depending on the mother's choice.

Daily average gross earnings are based on earnings since January 1 of the previous year or the earnings of the last 180 days before the expected date of childbirth.

The minimum monthly wage is 69,000 forints.

There are no maximum earnings for benefit calculation purposes.

Child care fee: The benefit is equal to 70% of daily average gross earnings in the previous calendar year, up to a maximum of 96,600 forints a month (70% of twice the minimum monthly wage). The benefit is paid until the child is age 2.

The minimum monthly wage is 69,000 forints.

Workers' Medical Benefits

Benefits are provided directly through public health service facilities contracted by the National Health Insurance Institute. Benefits include preventive care; general and specialist care, including basic dental care; hospitalization and nursing at home; maternity care; medical rehabilitation; sanatorium care; ambulance services; and internal medical examinations.

Cost sharing: 300 forints are paid for daily hospital fees or a medical home visit; 600 forints to 1,000 forints are paid for unjustified emergency care.

The patient is charged for prescription treatment without a referral from a primary health care provider; for the use of a health care provider other than the one specified by the prescribing doctor; for an unnecessary change in the prescription that results in extra costs; for extra services (including a more expensive hospital room and better meals); or for orthodontic braces and dental prostheses.

The value of cost sharing paid by the patient is set by the service provider and may be reduced by the National Health Insurance Fund on an individual basis.

Pharmaceuticals are free when used during inpatient treatment, for the treatment of low-income elderly or disabled persons, and for life-saving and other maternity and infant care. In all other cases, the National Health Insurance Fund pays from zero to 100% of the price of outpatient medicines, according to the schedule in law.

Transportation is covered by the health insurance system.

Travel allowances are paid if the insured is referred by a doctor for inpatient or outpatient treatment at a health care institution not accessible by local transportation.

Dependents' Medical Benefits

Benefits are provided directly through public health service facilities contracted by the National Health Insurance Institute. Benefits include preventive care; general and specialist care, including basic dental care; hospitalization and nursing at home; maternity care; medical rehabilitation; sanatorium care; ambulance services; and internal medical examinations.

Cost sharing: The patient is charged for prescription treatment without a referral from a primary health care provider; for the use of a health care provider other than the one speci-

fied by the prescribing doctor; for an unnecessary change in the prescription that results in extra costs; for extra services (including a more expensive hospital room and better meals); or for orthodontic braces and dental prostheses.

The value of cost sharing paid by the patient is set by the service provider and may be reduced by the National Health Insurance Fund on an individual basis.

Pharmaceuticals are free when used during inpatient treatment, for the treatment of low-income elderly or disabled persons, and for life-saving and other maternity and infant care. In all other cases, the National Health Insurance Fund pays from zero to 100% of the price of outpatient medicines, according to the schedule in law.

Transportation is covered by the health insurance system.

Travel allowances are paid if the insured is referred by a doctor for inpatient or outpatient treatment at a health care institution not accessible by local transportation.

Administrative Organization

Ministry of Social Affairs and Labor (<http://www.szmum.gov.hu>) supervises the program.

National Health Insurance Fund (<http://www.oep.hu>), with county health insurance funds, administers cash sickness and maternity benefits.

Hungarian Tax Authority (<http://www.apenh.hu>) collects contributions.

Specified health care providers, including private providers contracted by the National Health Insurance Institute, provide medical care.

Work Injury

Regulatory Framework

First laws: 1900 and 1907.

Current laws: 1997 (social security), 1997 (social insurance), and 1997 (individual account).

Type of program: Social insurance system.

Note: There is no specific program for work injuries and occupational diseases. Benefits are provided under the Old Age, Disability, and Survivors and Sickness and Maternity programs, above.

Coverage

Employed persons, members of cooperatives, apprentices in industrial training, artisans, self-employed persons, independent farmers, performing artists, lawyers, and recipients of unemployment benefits.

Source of Funds

Insured person: See source of funds under Old Age, Disability, and Survivors and Sickness and Maternity, above.

Self-employed person: See source of funds under Old Age, Disability, and Survivors and Sickness and Maternity, above.

Employer: See source of funds under Old Age, Disability, and Survivors and Sickness and Maternity, above. Companies that employ pensioners engaged in entrepreneurial or self-employed activities and private entrepreneurs considered to be engaged in entrepreneurial or self-employed activities must pay 5% of gross earnings.

Government: See source of funds under Old Age, Disability, and Survivors and Sickness and Maternity, above.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period. Accidents that occur while commuting to and from work are covered. Benefits are paid for occupational diseases, according to a schedule in law set by the National Health Insurance Fund.

Temporary Disability Benefits

The monthly benefit is equal to 75% of the old-age pension payable to the insured at the normal retirement age.

The minimum monthly benefit is equal to the monthly regular social annuity.

The regular social annuity is 26,420 forints a month.

Persons receiving benefits may continue to work if the current earnings do not exceed 80% of earnings before the disability began.

The National and the County Medical Expert Committees of the National Health Insurance Fund assess the disability. The decision is reviewed 2 years after the first assessment.

Benefit adjustment: Benefits are adjusted annually in January according to 50% of the predicted increase in the consumer price index for the current year and 50% of the predicted increase in net average monthly earnings. Corrections to the adjustment are made in November according to the annual changes in the consumer price index and net average monthly earnings.

Permanent Disability Benefits

Permanent disability pension: The value of the pension varies, according to three groups of assessed disability: Group I, 100% loss of working capacity and a need for permanent care provided by others; Group II, 100% loss of working capacity but no need for permanent care provided by others; and Group III, with at least a 67% loss of working capacity.

The pension for an insured person with less than 25 years of coverage ranges from 37.5% to 63% of average earnings (Group III); with 25 years or more of coverage, the pension is equal to 33% of average earnings for the first 10 years of coverage, plus 2% for each additional year between 11 and 25 years of coverage, plus 1% for each additional year between 26 and 36 years of coverage, and 1.5% for each additional year exceeding 36 years of coverage. A Group II pension is paid at a rate 5% higher than a Group III pension; a Group I pension is paid at a rate 10% higher than a Group III pension.

The National and the County Medical Expert Committees of the National Health Insurance Fund assess the disability. The decision is reviewed 2 years after the first assessment.

Average earnings are based on average indexed monthly earnings since 1988.

The minimum monthly disability pension is 30,850 forints (Group I), 29,800 forints (Group II), or 28,500 forints (Group III).

The maximum monthly disability pension is equal to 100% of average earnings.

Disability annuity (social insurance): 32,610 forints a month.

Benefit adjustment: Benefits are adjusted annually in January according to 50% of the predicted increase in the consumer price index for the current year and 50% of the predicted increase in net average monthly earnings. Corrections to the adjustment are made in November according to the annual changes in the consumer price index and net average monthly earnings.

Work injury allowance: Paid for a loss of working capacity of 16% to 66%. The allowance is equal to 8% of monthly average earnings with a 16% to 25% loss of working capacity, 10% of monthly average earnings with a 26% to 35% loss of working capacity, 15% of monthly average earnings with a 36% to 49% loss of working capacity, or 30% of monthly average earnings with a 50% to 66% loss of working capacity.

Average earnings are based on average indexed monthly earnings since 1988.

Persons receiving benefits may continue to work if the current earnings do not exceed 80% of earnings before the disability began.

The National and the County Medical Expert Committees of the National Health Insurance Fund assess the disability. The decision is reviewed 2 years after the first assessment.

Benefit adjustment: Benefits are adjusted annually in January according to 50% of the predicted increase in the consumer price index for the current year and 50% of the predicted increase in net average monthly earnings. Corrections to the adjustment are made in November according to the annual changes in the consumer price index and net average monthly earnings.

Workers' Medical Benefits

Medical benefits are provided directly to patients through public health service facilities contracted by the National Health Insurance Institute. Benefits include preventive care; general and specialist care, including basic dental care; hospitalization; medical rehabilitation; sanatorium care; and ambulance services. Medicines and appliances are free of charge.

There is no limit to duration.

Survivor Benefits

Widow(er)'s temporary pension: Paid to a spouse who was older than the normal retirement age at the date of marriage and lived with the deceased for more than 5 years or had a child with the deceased; unmarried couples must have lived together for at least a year and have a child or have lived together for at least 10 years if they have no children; or divorced or separated for more than a year and receiving alimony. The pension is equal to 60% of the old-age or disability pension that the deceased would have been entitled to at the time of death. The pension is paid for 12 months; may be extended to 18 months if the spouse is rearing the deceased's child or until the child is age 3 if the child is disabled.

The temporary widow(er)'s pension ceases if the widow(er) remarries before reaching the normal retirement age.

There is no minimum pension.

There is no maximum pension.

Widow(er)'s permanent pension: Paid if the survivor is older than the normal retirement age, is disabled, or has at least two dependent children who are eligible for the orphan's pension. The pension is equal to 60% of the old-age or disability pension the deceased would have been entitled to at the time of death. The pension is reduced to 30% if the widow(er) receives an old-age pension, disability pension, or work injury pension.

The permanent widow(er) pension ceases if the widow(er) remarries.

There is no minimum pension.

There is no maximum pension.

Grandparent's and parent's pension: The pension is paid to dependent parents and grandparents who are disabled or aged 65 or older. The pension is equal to 60% of the old-age or disability pension the deceased would have been entitled to at the time of death.

There is no minimum pension.

There is no maximum pension.

Orphan's pension: 30% of the deceased's pension is paid for each orphan younger than age 16 (age 25 if a full-time student, no limit if disabled); a full orphan or an orphan with

a disabled surviving parent receives 60% of the highest pension of either parent.

The minimum monthly orphan's pension is 24,250 forints per child.

There is no maximum total survivor pension.

Administrative Organization

National Health Insurance Fund (<http://www.oep.hu>) administers work injury benefits.

Hungarian Tax Authority (<http://www.apoh.hu>) collects contributions.

Central Administration of National Pension Insurance (<http://www.onyf.hu>) administers cash benefits.

Specified health care providers, including private providers contracted by the National Health Insurance Institute, provide medical care.

Unemployment

Regulatory Framework

First law: 1957.

Current law: 1991 (employment), with 2007 amendment.

Type of program: Social insurance system.

Coverage

Employed and self-employed persons.

Source of Funds

Insured person: 1.5% of gross monthly earnings.

There are no maximum earnings for contribution purposes.

Self-employed person: 4% of declared monthly earnings.

There are no maximum declared earnings for contribution purposes.

Employer: 3% of gross monthly payroll.

There are no maximum earnings for contribution purposes.

Government: None.

Qualifying Conditions

Jobseeker's benefit: The insured must have at least 365 days of coverage in the last 4 years. The insured must be involuntarily unemployed, actively seeking and available for employment or training, and not be receiving an old-age pension, disability pension, or work injury pension.

In cases of voluntary unemployment or dismissal there is a waiting period of 90 calendar days after registration with the labor center.

Jobseeker's aid: The insured must have received the jobseeker's benefit for at least 180 days and entitlement is

exhausted; must have at least 200 days of coverage in the last 4 years before unemployment and is not entitled to jobseeker's benefit; or the insured is within 5 years of the normal retirement age, has received the jobseeker's benefit for at least 140 days, and entitlement to the jobseeker's benefit is exhausted.

Unemployment Benefits

Jobseeker's benefit: The benefit is equal to 60% of gross average earnings of the previous calendar year for the first 91 days; thereafter, 60% of the minimum monthly wage (37,500 forints).

One day of benefit is paid for every 5 days of coverage, up to a maximum of 270 days.

The minimum unemployment benefit is equal to 60% of the minimum monthly wage.

The maximum unemployment benefit is equal to 120% of the minimum monthly wage.

The minimum monthly wage is 69,000 forints.

The benefit is suspended if the unemployed person becomes eligible for a birth grant or child care fee benefit or during periods of public work, military service, imprisonment, or arrest.

Jobseeker's aid: The benefit is equal to 40% of the minimum monthly wage and is paid for 90 days; 180 days if the insured is at least age 50; or until eligible for the old-age pension for older unemployed persons.

The minimum monthly wage is 69,000 forints.

Administrative Organization

Ministry of Social Affairs and Labor (<http://www.szmm.gov.hu>) provides general supervision.

Public Employment Service (<http://www.afsz.hu>) administers the program.

Family Allowances

Regulatory Framework

First law: 1938.

Current laws: 1997 (child protection); 1997 (health insurance); 1998 (family support), implemented in 1999; and 2005 (family allowances).

Type of program: Universal system.

Coverage

Hungarian citizens, certain noncitizens residing in Hungary, and migrant workers or refugees who are parents, foster parents, or guardians (including foster home managers).

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost (90% from central government and 10% from local government).

Qualifying Conditions

Family allowances: Paid for a child younger than age 16 (age 23 if a full-time student). The claimant must be the child's parent or guardian (if the child is in a correction center or juvenile prison) or a foster home manager.

Child home care allowance: The allowance is paid to parents who leave work to care for a child younger than age 3 (age 10 if disabled). For twins, the allowance is paid until the children reach the compulsory school age (usually age 6).

Child-rearing support: The benefit is paid to parents who rear three or more children and the youngest is between ages 3 and 8.

Birth grant: Paid to a mother (or adopting parents) on the condition that the mother has completed at least four prenatal examinations (one in the event of a premature birth).

Advance on maintenance payments: A sum decided by the court is paid for periods during which child maintenance is not paid, the person who takes care of the child can no longer maintain the child, or per capita family income does not exceed three times the minimum old-age pension of 25,800 forints.

Regular child protection support: Paid for a single parent, a child with a long-term illness or serious disability, or a child in full-time higher education. Per capita family income must not exceed 110% of the minimum old-age pension (28,380 forints).

Irregular child protection support: The benefit is awarded by local government and is paid to families with temporary cash flow problems or to families requiring emergency assistance.

Family Allowance Benefits

Family allowances: For the first child, 12,200 forints a month is paid (13,700 forints for a single parent); for two children, 13,300 forints a month is paid per child (14,800 forints for a single parent); and for three or more children, 16,000 forints a month is paid per child (17,000 forints for a single parent).

For families with a child with a long-term illness or serious disability, 25,900 forints a month is paid per child (20,300 forints per child for a single parent).

For a child in a foster home or living with foster parents, 14,800 forints a month is paid per child.

Schedule of payments: Benefits are paid monthly with an additional payment in July to support schooling costs.

Hungary

Child home care allowance: The allowance is equal to the minimum monthly old-age pension of 28,500 forints (the allowance is doubled for twins).

Child-rearing support: The allowance is equal to the minimum monthly old-age pension of 28,500 forints.

Birth grant: A lump sum equal to 225% of the minimum old-age pension is paid after each birth; 300% of the minimum old-age pension is paid for twins.

The minimum monthly old-age pension is 25,800 forints.

Advance on maintenance payments: The amount of the benefit is established by the court.

Regular child protection support: 5,000 forints is paid.

Irregular child protection support: A lump sum is paid, according to the family's assessed needs.

Benefit adjustment: Benefits are adjusted annually.

Administrative Organization

Ministry of Social Affairs and Labor (<http://www.szmum.gov.hu>) supervises the program.

Regional Directorates of the Hungarian State Treasury (<http://www.allamkinostar.gov.hu>) pay benefits.

Iceland

Exchange rate: US\$1.00 equals 61.09 kronur.

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1909 and 1980.

Current laws: 1992 (disability); 1997 (pension funds); 2007 (social security), with amendments; and 2007 (social assistance).

Type of program: Universal and mandatory occupational pension system.

Coverage

Universal pension: All persons residing in Iceland.

Mandatory occupational pension: All employed and self-employed persons aged 16 to 70.

Source of Funds

Insured person

Universal pension: None.

Mandatory occupational pension: 4% of gross earnings.

There are no maximum earnings for contribution purposes.

Self-employed person

Universal pension: 5.34% of presumptive income. (Presumptive income is employment income comparable with the remuneration one would receive if similarly employed by an unrelated person.)

The self-employed person's contributions also finance maternity and paternity benefits, work injury benefits, and unemployment benefits.

Mandatory occupational pension: 12% of earnings.

Employer

Universal pension: 5.34% of gross payroll.

The employer's contributions also finance maternity and paternity benefits, work injury benefits, and unemployment benefits.

Mandatory occupational pension: 8% of the employee's wages.

Government

Universal pension: Remaining costs.

Mandatory occupational pension: None.

Qualifying Conditions

Old-age pension

Universal pension: Age 67 and has resided in Iceland for a minimum of 3 years between ages 16 and 66 and has annual income below a certain ceiling. To receive the full pension, the insured must have resided in Iceland for at least 40 years.

Age 60 for some categories of seamen, subject to conditions.

Deferred pension: A deferred pension is possible up to age 72 with increased benefits.

Benefits are payable abroad under reciprocal agreement.

Mandatory occupational pension: Age 67 for private-sector employees or age 65 for public-sector employees.

Early pension: Normally from age 65.

Deferred pension: A deferred pension is possible, normally up to age 70.

Disability pension

Universal pension: The insured must be between ages 16 and 66 and must have resided in Iceland for a minimum of 3 years before applying for a benefit. The insured must have at least a 75% assessed degree of permanent disability as a result of a medically recognized disease or disability and have annual income below a certain ceiling.

A disability allowance is paid with a 50% to 74% assessed degree of permanent disability.

The State Social Security Institute assesses the degree of disability following a medical examination by a doctor.

Benefits are payable abroad under reciprocal agreement.

Mandatory occupational pension: Paid for the loss of at least 50% of earning capacity and a loss of income due to the reduction in earning capacity. The insured must have at least 2 years of contributions.

Survivor pension

Universal pension: The deceased and the survivors must have resided in Iceland for at least 3 years.

Eligible survivors are orphans.

Bereavement social allowance: Paid to a spouse who is widowed before reaching age 67.

Mandatory occupational pension: A surviving spouse's pension and an orphan's pension are paid if the deceased contributed for at least 24 of the last 36 months before death or was receiving an old-age pension or disability pension at the time of death.

Eligible survivors are a spouse or cohabiting partner (including a same-sex partner) and children younger than age 18.

Old-Age Benefits

Old-age pension

Universal pension: The basic pension for a single person is 308,400 kronur a year. The benefit is reduced when annual income exceeds 2,296,111 kronur and ceases when annual income exceeds 3,324,111 kronur. The pension is paid monthly.

Pension supplement: 973,200 kronur a year is paid for a single person. The supplement is reduced when annual income exceeds a certain amount. The supplement is paid monthly.

The maximum pension is paid if the insured has resided in Iceland for at least 40 years; the pension is reduced proportionately according to the number of years of residency less than 40.

Different amounts apply for married or cohabiting couples.

Child's supplement: 19,000 kronur a month is paid for each child younger than age 18.

Social allowances (means-tested): Means-tested allowances contribute toward certain living expenses such as housing and medicine costs.

Benefit adjustment: Benefits are adjusted annually depending on the current state budget for changes in wages but must, at a minimum, be indexed to the cost-of-living index.

Mandatory occupational pension: The pension is based on total individual contributions and the length of the contribution period. The minimum pension paid with 40 years of contributions is equal to 56% of lifetime average earnings (equal to 1.4% of average lifetime earnings per contribution year). The pension is paid for life.

Early pension: An actuarially reduced pension is paid. The reduction is permanent.

Deferred pension: Calculated in the same way as the mandatory occupational pension.

Child's supplement: The pension fund may provide at least 8,993 kronur per child per month.

Benefit adjustment: Benefits are adjusted according to the financial resources of the fund, but must, at a minimum, be indexed to the consumer price index.

Permanent Disability Benefits

Disability pension

Universal pension: The full basic pension for a single person with an assessed degree of disability of at least 75% is 308,400 kronur a year. The pension is reduced when annual income exceeds 2,349,653 kronur and ceases when annual income exceeds 3,583,253 kronur. The pension is paid from the first day of the month following the date of the award. The pension is paid monthly.

Disability allowance: The full pension for a single person with an assessed degree of disability of 50% to 74% is 228,000 kronur a year.

Pension supplement: 987,600 kronur a year is paid for a single person. The supplement is reduced when annual income exceeds a certain amount. The supplement is paid monthly.

Age-related pension supplement: From a minimum of 4,632 kronur to a maximum of 308,400 kronur a year is paid, depending on the insured's age when entitlement to a disability pension was first established. The supplement is paid monthly.

The maximum pension is paid if the insured has resided in Iceland for at least 40 years, with coverage projected up to age 67; the pension is reduced proportionately according to the number of years of residency less than 40.

Different amounts apply for married or cohabiting couples.

Child's supplement: 19,000 kronur a month is paid for each dependent child younger than age 18; the supplement is doubled if both parents are disabled.

Social allowances (means-tested): Means-tested allowances contribute toward certain living expenses such as housing and medicine costs.

Benefit adjustment: Benefits are adjusted annually depending on the current state budget for changes in wages but must, at a minimum, be indexed to the cost-of-living index.

Mandatory occupational pension: The pension is calculated according to the assessed degree of disability and the value of paid and credited contributions (projected to age 67). The pension is paid from the first day of the month following the date of the award.

Child's supplement: 8,993 kronur a month is paid for each dependent child younger than age 18.

Benefit adjustment: Benefits are adjusted according to the financial resources of the fund, but must, at a minimum, be indexed to the consumer price index.

Survivor Benefits

Survivor pension

Universal pension: Each orphan younger than age 18 receives 19,000 kronur a month. The pension is doubled for full orphans.

Bereavement social allowance: The widow(er) may receive 28,300 kronur a month for a maximum of 6 months; a reduced allowance of 21,200 kronur may be paid for an additional 6 months if the widow(er) has a dependent child younger than age 18 or subject to other conditions being met.

Benefit adjustment: Benefits are adjusted annually according to the current state budget for changes in wages but must, at a minimum, be indexed to the cost-of-living index.

Occupational mandatory survivor pension: The survivor pension is equal to 50% of the disability pension to which the deceased would have been entitled in the case of full disability. The pension is paid for 24 months; there is no limit for a spouse supporting a child younger than age 18 or for a spouse who is at least 50% disabled and younger than age 67.

The pension ceases on remarriage.

Occupational mandatory orphan's pension: Different maximum amounts apply for the orphan of an old-age pensioner and the orphan of a disability pensioner. The minimum pension is 12,182 kronur per child per month. The minimum pension is doubled for full orphans.

Benefit adjustment: Benefits are adjusted according to the financial resources of the fund, but must, at a minimum, be indexed to the consumer price index.

Administrative Organization

Universal pension: Ministry of Social Affairs and Social Security (<http://felagsmalaraduneyti.is>) provides general supervision.

Social Insurance Administration (<http://www.tr.is>) administers the programs through local offices.

Mandatory occupational pension: Ministry of Finance (<http://fjarmalaraduneyti.is>) provides general supervision.

Administration of the mandatory occupational pension program is provided by 43 independent pension funds.

Sickness and Maternity

Regulatory Framework

First laws: 1936 (social security), 1973 (health service), and 1975 (maternity leave and benefits).

Current laws: 2000 (maternity and paternity leave) with amendments; 2007 (health service); and 2007 (social security).

Type of program: Universal and social insurance system.

Coverage

Cash sickness benefits: Employed and self-employed persons residing in Iceland.

Cash maternity benefits: Employed and self-employed persons and parents residing in Iceland.

Medical benefits: All persons residing in Iceland.

Source of Funds

Insured person: None.

Self-employed person: None for cash sickness and medical benefits. See source of funds under Old Age, Disability, and Survivors, for cash maternity and paternity benefits.

Employer: None for cash sickness and medical benefits. See source of funds under Old Age, Disability, and Survivors, for cash maternity and paternity benefits.

Government: The total cost of cash sickness and medical benefits; the remaining costs for cash maternity and paternity benefits.

Qualifying Conditions

Sickness benefits: The insured must be aged 16 or older, incapable of work as the result of a sickness for at least 21 days, not receiving old-age or disability benefits, and no longer gainfully employed in Iceland.

Maternity and paternity benefits: Both parents must have been active in the domestic labor market for 6 consecutive months before the first day of parental leave.

Maternity and paternity grants: The insured must have resided in Iceland for 12 months before the expected date of childbirth (for new residents).

Medical benefits: The insured must have resided in Iceland for at least 6 months (for new residents).

Sickness and Maternity Benefits

Sickness benefit: A minimum of 1,000 kronur a day is paid for persons who have to give up full-time gainful employment; 500 kronur a day is paid for persons who have to give up at least 50% of employment. The benefit is paid after a 14-day waiting period provided that the incapacity has lasted at least 21 days and income has ceased.

(Employers must pay wages for at least 1 month (may be extended, depending on collective agreements) to employees with 12 consecutive months of employment. Cash benefits are not paid until wages have ceased.)

The duration of benefits is 52 weeks in any one 24-month period.

Child's supplement: 270 kronur a day is paid for each child younger than age 18.

Maternity and paternity benefits: Parental benefit entitlements exist for both parents. For employees and self-employed persons, the benefit is 80% of the insured's average wage or income during the last 2 years before the year of the child's birth.

The total combined leave period for a mother and father is 3 months. The maternity leave period may start 1 month before the expected date of childbirth; paternity leave is taken after childbirth. Parents decide how and when the leave period will be split between them. The leave period must be taken before the child is age 18 months.

If the insured is in part-time employment (between 25% and 49%), the minimum benefit is 74,945 kronur a month; if employed between 50% and 100%, the minimum benefit is 103,869 kronur a month.

The maximum benefit is 535,700 kronur a month.

Maternity and paternity grants: 45,324 kronur a month is paid to parents working less than 25% time or who are non-active. The grant for a parent attending a full-time education program is 103,869 kronur a month.

Workers' Medical Benefits

A minimum fee is charged for a doctor visit. Inpatient treatment in a public hospital is free of charge. Free medication is provided for some chronic diseases; for other medicines, the insured pays a minimum fee. Inpatient care in a maternity ward is free. A minimum fee is paid for X-rays and travel costs.

Dependents' Medical Benefits

A minimum fee is charged for a doctor visit. Inpatient treatment in a public hospital is free of charge. Free medicine is provided for some chronic diseases; for other medicines, the insured pays a minimum fee. Inpatient care in a maternity ward is free. A minimum fee is paid for X-rays and travel costs.

Children up to age 18 are entitled to a partial reimbursement of costs, and there is partial reimbursement for dental care for persons younger than age 21.

There is no reimbursement for persons between ages 18 and 66, except for disability pensioners.

Administrative Organization

Ministry of Health (<http://heilbrigdisraduneyti.is>) and the Ministry of Social Affairs and Social Security (<http://felagsmalaraduneyti.is>) provide general supervision.

Social Insurance Administration (<http://www.tr.is>) administers the programs through local offices.

Work Injury

Regulatory Framework

First law: 1925.

Current laws: 1992 (disability); 2007 (social security), with amendments; and 2007 (social assistance).

Type of program: Social insurance and social assistance system.

Coverage

Employed and self-employed persons, apprentices, persons engaged in rescue operations, and athletes participating in organized athletic activities.

Source of Funds

Insured person: None.

Self-employed person: See source of funds under Old Age, Disability, and Survivors.

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

Government: Work injury insurance is partly financed through general taxation.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

1,220 kronur a day is paid after a 7-day waiting period if the incapacity for work lasts for at least 10 days. The benefit is paid for a maximum of 52 weeks.

Child's supplement: 2,270 kronur is paid for each dependent child younger than age 18.

The maximum benefit is equal to 75% of earnings.

(Collective agreements provide for the continued payment of wages for a certain period (depending on agreements), in which case cash benefits are not payable until wages have ceased.)

Benefit adjustment: Benefits are adjusted annually depending on the current state budget for changes in wages but must, at a minimum, be indexed to the cost-of-living index.

Permanent Disability Benefits

Permanent disability pension: For an assessed degree of disability of at least 75%, 308,400 kronur a year is paid. For an assessed degree of disability of 50% to 74%, the benefit is equal to 50% of the full pension and increases by 2% for each additional degree of assessed disability up to a maximum of 75%. For an assessed degree of disability of 10% to 49%, a lump sum is paid according to the assessed degree of disability.

The State Social Security Institute assesses the degree of disability following a medical examination by a doctor.

Pension supplement: 987,600 kronur a year is paid for a single person.

Age-related pension supplement: From a maximum of 308,400 kronur to a minimum of 4,632 kronur a year is paid, depending on the insured's age when they first became entitled to a disability pension.

Child's supplement: 19,000 kronur a month is paid for each child younger than age 18 supported by the insured when the disability began. If the assessed degree of disability is 75% or more, a supplement is also paid for dependent children older than age 18.

Social allowances (means-tested): Means-tested allowances contribute toward certain living expenses such as housing and medicine costs.

Benefit adjustment: Benefits are adjusted annually depending on the current state budget for changes in wages but must, at a minimum, be indexed to the cost-of-living index.

Workers' Medical Benefits

All necessary medical care is provided, including specialist services and hospitalization.

Survivor Benefits

Survivor pension: If the insured dies within 2 years after the date of injury or the date the occupational disease was diagnosed, the surviving spouse receives 28,300 kronur a month for 8 years.

Orphan's pension: Each orphan younger than age 18 receives 19,000 kronur a month; the pension is doubled for full orphans. Disabled children older than age 16 who were supported by the deceased when the injury occurred or the occupational disease was diagnosed receive a benefit of between 354,000 kronur and 1,062,300 kronur, depending on the degree of necessary support.

In the absence of other surviving relatives, a lump sum of 495,800 kronur is paid to the deceased's surviving children or, otherwise, to the estate.

Benefit adjustment: Benefits are adjusted annually depending on the current state budget for changes in wages but must, at a minimum, be indexed to the cost-of-living index.

Administrative Organization

Ministry of Health (<http://heilbrigdisraduneyti.is>) provides general supervision.

Social Insurance Administration (<http://www.tr.is>) administers the programs through local offices.

Unemployment

Regulatory Framework

First law: 1956.

Current laws: 2006 (unemployment), with amendments; and 2006 (labor market).

Type of program: Social insurance system.

Coverage

Employed and self-employed persons.

Source of Funds

Insured person: None.

Self-employed person: See source of funds under Old Age, Disability, and Survivors.

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

Government: None.

Qualifying Conditions

Unemployment benefits: The insured must be aged 16 to 69, reside in Iceland, and have at least 10 weeks of insured employment in the previous 12 months. The insured must be registered at an employment office, be actively seeking, and available for, work, and have been unemployed for at least 3 days before registration. For continuing entitlement, the insured must register every 2 weeks at the employment agency.

Additionally, self-employed persons must have paid contributions in the last 12 months before employment ceased and must have paid income tax for at least 3 months.

Part-time work is permitted, subject to conditions.

Unemployment Benefits

The maximum benefit is 5,446 kronur a day. The minimum benefit, after 10 weeks of full employment, is 1,362 kronur a day. The benefit is paid from the first day if the insured is involuntarily unemployed; otherwise, after a 40-day waiting period. The maximum duration of benefits is 3 years.

Benefits are reduced proportionately if the insured is in part-time work.

The full daily benefit is paid for 10 days; thereafter, daily benefits are based on 70% of average earnings.

Average earnings are based on earnings during the 6-month period ending 2 months before becoming unemployed.

Child's supplement: A daily supplement equal to 4% of the full benefit is paid for each dependent child younger than age 18.

Benefit adjustment: Benefits are adjusted annually depending on the current state budget for changes in wages but must, at a minimum, be indexed to the cost-of-living index.

Administrative Organization

Ministry of Social Affairs and Social Security (<http://felagsmalaraduneyti.is>) provides general supervision.

Directorate of Labor (<http://www.vinnumalastofnun.is>) administers the Unemployment Insurance Fund and the employment agencies.

Family Allowances

Regulatory Framework

First law: 1946.

Current laws: 2003 (income tax) and 2007 (social assistance).

Type of program: Universal system.

Coverage

Children and parents or persons responsible for the support of children residing in Iceland.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

The child must be younger than age 18 and reside in Iceland and be supported by those who are subject to unlimited tax liability in Iceland according to the tax law.

Family Allowance Benefits

Child benefit (income-tested): Flat-rate benefits are awarded as a tax reduction and paid to families with children and income below a certain level. The benefit is assessed and paid on the basis of the previous year's income. Advance payments are made on the first day of February and the first day of May each year.

The annual child benefit in 2008 is 57,891 kronur for children younger than age 7 at the end of the 2007 income year.

In addition, married or cohabiting parents receive a supplement of 144,116 kronur for the first child and 171,545 kro-

nur for the second and each additional child. Single parents receive a supplement of 240,034 kronur for the first child and 246,227 kronur for the second and each additional child.

Income test: Benefits are reduced according to certain rules when income exceeds 2,415,492 kronur for married or cohabiting parents; 1,207,746 kronur for single parents.

Child education grant: 19,000 kronur a month is paid to children aged 18 to 20 who are in full-time education or vocational training if one or both parents are deceased or an old-age or disability pensioner.

Social allowance (means-tested): Means-tested allowances contribute toward certain living expenses such as housing.

Administrative Organization

Ministry of Finance (<http://fjarmalaraduneyti.is>) provides general supervision for child benefits paid as tax reductions.

Directorate of Inland Revenue (<http://rsk.is>) administers benefits in the form of tax reductions.

Ministry of Social Affairs and Social Security (<http://felagsmalaraduneyti.is>) supervises benefits administered by the Social Insurance Administration (<http://www.tr.is>) and supervises benefits administered by local authorities.

Social Insurance Administration (<http://www.tr.is>) and local authorities administer social allowances.

Ireland

Exchange rate: US\$1.00 equals 0.68 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1908 (old-age assistance), 1911 (disability insurance), and 1935 (survivor insurance).

Current law: 2005 (social welfare).

Type of program: Social insurance and social assistance system.

Coverage

Employed persons aged 16 to 65 with €38 or more in weekly earnings.

Self-employed persons with annual earnings of €3,174 or more are covered for contributory old-age and survivor benefits.

Exclusions: Part-time employees earning less than €38 a week; public servants who were permanent and covered by the public servants pension system before it was closed to new entrants on April 6, 1995; and casual domestic workers.

There are no special systems for any specified groups of employees.

Source of Funds

Insured person: If weekly earnings are €352 or less, none; if weekly earnings exceed €352, none for the first €127 of covered weekly earnings, with 4% paid on the remaining balance of covered weekly earnings up to a ceiling of €50,700.

The insured's contributions also pay for sickness and maternity, medical, work injury, unemployment, and adoptive benefits.

If weekly earnings are greater than €500 (without a ceiling), an additional 2% of weekly earnings is paid for the health system; the contribution is waived if the insured has a means-tested medical card or receives specified benefits or allowances.

Self-employed person: For annual income of €26,000 or less, the contribution is 3% of covered income; for annual income greater than €26,000, the contribution is 5% of covered income, of which 2% of covered income is paid for the health system.

The self-employed person's annual income for contributions purposes is based on gross income minus capital allowances and superannuation contributions. Contributions are paid annually.

The self-employed person's contributions also pay for cash maternity, adoptive, and medical benefits.

Employer: For employees with weekly earnings of €356 or less, the contribution is 8.5% of gross wages; for employees with weekly earnings greater than €356, the contribution is 10.75% of gross wages.

There are no maximum earnings for contribution purposes for employers.

The employer's contributions also pay for sickness and maternity, work injury, unemployment, and adoptive benefits.

Government: Any deficit and the total cost of means-tested allowances.

Qualifying Conditions

State pension (transition): Age 65 with coverage beginning before age 55. The insured must have at least 260 weeks of paid contributions, with an annual average of at least 24 weeks of paid or credited contributions (since 1953 or the date of entry into insured employment, whichever is later, up to the end of the last tax year before reaching age 65).

Any years since 1994 spent caring for children younger than age 12 (no limit if disabled) are disregarded when calculating the annual average contribution. Years are defined as full tax years (January to December) and up to 20 years may be disregarded.

The maximum pension is paid with an annual average of at least 48 weeks of paid or credited contributions.

The insured must retire from employment or self-employment unless earning less than €38 a week from employment or €3,174 a year from self-employment.

There is no retirement test from age 66.

The state pension (transition) is payable abroad.

At age 66, the state pension (transition) ceases to be paid and all beneficiaries then receive at least the minimum state pension (contributory).

State pension (contributory): Age 66 with coverage beginning before age 56. To qualify for the maximum pension, the insured must have at least 260 weeks of paid contributions, with an annual average of at least 48 weeks of paid or credited contributions (from April 5, 1979, to the end of the last tax year) before reaching age 66; for the minimum pension, the insured must have an annual average of at least 10 weeks paid or credited contributions and an overall total of at least 260 weeks of paid contributions (beginning as of 1953 or the date of entry into insured employment, whichever is later, up to the end of the last tax year before reaching age 66).

There is no retirement test.

The state pension (contributory) is payable abroad.

Any years since 1994 spent caring for children younger than age 12 (no limit if disabled) are disregarded when calculating the annual average contribution. Years are defined as full tax years (January to December) and up to 20 years may be disregarded.

Credited contributions that count toward the qualifying conditions for certain benefits are awarded if receiving the state pension (transition) or cash benefits for sickness, maternity, permanent disability, unemployment, or work injury.

State pension (noncontributory and means-tested): Paid to residents aged 66 or older with limited means.

Preretirement allowance (means-tested): Paid to residents older than age 55 with limited means who have been receiving unemployment benefits for more than 15 months and who have retired completely from the labor force. (Preretirement allowance was abolished as of July 4, 2007, except for those who have a continuing entitlement from before that date.)

Carer's benefit: Paid to a person aged 16 or older but younger than age 65 or age 66 who has left the workforce to care for a person in need of full-time care and attention. The carer must not be employed or self-employed for more than 15 hours a week outside the home. The carer must have at least 156 paid contributions with 39 paid in the relevant tax year or in the 12 months before applying or 26 paid in each of the last 2 relevant tax years.

Carer's allowance (means-tested): Paid to residents aged 18 or older with limited means who live with and care for a person requiring full-time care and attention. The carer may work for up to 15 hours a week. (A person in receipt of certain social welfare payments and satisfying the conditions for the carer's allowance may receive 50% of the carer's allowance in addition to other payments.)

Disability pension (invalidity pension): The insured must be assessed with a permanent incapacity for work. The benefit is paid after receiving an ordinary sickness benefit for a year (or less than a year for a severe incapacity). The insured must have at least 260 weeks of paid contributions with at least 48 weeks paid or credited in the last tax year.

The incapacity for work is assessed by the Department of Social and Family Affairs following a medical examination and is reviewed periodically.

The disability pension is payable abroad.

Blind person's pension (means-tested): Paid to residents aged 18 or older with severely reduced vision and limited means.

Disability allowance (means-tested): Paid to residents aged 16 to 66 with limited means who are assessed as physically or mentally disabled and substantially handicapped in the undertaking of suitable work.

Widow(er)'s contributory pension: The deceased or the deceased's spouse has paid at least 156 weeks of contributions and meets either of the following conditions:

1. Must have an annual average of 39 weeks of paid or credited contributions in either the last 3 or 5 tax years before the date the spouse died or reached age 66; or
2. To receive the minimum pension, must have an annual average of at least 24 weeks of paid or credited contributions since entry into insured employment; for the maximum pension, must have an annual average of 48 weeks of paid or credited contributions.

Widowed parents who do not qualify for the contributory pension may be entitled to the one-parent family payment (see Family Allowances, below).

Guardian's payment (contributory): Paid to a full orphan; a half orphan if the whereabouts of the surviving parent are unknown or he or she has failed to provide for the child. A parent or stepparent must have paid 26 weeks of contributions. Children must be younger than age 18 (age 22 if a full-time student).

Bereavement grant: Paid on the death of an insured person, the insured's spouse, the surviving spouse of an insured person, or the insured's child (younger than age 18). The deceased, surviving spouse, or parent had 26 weeks of paid contributions since starting work and either 39 contributions paid or credited in the relevant tax year or an annual average of 39 contributions paid or credited over the last 3 or 5 tax years before the date of death or reaching age 66.

Widowed parent's grant: Paid on the death of a spouse to a widow(er) who is entitled to certain benefits with at least one qualified child and who was widowed on or after December 1, 1999.

Contributory survivor benefits are payable abroad.

Widow(er)'s noncontributory pension (means-tested): Paid to widowed residents with limited means who are not cohabiting.

Guardian's payment (noncontributory and means-tested): Paid to resident full orphans with limited means; a resident half orphan with limited means if the whereabouts of the surviving parent are unknown or he or she has failed to provide for the child. Children must be younger than age 18 (age 22 if a full-time student).

Old-Age Benefits

State pension (transition): The maximum weekly pension is €223.30.

The pension is reduced to €218.90 a week with an annual average of between 24 and 47 weeks of contributions.

Qualified adult supplement: The maximum supplement is €148.80 a week for a qualified adult or €200 if aged 66 or older (these rates are reduced if the pensioner is receiving less than the maximum personal rate or if the qualified adult

has earnings or income between €100 and €300 a week; no supplement is paid if the qualified adult has earnings or income greater than €300 a week), plus €24 a week for each dependent child younger than age 18 (age 22 if a full-time student) or €12 if the qualified adult increase is not payable.

State pension (contributory): The maximum weekly pension is €223.30.

The pension is reduced with an annual average of less than 48 weeks of contributions: €218.90 a week is paid for an annual average of between 20 and 47 weeks; €167.50 is paid for an annual average of between 15 and 19 weeks; and €111.70 is paid for an annual average of between 10 and 14 weeks.

Qualified adult supplement: The maximum supplement is €148.80 a week for a qualified adult or €200 if aged 66 or older (these rates are reduced if the pensioner is receiving less than the maximum personal rate or if the qualified adult has earnings or income between €100 and €300 a week; no supplement is paid if the qualified adult has earnings or income greater than €300 a week), plus €24 a week for each dependent child younger than age 18 (age 22 if a full-time student) or €12 if the qualified adult increase is not payable.

State pension (noncontributory and means-tested): Up to €212 a week is paid, plus up to €140.10 for a qualified adult and €24 for each dependent child or €12 if the qualified adult increase is not payable.

Additional increases: €7.70 a week is paid for a single pensioner aged 66 or older who lives alone; €10 a week for a pensioner aged 80 or older; €12.70 a week for a pensioner aged 66 or older living on certain offshore islands.

Preretirement allowance (means-tested): Up to €197.80 a week is paid.

Dependent's supplement: €131.30 a week is paid for a qualified adult and €24 a week is paid for a dependent child younger than age 18 (age 22 if a full-time student and the insured has been receiving benefits for more than 6 months) or €12 if the qualified adult increase is not payable.

Carer's benefit: €214.70 a week is paid, plus €24 for a dependent child younger than age 18 (age 22 if a full-time student) or €12 per child for carers living with their spouse or partner or €322.10 if caring for more than one person.

Carer's allowance (means-tested): Up to €214 a week is paid; €232 a week if aged 66 or older. An additional 50% is paid if the carer is caring for two persons. An additional €24 is paid for each dependent child; €12 per child if the carer is living with his or her spouse or partner.

Benefit adjustment: Benefits are normally adjusted annually.

Permanent Disability Benefits

Disability pension (invalidity pension): €203.30 a week is paid; €223.30 a week if aged 65 or older.

Dependent's supplement: €145.10 a week is paid for a qualified adult (€200 if aged 66 or older), plus €24 a week for each dependent child younger than age 18 (age 22 if a full-time student) or €12 if the qualified adult increase is not payable.

Blind person's pension (means-tested): Up to €197.8 a week is paid, plus €131.30 a week for a qualified adult.

Additional increases: €7.70 a week is paid for a single pensioner aged 66 or older who lives alone; €10 a week for a pensioner aged 80 or older; €12.70 a week for a pensioner aged 66 or older living on certain offshore islands.

Disability allowance (means-tested): Up to €197.80 a week, plus €131.30 a week for a qualified adult and €24 for each dependent child younger than age 18 (age 22 if a full-time student); €12 if the qualified adult increase is not payable.

Benefit adjustment: Benefits are normally adjusted annually.

Survivor Benefits

Widow(er)'s contributory pension: Up to €203.30 a week is paid; €223.30 if aged 66 or older.

The pension is reduced if the deceased had an annual average of less than 48 but more than 24 weeks of contributions.

Dependent's supplement: €24 is paid for each dependent child younger than age 18 (age 22 if a full-time student).

Guardian's payment (contributory): €170 a week is paid for each orphan younger than age 18 (age 22 if a full-time student).

Bereavement grant: A lump sum of up to €850 is paid to the next of kin.

Widowed parent's grant: A lump sum of €6,000 is paid if the deceased's spouse has at least one dependent child.

Widow(er)'s noncontributory pension (means-tested): Up to €197.80 a week is paid.

Guardian's payment (noncontributory and means-tested): Up to €170 a week is paid.

Benefit adjustment: Benefits are normally adjusted annually.

Administrative Organization

Department of Social and Family Affairs (<http://www.welfare.ie>) administers the program.

Revenue Commissioners collect contributions for the majority of insured persons.

Sickness and Maternity

Regulatory Framework

First law: 1911.

Current law: 2005 (social welfare).

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

Coverage

Cash sickness and maternity benefits: Employees younger than age 66.

There are no special systems for any specified groups of employees.

Cash maternity benefits only: Self-employed persons.

Exclusions: Part-time employees earning less than €38 a week; public servants who were permanent and eligible for a pension before April 6, 1995; and casual domestic workers.

Medical benefits: All persons residing in Ireland.

Source of Funds

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

Self-employed person: See source of funds under Old Age, Disability, and Survivors, above.

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

Government

Cash sickness and maternity benefits: See source of funds under Old Age, Disability, and Survivors, above.

Medical benefits: The total cost for low-income residents and part of the cost for the remainder of the population.

Qualifying Conditions

Cash sickness benefits (disability benefit): The insured must be younger than age 66 with 52 weeks of paid contributions, including 39 weeks paid or credited in the last year (of which 13 are paid contribution weeks, unless the insured was receiving the long-term unemployment assistance or preretirement allowance immediately before claiming benefits); or 26 weeks in each of the last 2 contribution years. The insured must have 260 paid contribution weeks for benefits to be paid beyond a year.

Cash maternity benefits: The insured must have 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 the relevant tax year. A claimant may also qualify if she has 26 weeks of paid contributions in the last tax year and 26 paid contributions in the previous year.

Self-employed women must have 52 contribution weeks paid in either of the last 2 tax years.

Health and safety benefits: Paid to pregnant workers, to workers who have recently given birth and are breastfeeding, or to those who are unable to continue working because

of an unavoidable risk to their health and safety at their place of work and who satisfy the relevant contribution conditions for social insurance benefits.

Night workers are also entitled to this payment for the duration of pregnancy and for a period following childbirth during which no alternative (daytime) work is available.

Medical benefits: Full eligibility for medical-card holders (low-income residents and residents older than age 70); limited eligibility for those with moderate or high income.

Sickness and Maternity Benefits

Sickness benefit (disability benefit): Up to €197.80 a week is paid, depending on weekly income. The benefit is paid after a 3-day waiting period for up to 52 weeks; may be extended if the insured has at least 260 contribution weeks.

Dependent's supplement: Up to €131.30 a week is paid for a qualified adult dependent; €24 for each dependent child younger than age 18 (age 22 if a full-time student and the insured person has received benefits for more than 6 months) or €12 if the qualified adult increase is not payable.

Maternity benefit: Employed women receive 80% of weekly earnings for 26 weeks, including at least 2 weeks (up to 16 weeks) before the expected date of childbirth, subject to a minimum and maximum amount.

The minimum weekly maternity benefit is €221.80 (sickness benefit replaces maternity benefit if the benefit payable is greater).

The maximum weekly benefit is €280.

Health and safety benefit: Up to €197.80 a week is paid, depending on earnings. The first 21 days are paid by the employer. The benefit is paid until the insured becomes eligible for maternity benefits; for 16 weeks following the birth if the mother is employed in night work; or for 26 weeks following childbirth if breastfeeding.

Dependent's supplement: Up to €131.30 a week is paid for a qualified adult dependent; €24 for each dependent child younger than age 18 (age 22 if a full-time student and if the insured has received benefits for more than 6 months) or €12 if the qualified adult increase is not payable.

Workers' Medical Benefits

All services are provided free in public clinics and hospital wards to medical-card holders (means-tested except for those older than age 70); partial cost sharing for the remainder of the population.

Benefits include outpatient and inpatient care; specialist and laboratory services; maternity and infant care; and optical, dental, and hearing treatment. Free prescription drugs are available to medical-card holders; partial cost sharing for those without a medical card.

Patients without a medical card receive hospital outpatient services free of charge; a fee of €66 applies only to a first visit for an accident or emergency that is not referred by a general practitioner. Inpatient care is €66 a night, subject to a maximum of €660 in any 12 consecutive months.

Dependents' Medical Benefits

All services are provided free in public clinics and hospital wards to medical-card holders (means-tested except for those older than age 70); partial cost sharing for the remainder of the population.

Benefits include outpatient and inpatient care; specialist and laboratory services; maternity and infant care; and optical, dental, and hearing treatment. Free prescription drugs are available to medical-card holders; partial cost sharing for those without a medical card.

Patients without a medical card receive hospital outpatient services free of charge; a fee of €66 applies only to a first visit for an accident or emergency that is not referred by a general practitioner. Inpatient care is €66 a night, subject to a maximum of €660 in any 12 consecutive months.

Administrative Organization

Cash benefits: Department of Social and Family Affairs (<http://www.welfare.ie>) administers benefits.

Medical benefits: Department of Health and Children (<http://www.dohc.ie>) administers services and benefits through the Health Service Executive.

Optical, dental, and hearing treatment services are provided with cost-sharing arrangements by private practitioners on behalf of the Department of Social and Family Affairs.

Health Service Executive (<http://www.hse.ie>) provides services through its own institutions, clinics, and dispensaries, or elsewhere by arrangement.

Work Injury

Regulatory Framework

First law: 1897 (workmen's compensation act).

Current law: 2005 (social welfare).

Type of program: Social insurance system.

Coverage

Employed persons, regardless of age.

Exclusions: Self-employed persons, domestic workers, and members of the security and defense forces. Public servants who were permanent and covered by the public servants pension system before it was closed to new entrants on April 6, 1995, are not covered for injury benefit but are covered for other benefits under the work injury program.

There are no special systems for any specified groups of employees.

Source of Funds

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

Self-employed person: Not applicable.

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

Government: Any deficit for private-sector employees and the total cost for public-sector employees.

Qualifying Conditions

Work injury benefits: The insured must be assessed with a work injury or an occupational disease. There is no minimum qualifying period.

Temporary Disability Benefits

Injury benefit: €197.80 a week is paid after a 3-day waiting period for up to 26 weeks starting from the date of the accident or the onset of the occupational disease. (Sickness benefit may be paid after 26 weeks, see under Sickness and Maternity, above).

Dependent's supplement: Up to €131.30 a week is paid for a qualified adult dependent; €24 for each dependent child younger than age 18 (age 22 if a full-time student and if the insured has received benefits for more than 6 months) or €12 if the qualified adult increase is not payable.

Permanent Disability Benefits

Disablement benefit: €228.90 a week is paid if the insured is assessed as 90% or more disabled.

Partial disability: With an assessed disability of 20% to 89%, a percentage of the full benefit is paid according to the assessed degree of disability; if assessed as less than 20% disabled, a lump sum up to a maximum of €16,020 is paid, according to the assessed degree of disability. The insured must have an assessed disability of at least 1%.

The disability is assessed by the Department of Social and Family Affairs following a medical examination. The disability is reviewed after a provisional period, unless the degree of disability is assessed as permanent.

Dependent's supplement: Up to €131.30 a week is paid for a qualified adult dependent; €24 for each dependent child younger than age 18 (age 22 if a full-time student and if the insured has received benefits for more than 6 months) or €12 if the qualified adult increase is not payable.

Constant-attendance allowance: €214.70 a week is paid.

Incapacity supplement: €197.80 a week is paid if the insured is not eligible for a disability benefit (see cash sick-

ness benefits under Sickness and Maternity, above) and is permanently incapable of work.

Dependent's supplement: Up to €131.30 a week is paid for a qualified adult dependent; €24 for each dependent child younger than age 18 (age 22 if a full-time student and if the insured has received benefits for more than 6 months) or €12 if the qualified adult increase is not payable.

Constant-attendance allowance: €214.70 a week is paid.

Workers' Medical Benefits

All general medical services are provided by the Health Service Executive.

A range of additional necessary medical care and transportation not covered under general medical benefits are payable by the Department of Social and Family Affairs, including specialist care, prescriptions, medical and surgical appliances prescribed by a general practitioner, dental and eye treatment and appliances, treatment prescribed by a general practitioner such as physiotherapy, nursing care on the instruction of a general practitioner, and traveling expenses to and from the place where medical care is provided.

Survivor Benefits

Survivor pension: €227.70 a week is paid to a widow or dependent disabled widower.

Dependent's supplement: €24 is paid for each dependent child.

Special allowance for a survivor living alone: €7.70 a week is paid if aged 66 or older; €10 a week if aged 80 or older.

Orphan's pension: €173.80 a week is paid for each child younger than age 18 (age 22 if a full-time student).

Dependent parent's pension: If the deceased was single, €227.70 a week is paid to the first parent and €110.10 a week to the other parent. If the deceased was married, €110.10 a week is paid to each parent.

Funeral grant: A lump sum of €850 is paid.

Administrative Organization

Department of Social and Family Affairs (<http://www.welfare.ie>) administers cash benefits.

Department of Health and Children (<http://www.dohc.ie>) administers medical services and benefits through the Health Service Executive.

Health Service Executive (<http://www.hse.ie>) provides services through its own institutions, clinics, and dispensaries, or elsewhere by arrangement.

Unemployment

Regulatory Framework

First law: 1911.

Current law: 2005 (social welfare).

Type of program: Social insurance and social assistance system.

Coverage

Employees younger than age 66.

Exclusions: Certain part-time employees; self-employed persons; public servants who were permanent and covered by the public servants pension system before it was closed to new entrants on April 6, 1995; and casual domestic workers.

Source of Funds

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

Self-employed person: Not applicable.

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

Government: Any deficit and the total cost of means-tested assistance.

Qualifying Conditions

Jobseeker's benefit: Aged 16 to 65, unemployed for at least 3 days in 6 consecutive days, and with 39 weeks of paid contributions including 39 weeks paid or credited in the 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 a benefit is claimed.

The applicant must be available for, genuinely seeking, and capable of work and be registered at a Social Welfare Local Office.

Unemployment must not be due to voluntary leaving, misconduct, refusal of a suitable job offer (the insured may be disqualified for up to 9 weeks), or a trade union dispute (the insured is disqualified for the duration of the dispute).

Jobseeker's allowance (means-tested): A resident with limited means, aged 18 to 65, unemployed for at least 3 days in 6 consecutive days, and does not satisfy the contribution conditions for the jobseeker's benefit.

The applicant must be available for, genuinely seeking, and capable of work and be registered at a Social Welfare Local Office.

Unemployment must not be due to voluntary leaving, misconduct, refusal of a suitable job offer (the insured may be disqualified for up to 9 weeks), or a trade union dispute (the insured is disqualified for the duration of the dispute).

Unemployment Benefits

Jobseeker's benefit: The maximum benefit is €197.80 a week and is paid for up to 15 months (156 days if younger than age 18; 156 weeks if aged 65 or older).

If a person is employed part time as the result of having lost some employment, a daily rate is paid subject to a minimum of 3 days of unemployment in a week.

Dependent's supplement: €131.30 a week is paid for a qualified adult and €24 a week is paid for a dependent child younger than age 18 (age 22 if a full-time student and the insured has been receiving benefits for more than 6 months) or €12 if the qualified adult increase is not payable.

Jobseeker's allowance (means-tested): Up to €197.80 a week is paid.

Dependent's supplement: €131.30 a week is paid for a qualified adult and €24 a week is paid for a dependent child younger than age 18 (age 22 if a full-time student and the insured has been receiving benefits for more than 6 months) or €12 if the qualified adult increase is not payable.

If a person is employed part time as the result of having lost some employment, a daily rate is paid subject to a minimum of 3 days of unemployment in a week.

Administrative Organization

Department of Social and Family Affairs (<http://www.welfare.ie>) administers the program.

Family Allowances

Regulatory Framework

First laws: 1944 (child benefit), 1984 (family income support), 1990 (single parent's allowance), and 1996 (one-parent family payment).

Current law: 2005 (social welfare).

Type of program: Universal (child benefit) and social assistance system.

Coverage

All persons residing in Ireland with one or more children.

Source of Funds

Insured person: None, except for adoptive benefits. See source of funds under Old Age, Disability, and Survivors, above.

Self-employed person: None, except for adoptive benefits. See source of funds under Old Age, Disability, and Survivors, above.

Employer: None, except for adoptive benefits. See source of funds under Old Age, Disability, and Survivors, above.

Government: The total cost, except for adoptive benefits. See source of funds under Old Age, Disability, and Survivors, above.

Qualifying Conditions

Child benefit: Paid for a child younger than age 16 (age 19 if a student or disabled).

Multiple birth grant: Special grants are paid for multiple births.

One-parent family payment (means- and earnings-tested): Paid to a single noncohabiting parent with at least one dependent child. The parent must have limited means and weekly earnings of €425 or less.

Widowed parent's grant: Paid on the death of a spouse to a person widowed on or after December 1, 1999, who is entitled to the one-parent family payment.

Adoptive benefit: The insured has 39 weeks of paid contributions in the 12-month period immediately before the placement date of the adoptive child or a total of 39 weeks of paid contributions with 39 weeks paid or credited in the last tax year (self-employed persons must have 52 weeks of paid contributions in either of the last 2 tax years).

Family income supplement (income-tested): Paid to parents employed full time (at least 19 hours a week or 38 hours every 2 weeks) who have an average weekly joint income below €490 for one child or €570 for two children; increasing to €1,170 in the case of a family with eight or more children (the joint-income threshold increase varies between €80 and €120 for each additional child). At least one child must be younger than age 18 (aged 18 to 22 if in full-time education).

The benefit is payable for 52 weeks while employed.

The benefit is not affected by changes in family income or short periods of illness.

Home care allowance (domiciliary care): Paid for the full-time care and attention given at home to a disabled child younger than age 16.

Family Allowance Benefits

Child benefit: €166 a month is paid for the first and second child; €203 a month for the third and each additional child. For twins, the child benefit is paid at 1.5 times the monthly rate for each child. For the birth of triplets or more, the benefit is doubled for each child. (All rates apply from April 2008.)

Multiple birth grant: €635 is paid for each child. The grant is paid at birth and again at ages 4 and 12.

One-parent family payment (means- and earnings-tested): Up to €197.80 a week is paid.

Dependent's supplement: €24 is paid for each dependent child.

Widowed parent's grant: A lump sum of €6,000 is paid.

Adoptive benefit: 80% of weekly earnings is paid for 16 weeks.

The minimum weekly benefit is €221.80.

The maximum weekly benefit is €280.

Family income supplement (income-tested): 60% of the difference between family income and the applicable income threshold is paid, depending on the number of children. The supplement is paid for 52 weeks while the parent or parents are employed.

The minimum weekly supplement is €20.

Home care allowance (domiciliary care): €299.60 a month is paid, subject to assessment of the child's means from other sources.

Administrative Organization

Department of Social and Family Affairs (<http://www.welfare.ie>) administers allowances, except for the home care allowance (domiciliary care). Payments are made at post offices on behalf of the department or by electronic funds transfer.

Home care allowance (domiciliary care) is administered by the Health Service Executive (<http://www.hse.ie>) on behalf of the Department of Health and Children (<http://www.dohc.ie>).

Isle of Man

Exchange rate: US\$1.00 equals 0.48 pounds (£).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1948.

Current laws: 1992 (consolidated legislation); 1995 (pensions); 1999 (welfare reform and pensions), implemented in 2000 and 2001; and 2004 (pensions).

Type of program: Social insurance and social assistance system.

Coverage

Contributory benefits: Employed persons aged 16 to 65 (men) or aged 16 to 60 (women) with weekly earnings of at least £90 (from April 2008).

Self-employed persons aged 16 to 65 (men) or aged 16 to 60 (women) with net annual income of at least £5,435 (from April 2008) are covered for all benefits except the state second pension, work injury benefits, contributory jobseeker's allowance, paternity allowance, and adoption allowance.

Voluntary coverage for the basic retirement pension for nonemployed persons.

Noncontributory benefits: All persons residing in the Isle of Man.

Source of Funds

Insured person: 10% of weekly earnings between £105 and £695 (from April 2008); certain married women and widows pay 3.85% of weekly earnings.

Around 16% of the insured's contribution is allocated to the Health Services toward the cost of medical benefits. The insured's contributions also finance sickness, maternity, paternity, and adoption benefits; work injury benefits; and unemployment benefits.

Self-employed person: A flat-rate £2.20 a week. In addition, self-employed persons with annual profits between £5,435 and £36,140 (from April 2008) pay an earnings-related contribution of 8% earnings.

Voluntary contributors pay a flat-rate £8.10 a week. Voluntary contributions finance only the flat-rate basic state retirement pension and bereavement benefits.

A percentage of the self-employed person's contribution is allocated to the Health Services toward the costs of medical benefits. The self-employed person's contributions finance all benefits except the state second pension, work injury benefits, and the contributory jobseeker's allowance.

Employer: 12.8% of the employee's weekly earnings greater than £105 (from April 2008).

Around 16% of the employer's contribution is allocated to the Health Services toward the cost of medical benefits. The employer's contributions also finance sickness, maternity, paternity and adoption benefits; work injury benefits; and unemployment benefits.

Government: The total cost of means-tested allowances and other noncontributory benefits.

Qualifying Conditions

Basic state retirement pension (flat-rate): Age 65 (men) or age 60 (women, rising gradually to age 65 from 2010 to 2020). To receive the full pension, contributions must have been paid or credited for 90% of the years in the working life.

Partial pension: The pension is proportionately reduced for a coverage period of less than 90% of the years in the working life. A basic retirement pension is not payable if contributions (paid or credited) cover less than 25% of the years in the working life.

Early pension: There is no early pension.

Deferred pension: The pension can be deferred for an unlimited period.

The basic retirement pension is payable abroad, though annual increases for changes in the cost of living are only payable if living in a country with a reciprocal agreement.

Pension supplement: Paid if ordinarily residing in the Isle of Man, has paid at least 10 years of contributions in the Isle of Man, and is entitled to the retirement pension.

State second pension (S2P): Age 65 (men) or age 60 (women, rising gradually to age 65 from 2010 to 2020). The earnings-related pension is based on contributions paid as an employed person on earnings between the lower and upper earnings limit in any tax year from April 1978.

The annual lower earnings limit is £4,524 (from April 2007).

The annual upper earnings limit is £34,840 (from April 2007).

The pension is payable abroad, though annual increases for changes in the cost of living are only payable if living in a country with a reciprocal agreement.

Old person's pension (noncontributory retirement pension): Paid at age 80 or older if the insured receives less than 60% of the full basic state retirement pension. The insured must be ordinarily residing in the Isle of Man and must have lived in the Isle of Man or the United Kingdom for at least 10 years in any 20-year consecutive period after age 60.

The old-person's pension is payable abroad.

Retirement pension premium: The insured must be older than age 75, ordinarily residing in the Isle of Man, and eligible for or receiving a retirement pension. The insured must have paid at least 10 years of contributions in the Isle of Man.

Long-term incapacity benefit: Paid to men younger than age 65 and women younger than age 60 who are unable to work as the result of an illness or a disability. The insured must have paid contributions on earnings of at least 25 times the weekly lower earnings limit in one of the last 3 tax years before the benefit claim year, plus paid or credited contributions on earnings of at least 50 times the weekly lower earnings limit in both of the last 2 tax years before the claim starts. The benefit is paid after 52 weeks of incapacity for work (as determined by a medical assessment) or after 28 weeks if terminally ill or receiving the highest-rate care component of the disability living allowance.

The annual lower earnings limit is £4,524 (from April 2007).

The benefit is also paid under specific conditions to persons who became incapable of work in their youth.

Pension supplement: Paid if older than age 45, ordinarily residing in the Isle of Man, with at least 10 years of contributions paid in the Isle of Man, and entitled to the long-term incapacity benefit.

Disability living allowance (noncontributory, no means test): Paid if the disability began before age 65. The person must reside permanently in the Isle of Man and have lived in the Isle of Man or the United Kingdom for at least 6 of the last 12 months. The allowance is determined by care and mobility needs and is paid after 3 months of disability (paid immediately if terminally ill).

Attendance allowance (noncontributory, no means test): Paid if the disability began at age 65 or older and the person needs a high level of care. The person must reside permanently in the Isle of Man and have lived in the Isle of Man or the United Kingdom for at least 6 of the last 12 months. The allowance is usually paid after 6 months of disability (paid immediately if terminally ill).

Disability working allowance (noncontributory, means-tested): Paid for persons enrolled in a training course, starting work, or already employed for at least 16 hours a week, but who have an illness or disability that puts them at a disadvantage in securing employment. Or the person receives the disability living allowance or attendance allowance or had received one of the following benefits in the 8 weeks before making the claim: incapacity benefit (short-term high rate or long-term rate), severe disablement allowance, or income support (in certain circumstances). The insured or their partner must have been born in the Isle of Man, qualify as an Isle of Man worker, or have resided in the Isle of Man for at least 6 months. The means test varies according to the family situation, number of children, housing costs, number of hours worked, and child care costs.

Carer's allowance (noncontributory, earnings-tested):

Paid to an insured person who forgoes full-time work to care for a severely disabled person (who is receiving certain qualifying benefits) for 35 or more hours a week. The carer must be older than age 16 and younger than age 65 at the time of the claim and not be a full-time student or earning more than £95 a week. The carer must reside permanently in the Isle of Man and have lived in the Isle of Man or the United Kingdom for at least 6 of the last 12 months.

Widow's pension: The deceased was a pensioner or met the requirements for a basic state pension at the time of death. The pension is payable abroad.

Widowed parent's allowance: Paid to widow(er)s who have children for whom they receive child benefits and to pregnant widows. The deceased spouse had paid at least 52 weeks of contributions (50 if paid before 1975) and had paid contributions for at least 25% of his or her working life (90% for the full-rate benefit). The survivor must be younger than the normal pensionable age and have been married to the deceased at the time of death.

Bereavement allowance: The survivor must be aged 45 or older when the spouse died or when the widowed parent's allowance ceased. The deceased spouse had paid at least 52 weekly contributions (50 if paid before 1975) and had paid contributions for at least 25% of his or her working life (90% for the full-rate benefit). The allowance is paid for 52 weeks following the date of widowhood. The survivor must have been married to the deceased at the time of death. The allowance is payable abroad.

Pension supplement: Paid if older than age 45, ordinarily residing in the Isle of Man, with at least 10 years of contributions paid in the Isle of Man, and entitled to the widow's pension, widowed parent's allowance, or basic bereavement allowance.

Bereavement payment: Paid to widow(er)s younger than age 60 or for a survivor whose spouse was not entitled to the basic state retirement pension at the time of death. The spouse had paid at least 25 weekly contributions in any tax year, or his or her death was employment-related. The survivor must have been married to the deceased at the time of death.

Guardian's allowance: Paid for rearing 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 the Isle of Man or spent 52 weeks of any 2-year period after age 16 in the Isle of Man. The allowance is paid in addition to child benefits for the same child.

Funeral grant (universal benefit): The deceased ordinarily resided in the Isle of Man.

Income support (noncontributory, means-tested): Paid to persons with income below prescribed levels and resident in the Isle of Man. Assistance can be given with housing costs, and loans or grants are paid to cover urgent and exceptional

needs. Personal savings greater than £13,000 may reduce the benefit paid. The benefit is not paid to persons working for more than 16 hours a week (or whose partner is working 24 hours or more a week).

Old-Age Benefits

Basic state retirement pension (flat-rate): The maximum weekly pension is £90.70 (from April 2008).

Dependent's supplement: £54.35 a week is paid for each dependent adult (from April 2008). An additional £2 a week is paid for a dependent older than age 80.

Early pension: There is no early pension.

Deferred pension: The pension is increased by approximately 10.4% for each year of deferral, subject to a minimum deferral period of 5 weeks. If receipt of the pension is deferred for at least 12 consecutive months, the awarded increase may be paid as a taxable lump sum plus interest.

There is no earnings test for pensioners who work while receiving the basic state retirement pension.

A person who qualifies for both the basic state retirement pension and the carer's allowance (see permanent disability benefits, below) receives the higher of the two benefits.

Pension supplement: The weekly rate is equal to 50% of the basic state retirement pension, up to a maximum of £45.35 (from April 2008).

State second pension (S2P): The pension is based on average indexed earnings.

Retirement pension premium: £13.35 a week is paid (from April 2008), minus any entitlement from the state second pension or old person's pension.

Old person's pension: £54.35 a week is paid (from April 2008), minus any basic state retirement pension entitlement. The pension is paid weekly or every 4 weeks.

Benefit adjustment: Benefits are adjusted annually in April according to increases in the United Kingdom retail price index.

Income support (noncontributory, means-tested): Cash benefits are paid to those with income below prescribed levels, subject to conditions. Benefits vary according to the claimant's age, family situation, number of children, and housing costs.

Benefit adjustment: Benefits are adjusted annually in April according to increases in the Isle of Man retail price index.

Permanent Disability Benefits

Long-term incapacity benefit: £84.50 a week is paid (from April 2008) from the 53rd week of incapacity (or starting from the 29th week if terminally ill) following the payment of a short-term incapacity benefit (see Sickness and Maternity, below). A supplement is paid if the disability began before age 45.

Dependent's supplement: £50.55 a week is paid for each dependent adult (from April 2008).

Pension supplement: The weekly rate is equal to 50% of the long-term incapacity benefit, up to a maximum of £40.68 (from April 2008).

Disability living allowance (noncontributory, no means test): The care component is £67, £44.85, or £17.75 a week according to needs (from April 2008). The mobility component is £46.75 or £17.75 a week according to needs (from April 2008). The benefit is paid weekly or every 4 weeks.

Attendance allowance (noncontributory, no means test): £44.85 or £67 a week is paid according to needs (from April 2008).

Disability working allowance (noncontributory, means-tested): The allowance is £0.70 for every £1 that income falls below the prescribed level depending on the size of the family, the number of work hours, and other factors. Personal savings greater than £13,000 may reduce the benefit paid. The allowance is awarded for between 4 and 26 weeks; thereafter, the award may be renewed.

Carer's allowance (noncontributory, earnings-tested): £50.55 is paid weekly to an insured person who earns less than £95 a week (after deducting allowable expenses) and who cares for a severely disabled person (who receives certain qualifying benefits) for 35 hours or more each week (from April 2008). The payment of the benefit may continue for up to 8 weeks after the person cared for dies.

Benefit adjustment: Benefits are adjusted annually in April according to increases in the United Kingdom retail price index.

Income support (noncontributory, means-tested): Cash benefits are paid to those with income below prescribed levels, subject to conditions. Benefits vary according to the claimant's age, family situation, number of children, and housing costs.

Benefit adjustment: Benefits are adjusted annually in April according to increases in the Isle of Man retail price index.

Survivor Benefits

Widow's pension: Up to a maximum of £90.70 is paid a week (from April 2008).

Pension supplement: The weekly rate is equal to 50% of the widow's pension, up to a maximum of £45.35 (from April 2008).

Widowed parent's allowance: Up to a maximum of £90.70 is paid a week (from April 2008).

Allowance supplement: The weekly rate is equal to 50% of the widowed parent's allowance, up to a maximum of £45.35 (from April 2008).

Bereavement allowance: The allowance varies according to the survivor's age when widowed, up to a maximum of £90.70 a week (from April 2008).

Allowance supplement: The maximum weekly rate is equal to 50% of the maximum bereavement allowance, up to a maximum of £45.35 (from April 2008).

Bereavement payment: A lump sum of £2,000 is paid.

Guardian's allowance: £13.45 a week is paid for each child.

Benefit adjustment: Benefits are adjusted annually in April according to increases in the United Kingdom retail price index.

Universal funeral payment: £210 is paid if the death occurs in the Isle of Man; £350 is paid if the death occurs outside the Isle of Man and burial or cremation is to take place within the Isle of Man (from April 2008). Additional support is provided to persons receiving income-related benefits and who have personal savings of less than £13,000.

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

Administrative Organization

Isle of Man Department of Health and Social Security, Social Security Division (<http://www.gov.im/dhss/security>), collects national insurance contributions and administers and distributes pensions and benefits.

Sickness and Maternity

Regulatory Framework

First law: 1951.

Current laws: 1992 (pensions); 1994 (incapacity benefit); 1999 (welfare reform and pensions), implemented in 2000 and 2001; 2001 (national health service); and 2004 (pensions).

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

Coverage

Short-term incapacity benefit: All those who satisfy certain contribution conditions, whether or not employed when the incapacity began.

Maternity allowance: All women who satisfy certain employment and earnings conditions.

Payment for maternity expenses: Expectant mothers who receive, or whose partner receives, income-related benefits.

Medical benefits: All persons residing in the Isle of Man.

Source of Funds

Insured person: For incapacity benefit and maternity allowance, see source of funds under Old Age, Disability, and Survivors, above.

Self-employed person: For incapacity benefit and maternity allowance, see source of funds under Old Age, Disability, and Survivors, above.

Employer: For incapacity benefit and maternity allowance, see source of funds under Old Age, Disability, and Survivors, above.

Government: Most of the cost of medical benefits and the total cost of means-tested allowances.

Qualifying Conditions

Short-term incapacity benefit: The insured must have at least 4 consecutive days of sickness within a period of incapacity for work. Contributions must be paid on earnings of at least 25 times the weekly lower earnings limit (£90 from April 2008) in one 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 limit (£90 from April 2008) in both of the last 2 tax years before the claim starts.

The insured must be younger than the state pensionable age of age 65 (men) or age 60 (women).

Maternity/adoption allowance: All employed or self-employed earners must have worked for at least 26 weeks in the 66-week period before the expected week of childbirth and have earned at least £30 a week or paid self-employed contributions for at least 13 of those weeks. Insured women who do not meet the qualifying conditions for a maternity allowance may qualify for a short-term incapacity benefit for 6 weeks before and 2 weeks after the expected date of childbirth.

Men and women are eligible to receive a benefit for adopting a child, but only one member of a couple will receive the allowance. Self-employed persons are not eligible for the adoption allowance.

Paternity allowance: The insured must be employed continuously for at least 26 weeks by the same employer up to and including the 15th week before the date of childbirth (in case of adoption, 26 consecutive weeks immediately before the date the adoption is confirmed) and ordinarily reside in the Isle of Man. The insured's weekly earnings must be at least equal to the lower earnings limit (£90 from April 2008) in any 8 weeks of the 26-week period. The insured must also be the child's father, or be married to the child's mother, or the person adopting the child, or be living with the child's mother or the person adopting the child in an enduring family relationship. Self-employed persons are not eligible.

Medical benefits: All persons residing in the Isle of Man.

Income support (noncontributory, means-tested): Paid to persons with income below prescribed levels residing in the Isle of Man. Assistance can be given with housing costs, and loans or grants are paid to cover urgent and exceptional needs. Personal savings greater than £13,000 may reduce the benefit paid. The benefit is not paid to persons working for more than 16 hours a week (or whose partner is working 24 hours or more a week).

Sickness and Maternity Benefits

Short-term incapacity benefit: The benefit is paid after a 3-day waiting period at a lower and a higher rate. The lower rate is paid for the first 28 weeks at £63.75 (from April 2008), plus £39.40 a week for a dependent adult. The higher rate is paid from the 29th to the 52nd week at £75.40 a week (from April 2008), plus £39.40 a week for a dependent adult.

Maternity/adoption allowance: The allowance is paid for up to 39 weeks starting no earlier than 11 weeks before the expected date of childbirth or 2 weeks before the child is placed for adoption.

For employed earners the allowance is paid at the rate of 90% of the insured's average earnings up to a maximum of £162.20 a week (from April 2008). Average earnings are based on earnings in the 13 weeks with the highest earnings during the 66-week period before the expected date of childbirth or adoption.

The standard rate of allowance for a self-employed person who has paid contributions for at least 13 weeks in the 66-week period before the expected date of childbirth or adoption is £117.15 (from April 2008).

Dependent's supplement: £39.40 a week is paid for a dependent adult (from April 2008).

Paternity allowance: The allowance is equal to 90% of the insured's average earnings and is paid for up to 2 weeks in the first 8 weeks following the date of birth or adoption of the child.

The maximum weekly benefit is £187.45 (from April 2008).

Benefit adjustment: The standard rates of the short-term incapacity benefit and the maternity allowance for the self-employed are adjusted annually in April each year according to increases in the United Kingdom retail price index. The maximum rates of the maternity allowance and the paternity allowance for employed persons are adjusted annually according to the increases in the Isle of Man retail price index.

Income support (noncontributory, means-tested): Cash benefits are paid to those with income below prescribed levels.

Workers' Medical Benefits

Medical services are provided by doctors and dentists under contract with and paid directly by the Health Services

Division of the Department of Health and Social Security. Benefits include general practitioner care, specialist services, hospitalization, maternity care, dental care, medicines, appliances, home nursing, and family planning.

Social security benefits continue to be paid indefinitely while receiving free hospital in-patient services, except for attendance allowance and disability living allowance that are withdrawn after 4 weeks of hospitalization.

Cost sharing: Patients pay £3.25 for each prescription. For dental services, patients pay £15.50, £42.40, or £189, according to the services provided. Exemptions from charges are available to those receiving income-related benefits and their dependents, students younger than age 19, nursing mothers, women aged 60 or older, war pensioners and men aged 60 or older (prescription charges only), and men aged 65 or older (dental charges).

There is no limit to duration.

Dependents' Medical Benefits

Dependents' medical benefits: Medical services are provided by doctors and dentists under contract with and paid directly by the Health Services Division of the Department of Health and Social Security. Benefits include general practitioner care, specialist services, hospitalization, maternity care, dental care, medicines, appliances, home nursing, and family planning.

Cost sharing: Patients pay £3 for each prescription and 80% of the cost of dental care, up to a maximum of £390 (periodic check-ups are free). The dependents of those receiving income-related benefits are exempt from prescription and dental charges.

There is no limit to duration.

Administrative Organization

Isle of Man Department of Health and Social Security, Social Security Division (<http://www.gov.im/dhss/security>), collects National Insurance payments and administers and distributes pensions and benefits.

Health Services Division (<http://www.gov.im/dhss/health/main>) 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 earners.

Exclusions: Self-employed persons and members of the armed forces.

Source of Funds

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

Self-employed person: Not applicable.

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

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

Qualifying Conditions

Industrial injuries disablement benefit: There is no minimum qualifying period. In the event of a work-related injury, the insured must be an employee and must ordinarily reside in the Isle of Man.

Income support (noncontributory, means-tested): Paid to persons with income below prescribed levels and resident in the Isle of Man. Assistance can be given with housing costs, and loans or grants are paid to cover urgent and exceptional needs. Personal savings greater than £13,000 may reduce the benefit paid. The benefit is not paid to persons working for more than 16 hours a week (or whose partner is working 24 hours or more a week).

Temporary Disability Benefits

Short-term incapacity benefit: The benefit is paid after a 3-day waiting period at a lower and a higher rate. The lower rate is paid for the first 28 weeks at £63.75 (from April 2008), plus £39.40 a week for a dependent adult. The higher rate is paid from the 29th to the 52nd week at £75.40 a week (from April 2008), plus £39.40 a week for a dependent adult.

Income support (noncontributory, means-tested): The benefit amount depends on income and circumstances.

Permanent Disability Benefits

Industrial injuries disablement benefit: If the insured is assessed as 100% disabled, up to £136.80 a week is paid from the 90th day after the accident or the onset of the occupational disease (from April 2008). The benefit is paid weekly or monthly.

A reduced benefit is paid if the insured is younger than age 18 and has no dependents.

A medical board assesses the degree of disability.

Partial disability: The benefit varies from £27.36 a week for an assessed degree of disability of at least 15% up to a maximum of £123.12 a week for an assessed degree of disability of at least 90% (from April 2008).

No benefit is paid for an assessed degree of disability of 14% or less, unless the insured is diagnosed with pneumoconiosis, byssinosis, or diffuse mesothelioma.

Constant-attendance allowance: The weekly allowance is £27.40, £54.80, £82.20, or £109.60 according to attendance needs (from April 2008). (Other complementary benefits are paid under certain conditions to persons with severe disabilities, difficulties in finding suitable employment, or disabled from a young age.)

The industrial injuries disablement benefit is paid in addition to any contributory benefits the insured may also be entitled to, including the long-term disability benefit or retirement pension.

Workers' Medical Benefits

All necessary benefits are provided by the Health Services Division of the Department of Health and Social Security.

Survivor Benefits

Widowed parent's allowance: Up to a maximum of £90.70 a week is paid to a widowed parent with at least one dependent child for whom he or she receives child benefits (from April 2008). The allowance is paid weekly or every 4 weeks.

Allowance supplement: The weekly rate is equal to 50% of the widowed parent's allowance, up to a maximum of £45.35 (from April 2008).

Partial allowance: A reduced allowance is paid if the deceased made contributions for between 25% and 90% of his or her working life.

The allowance ceases on reaching the state pensionable age of age 65 (men) or age 60 (women) or on remarriage. The allowance is suspended if the survivor is cohabiting with a partner.

Bereavement allowance: The allowance varies according to the survivor's age when widowed: the maximum rate of £90.70 a week is paid if aged 55 or older (from April 2008); a percentage of the full rate is paid if aged 45 to 54. The allowance is paid weekly or every 4 weeks from the first day after the spouse's death for up to 52 weeks.

The allowance ceases on remarriage and is suspended if the survivor is cohabiting with a partner.

Bereavement payment: A lump sum of £2,000 is paid immediately to help with costs arising on the death of a spouse.

Guardian's allowance: £13.45 a week is paid per child (from April 2007).

Universal funeral payment: £210 is paid if the death occurs in the Isle of Man; £350 is paid if the death occurs outside the Isle of Man and burial or cremation is to take place within the Isle of Man (from April 2008). Additional support is provided to persons receiving income-related benefits and who have personal savings of less than £13,000.

Administrative Organization

Isle of Man Department of Health and Social Security, Social Security Division (<http://www.gov.im/dhss/security>), collects National Insurance payments and distributes benefits.

Health Services Division (<http://www.gov.im/dhss/health/main>) administers and provides health care.

Unemployment

Regulatory Framework

First law: 1948.

Current law: 1995 (jobseekers).

Type of program: Social insurance and social assistance system.

Coverage

Social insurance: All unemployed jobseekers meeting the qualifying conditions.

Exclusions: Self-employed persons. Persons working 16 hours or more a week. Excluded persons may qualify for assistance under the social assistance program.

Social assistance: All persons ordinarily residing in the Isle of Man with income below prescribed levels.

Exclusions: Persons working 16 hours or more a week or whose partner works 24 hours or more a week.

Source of Funds

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

Self-employed person: None.

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

Government: The total cost of noncontributory social assistance allowances.

Qualifying Conditions

Jobseeker's allowance (social insurance): The insured must be aged 16 or older (but younger than the state pensionable age), involuntarily unemployed, or working fewer than 16 hours a week. Contributions must have been paid on earnings of at least 25 times the lower earnings limit (£90 from April 2008) in one of the last 2 tax years before the start of the benefit year (January to December) in which the claim is made. The insured must have paid or credited contributions on earnings of at least 50 times the lower earnings limit in both of the 2 tax years immediately before the start of the benefit year in which the claim is made.

The jobseeker must be registered as unemployed, be capable of and actively seeking employment, be earning less than a

prescribed amount, be physically present in the Isle of Man, and have a current Jobseeker's Agreement.

The Jobseeker's Agreement is drafted and signed by the jobseeker and the jobseeker's advisor and obliges the jobseeker to actively seek training and work. Failure to sign a Jobseeker's Agreement results in the suspension of benefits.

Jobseeker's enhanced allowance: An additional weekly payment is made to those entitled to the jobseeker's allowance (social insurance) provided that the period of unemployment is preceded by 2 years' continuous employment in the Isle of Man.

Jobseeker's allowance (social assistance): Paid to jobseekers with income below prescribed levels and resident in the Isle of Man. Assistance can be given with housing costs, and loans or grants are paid to cover urgent and exceptional needs. Personal savings greater than £13,000 may reduce the benefit paid. The benefit is not paid to persons working for more than 16 hours a week (or whose partner is working 24 hours or more a week).

The jobseeker must be registered as unemployed, be capable of and actively seeking employment, be earning less than a prescribed amount, be physically present in the Isle of Man, and have a current Jobseeker's Agreement.

The Jobseeker's Agreement is drafted and signed by the jobseeker and the jobseeker's advisor and obliges the jobseeker to actively seek training and work. Failure to sign a Jobseeker's Agreement results in the suspension of benefits.

Unemployment Benefits

Jobseeker's allowance (social insurance): A flat-rate £60.50 a week is paid for up to 6 months if aged 25 or older, £47.95 a week if younger than age 25 (from April 2008). The allowance is paid after a 3-day waiting period.

Jobseeker's enhanced allowance: In addition to any entitlement to the jobseeker's allowance (social insurance), £60.50 a week is paid if aged 25 or older and £47.95 a week is paid if younger than age 25 (from April 2008). The allowance is paid for up to 52 weeks after a 3-day waiting period. A supplement is also paid for an eligible adult dependent.

Jobseeker's allowance (social assistance): The allowance varies depending on the claimant's age, family income, and household composition. Assistance can be given with housing costs, and loans or grants may be paid to cover urgent and exceptional needs. Personal savings greater than £13,000 will reduce or eliminate the benefit paid.

Administrative Organization

Isle of Man Department of Health and Social Security, Social Security Division (<http://www.gov.im/dhss/security>), collects National Insurance payments and distributes cash benefits.

Family Allowances

Regulatory Framework

First law: 1951.

Current law: 1992 (consolidated legislation).

Type of program: Universal (child benefit) and social assistance (family income supplement) system.

Coverage

All persons residing in the Isle of Man with one or more dependent children.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Child benefit (noncontributory, universal benefit): The child must be younger than age 16 (age 20 if a student). Parents must have resided in the Isle of Man or the United Kingdom for at least 182 days in the last 52 weeks or fulfill certain special conditions.

Maternity grant: Paid to women aged 16 or older whose pregnancy lasts at least to the 25th week or to an individual or couple adopting an infant younger than 12 months at the date of the claim. The beneficiary or his or her partner must be receiving an income-tested benefit (income support, jobseeker's allowance (social assistance), family income supplement, or disability working allowance).

Family income supplement (income-tested): Paid to employed or self-employed persons working at least 16 hours a week who are responsible for a child or a dis-

abled adult; a married couple with no dependent children. The beneficiary must reside in the Isle of Man. Family income must be below the prescribed threshold depending on the number of children and disabled adults in the family, housing costs, number of hours worked, and child care charges.

Income support (non-contributory, means-tested): Paid to lone parents with income below prescribed levels. The beneficiary must reside in the Isle of Man. Assistance can be given with housing costs, and loans or grants are paid to cover urgent and exceptional needs. Personal savings greater than £13,000 may reduce the benefit paid. The benefit is not paid to persons working for more than 16 hours a week (or whose partner is working 24 hours or more a week).

Family Allowance Benefits

Child benefit (noncontributory, universal benefit): £19.90 a week is paid for children younger than age 16; £29.25 a week is paid for children in full-time education between ages 16 and 19 (from April 2007). The benefit is paid weekly or every 4 weeks.

Maternity grant: A lump sum of up to £395 (from April 2007) is paid.

Family income supplement (income-tested): The supplement is £0.70 for every £1 that income falls below the prescribed threshold. The benefit is paid weekly or every 4 weeks. Awards can be made for between 4 and 26 weeks and can be renewed thereafter.

Income support (noncontributory, means-tested): Cash benefits are paid to those with income below prescribed levels.

Administrative Organization

Isle of Man Department of Health and Social Security, Social Security Division (<http://www.gov.im/dhss/security>), administers and distributes benefits.

Italy

Exchange rate: US\$1.00 equals 0.68 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1919.

Current laws: 1952 (pension reorganization), 1981, 1982, 1983, 1984, 1985, 1989, 1992, 1995 (pension reform), 1997, 1999, 2000, 2001, 2002, 2003, and 2007.

Type of program: Social insurance system.

Note: For insured persons whose insurance period began on or after January 1, 1996, a notional defined contribution (NDC) social insurance system applies; for insured persons with less than 18 years of contributions as of December 31, 1995, a combined earnings-related and notional defined contribution (NDC) social insurance system normally applies; for insured persons with at least 18 years of contributions as of December 31, 1995, an earnings-related social insurance system applies.

Coverage

Employed persons, including domestic employees.

Voluntary coverage for contract and professional workers not covered by any specific fund.

Special systems for public-sector workers and self-employed persons.

Source of Funds

Insured person: 8.89% of gross earnings.

The minimum weekly earnings for contribution purposes for workers in industry are €177.42 or the minimum daily wage, whichever is greater.

The minimum wage varies by sector and according to the category of employment.

There are no maximum earnings for contribution purposes, except for the newly insured. The maximum earnings for contribution purposes for newly insured persons entering the system after January 1, 1996, are €88,669 a year.

Self-employed person: Not applicable.

Employer: 23.81% of gross payroll. (A lower contribution rate is paid by some employers, including employers in certain economically depressed areas.)

The minimum weekly earnings for contribution purposes for workers in industry are €177.42 or the minimum daily wage, whichever is greater.

The minimum wage varies by sector and according to the category of employment.

There are no maximum earnings for contribution purposes, except for the newly insured. The maximum earnings for contribution purposes for newly insured persons entering the system after January 1, 1996, are €88,669 a year.

Government: The total cost of income-tested allowances and any overall deficit.

Qualifying Conditions

Old-age pension: Conditions vary according to three categories of insured persons:

- Category 1. New entrants to the labor force as of 1996. Age 65 (men) and age 60 (women) with at least 5 years of paid contributions. The insured must be eligible for a pension at least equal to 120% of the social allowance (€475 a month); waived if 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. Age 65 (men) or age 60 (women) with at least 20 years of deemed or actual contributions.
- Category 3. Insured persons with at least 18 years of contributions as of December 31, 1995. Age 65 (men) or age 60 (women) with at least 15 years of deemed or actual contributions. The retirement age is reduced to 60 years (men) or 55 years (women) if assessed as 80% disabled.

The pensioner can begin a new gainful activity or resume the previous activity on a part-time basis (the number of hours worked must be reduced by at least 18 and the employer must hire a new employee to fill the post of the retiree) and combine earnings with a full or reduced pension depending on the benefit calculation method.

Seniority pension: Age 58 with at least 35 years of contributions; regardless of age with at least 40 years of contributions. (From July 1, 2009, eligibility will depend on the sum of the insured's age and contributions years, with at least 35 years of contributions. The minimum pensionable age is gradually increasing from age 59 to age 61 by 2013. From July 2009, the sum of the insured's age and contribution years must be at least 95.)

Persons with at least 40 years of contributions or aged 58 with at least 37 years of contributions can resume a gainful activity.

New entrants to the labor force as of 1996 are not eligible for the seniority pension.

Social allowance: Paid if not eligible for the old-age pension, aged 65 or older, and an Italian citizen, a citizen of a member state of the European Union and residing in Italy, or a non-European Union citizen who resides in Italy with a special residence permit. Annual income, including that of a

partner, must not exceed a government-set level (€5,142.62 if single; €10,285.34 for a couple).

Disability pension: Paid for a total and permanent incapacity to perform any work with at least 5 years of contributions, including 3 in the last 5 years before the claim. Entitlement is based on the absence of all other forms of income, including earnings from self-employment and unemployment benefits.

Disability allowance (means-tested): Paid for the loss of 2/3 of working capacity with at least 5 years of contributions, including 3 in the last 5 years before the claim. The allowance is paid for up to 3 years; may be extended for additional 3-year periods. After the allowance has been extended for a second consecutive time, the award becomes permanent.

If the insured satisfies the qualifying conditions for the old-age pension at retirement age, the disability allowance is replaced by the old-age pension.

Means test: The disability allowance is reduced by 25% if the insured's annual income exceeds four times the legal minimum wage (€23,042.24) or by 50% if the insured's annual income exceeds five times the legal minimum wage (€28,802.80).

The legal minimum wage is €5,760.56.

Survivor pension (means-tested): The deceased received an old-age, seniority, or disability pension and had at least 15 years of contributions or 5 years of contributions, including 3 in the last 5 years before death.

Means test: For a survivor pension first awarded after September 1, 1995, the pension is reduced by 25%, 40%, or 50% if the eligible survivor has annual income exceeding three, four, or five times the legal minimum wage, respectively (€17,281.68, €23,042.24, or €28,802.80). The means test is not applicable to children that are younger than age 18, students, or disabled.

The legal minimum wage is €5,760.56.

Eligible survivors are the spouse; a separated spouse entitled to alimony; children younger than age 18 (age 21 if in full-time education, age 26 if a university student, no limit if disabled at the time of the insured's death); nephews, nieces, or grandchildren who were dependent on the deceased; or, in the absence of the above, parents older than age 65 without entitlement to a pension who were dependent on the deceased.

Death grant: Paid 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.

Old-Age Benefits

Old-age pension: The pension calculation varies according to the starting date of the insurance period.

Category 1: For insured persons whose insurance period began on or after January 1, 1996, the pension is based on a notional annual contribution equal to 33% of annually insured earnings. Notional contributions are adjusted annually according to the average rate of increase in gross domestic product (GDP) during the last 5 years. At retirement, the lifetime accrued notional contribution amount is multiplied by an actuarial coefficient that varies according to the insured's age (from 4.720% at age 57 to 6.136% at age 65).

The maximum annual earnings for benefit calculation purposes for newly insured persons entering the system after January 1, 1996, are €88,669 a year.

If the pension is calculated as per category 1, a pensioner younger than age 63 who resumes a gainful activity loses 100% of the pension; if aged 63 or older, the pensioner loses 50% of the pension exceeding the legal minimum monthly pension.

Category 2: For insured persons with less than 18 years of contributions as of December 31, 1995, the pension for the contribution period before January 1, 1996, is based on a regressive percentage (from 2%, for annual earnings not greater than €38,909.78, to 0.9%, for annual earnings greater than €75,040.29) of reference earnings multiplied by the number of years of contributions up to 40 years. Reference earnings are equal to the average insured annual earnings during the last 5 to 10 years. Annual earnings for benefit calculation purposes are adjusted according to changes in the cost-of-living index for years before 1993 and changes in the retail price index for years after 1992. The pension for the contribution period beginning January 1, 1996, is calculated as per category 1, above.

Insured persons with at least 15 years of contributions, including 5 years made before 1995, can opt for a pension calculated in the same manner as per category 1, above.

Category 3: For insured persons with at least 18 years of contributions as of December 31, 1995, the pension is based on a regressive percentage (from 2%, for annual earnings not greater than €38,909.78, to 0.9%, for annual earnings greater than €75,040.29) of reference earnings multiplied by the number of years of contributions up to 40 years. Reference earnings are equal to the average insured annual earnings during the last 5 years. Annual earnings for benefit calculation purposes are adjusted according to changes in the cost-of-living index for years before 1993 and changes in the retail price index for years after 1992.

If the pension is calculated as per category 3, the pensioner can begin a new gainful activity without any reduction in the pension or can resume the previous activity on a part-time basis and combine earnings with a partial pension. The reduction in the pension is inversely proportional to the reduction in the working week. For insured persons with 40 years of contributions, the reduction in the pension must not exceed 50%.

The minimum monthly pension is €443.12 for a single pensioner with annual income less than €5,760.56 (if the insured's annual income is between €5,760.56 and €11,521.12, a reduced minimum pension is paid; if the insured's annual income is greater than €11,521.12, no minimum pension is paid) or for a couple with annual income less than €17,281.68 (if the household's annual income is between €17,281.6 and €23,042.24, a reduced minimum pension is paid; if the household's annual income is greater than €23,042.24, no minimum pension is paid). The minimum monthly pension for a single pensioner aged 70 or older with annual income less than €7,540.55 is €580.00; €12,682.67 for a couple.

Benefits are payable abroad.

Schedule of payments: Benefits are paid monthly, with a 13th payment in December.

Benefit adjustment: Benefits are adjusted annually according to the average change in the cost-of-living index.

Seniority pension: The pension is based on a regressive percentage (from 2%, for annual earnings not greater than €38,909.78, to 0.9%, for annual earnings greater than €75,040.29) of reference earnings multiplied by the number of years of contributions up to 40 years. Reference earnings are equal to average insured annual earnings in the last 5 years. Annual earnings for benefit calculation purposes are adjusted according to changes in the cost-of-living index for years before 1993 and changes in the retail price index for years after 1992.

Persons with at least 40 years of contributions or aged 58 with at least 37 years of contributions can continue to work with no restrictions on earnings.

Benefits are payable abroad.

Schedule of payments: Benefits are paid monthly, with a 13th payment in December.

Benefit adjustment: Benefits are adjusted annually according to the average change in the cost-of-living index.

Social allowance: The annual benefit is €5,142.67 for a single pensioner with annual income less than €5,142.67 or for a couple with an annual income less than €10,285.34; may be increased to €580.00 a month if aged 70 or older, single, and with annual income less than €7,540.55; €12,682.67, for a couple.

Benefits are payable abroad.

Schedule of payments: Benefits are paid monthly, with a 13th payment in December.

Benefit adjustment: Benefits are adjusted annually according to the average change in the cost-of-living index.

Permanent Disability Benefits

Disability pension: The pension calculation varies according to the starting date of the insurance period.

Category 1: For insured persons whose insurance period began on or after January 1, 1996, the pension is based on a notional annual contribution equal to 33% of annually insured earnings. Notional contributions are adjusted annually according to the average rate of increase in gross domestic product (GDP) during the last 5 years. The lifetime accrued notional contribution amount is multiplied by an actuarial coefficient that varies according to the insured's age (from 4.720% at age 57 to 6.136% at age 65). If the disability began before age 57, the coefficient corresponding to age 57 is used.

Category 2: For insured persons with less than 18 years of contributions as of December 31, 1995, the pension for the contribution period before January 1, 1996, is based on a regressive percentage (from 2%, for annual earnings no greater than €38,909.78, to 0.9%, for annual earnings greater than €75,040.29) of reference earnings multiplied by the number of years of contributions up to 40 years. Reference earnings are equal to the average insured annual earnings during the last 5 to 10 years. Annual earnings for benefit calculation purposes are adjusted according to changes in the cost-of-living index for years before 1993 and to changes in the retail price index for years after 1992. The pension for the contribution period beginning January 1, 1996, is calculated as per category 1.

Insured persons with at least 15 years of contributions, including 5 years before 1995, can opt for a pension calculated as per category 1, above.

Category 3: For insured persons with at least 18 years of contributions as of December 31, 1995, the pension is based on a regressive percentage (from 2%, for annual earnings not greater than €38,909.78, to 0.9%, for annual earnings greater than €75,040.29) of reference earnings multiplied by the number of years of contributions up to 40 years. Reference earnings are equal to the average insured annual earnings during the last 5 years. Annual earnings for benefit calculation purposes are adjusted according to changes in the cost-of-living index for years before 1993 and changes in the retail price index for years after 1992.

For each of the three categories above, an increment based on the number of years between the insured's age on the date the disability began and the normal retirement age is added to the pension.

The minimum monthly pension is €550.94 for a single pensioner aged 60 or older with income less than €7,162.22; €12,124.58 for a couple.

Constant-attendance supplement: €465.09 a month is paid.

If the insured is also entitled to a work injury disability pension, only the part of the disability pension that exceeds the work injury disability pension is paid.

Benefits are payable abroad.

Schedule of payments: Benefits are paid monthly, with a 13th payment in December.

Benefit adjustment: Benefits are adjusted annually according to the average change in the cost-of-living index.

Disability allowance (means-tested): The pension calculation varies according to the starting date of the insurance period.

Category 1: For insured persons whose insurance period began on or after January 1, 1996, the pension is based on a notional annual contribution equal to 33% of annually insured earnings. Notional contributions are adjusted annually according to the average rate of increase in gross domestic product (GDP) during the last 5 years. The lifetime accrued notional contribution amount is multiplied by an actuarial coefficient that varies according to the insured's age (from 4.720% at age 57 to 6.136% at age 65). If the disability began before age 57, the coefficient corresponding to age 57 is used.

Category 2: For insured persons with less than 18 years of contributions as of December 31, 1995, the pension for the contribution period before January 1, 1996, is based on a regressive percentage (from 2%, for annual earnings not greater than €38,909.78, to 0.9%, for annual earnings greater than €75,040.29) of reference earnings multiplied by the number of years of contributions up to 40 years. Reference earnings are equal to the average insured annual earnings during the last 5 to 10 years. Annual earnings for benefit calculation purposes are adjusted according to changes in the cost-of-living index for years before 1993 and changes in the retail price index for years after 1992. The pension for the contribution period beginning January 1, 1996, is calculated as per category 1, above.

Insured persons with at least 15 years of contributions, including 5 years before 1995, can opt for a pension calculated as per category 1, above.

Category 3: For insured persons with at least 18 years of contributions as of December 31, 1995, the pension is based on a regressive percentage (from 2%, for annual earnings not greater than €38,909.78, to 0.9%, for annual earnings greater than €75,040.29) of reference earnings multiplied by the number of years of contributions up to 40 years. Reference earnings are equal to the average insured annual earnings during the last 5 years. Annual earnings for benefit calculation purposes are adjusted according to changes in the cost-of-living index for years before 1993 and changes in the retail price index for years after 1992.

No increment is paid for the anticipated number of years between the insured's age on the date the disability began and the normal retirement age.

The minimum monthly pension is €443.12.

If the insured is also entitled to a work injury disability pension, only the part of the disability pension that exceeds the work injury disability pension is paid.

Benefits are payable abroad.

Schedule of payments: Benefits are paid monthly, with a 13th payment in December.

Benefit adjustment: Benefits are adjusted annually according to the average change in the cost-of-living index.

Survivor Benefits

Survivor pension (means-tested): 60% of the pension paid or payable to the deceased is paid to a spouse without children, 80% for a spouse with one child, 100% for a spouse with two or more children, 70% for one full orphan, 80% for two full orphans, or 100% for three or more full orphans.

The survivor pension ceases on remarriage, and a lump sum equal to 2 years' pension is paid.

Other eligible survivors (in the absence of the above):

Each parent, brother, or sister receives 15% of the pension paid or payable to the deceased.

All survivor benefits combined must not exceed 100% of the deceased's pension.

Death grant: A lump sum equal to the monthly social allowance (€395.59) times the total amount of paid contributions is paid.

For the death of an insured person who entered the labor force on or after January 1, 1996, a lump sum equal to the disability allowance multiplied by the number of years of contributions may be paid under certain conditions.

Administrative Organization

Ministry of Labor and Social Security (<http://www.lavoro.gov.it>) and Ministry of Economy and Finance (<http://www.tesoro.it>) provide general supervision.

National Social Insurance Institute (<http://www.inps.it>) administers the mandatory national program through its branch offices and administers 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: 1943, 1970 (tuberculosis), 1971 (working mothers), 1977 (equal treatment), 1978 (health service), 1980, 1983, 1999 (sickness benefits), 2000 (maternity and paternity), and 2001.

Type of program: Social insurance (cash benefits) and universal (medical benefits) system.

Coverage

Sickness benefits: Employed persons and contract workers.

Maternity benefits: Employed persons, contract workers, and self-employed persons.

Tuberculosis benefits: Employed persons and certain categories of self-employed person.

Medical benefits: All persons residing in Italy.

Source of Funds

Insured person

Sickness and maternity benefits: None; some categories of contract workers make variable contributions.

Tuberculosis benefits: None.

Self-employed person

Sickness and maternity benefits: Variable contributions.

Tuberculosis benefits: None.

Employer

Sickness and maternity benefits: 2.68% of gross earnings is paid on behalf of industrial blue-collar workers (2.22% for sickness benefits and 0.46% for maternity benefits); 0.46% of gross earnings is paid on behalf of industrial white-collar workers (zero for sickness benefits and 0.46% for maternity benefits); 2.68% of gross earnings is paid on behalf of employees in commerce and the service sector (2.44% for sickness benefits and 0.24% for maternity benefits). Variable contributions are made on behalf of some categories of contract workers.

Tuberculosis benefits: None.

Government

Sickness and maternity benefits: The total cost of maternity benefits for certain categories of worker, including home, agricultural, and domestic workers.

Tuberculosis benefits: The total cost.

Qualifying Conditions

Cash sickness and maternity benefits and parental leave: The insured must be currently covered; self-employed persons and contract workers must meet contribution conditions and a means test.

Tuberculosis benefits: The insured must have at least 1 year of coverage.

Medical benefits: There is no minimum qualifying period.

Sickness and Maternity Benefits

Sickness benefit: 50% of the insured's average daily earnings is paid for the first 20 days of incapacity; thereafter, 66.6%. The benefit is paid after a 3-day waiting period for up to 180 days; may be extended in special cases.

For contract workers, the daily benefit is awarded only for days of hospitalization, and the benefit varies according to

the number of contributions made in the 12 months before hospitalization. The benefit is paid for up to 180 days of hospitalization a year.

Maternity benefit: The benefit is equal to 80% of the insured's average daily earnings in the last month before the leave period and is paid from 2 months before the expected date of childbirth and for 3 months after childbirth.

Self-employed persons are entitled to 80% of average insured daily earnings in the last 12 months before the leave period. The benefit is paid from 2 months before the expected date of childbirth and for 3 months after childbirth.

Parental leave: Six months of leave must be taken before the child is age 3 and is paid to either parent; a self-employed mother receives 3 months of leave to be taken before the child is age 1. The benefit is equal to 30% of the insured's earnings. Parents are entitled to a maximum of 10 months of leave (with a possible 1 month extension) before the child is age 8, plus an income-tested allowance equal to 30% of earnings if the parent's income is less than 2.5 times the minimum pension.

Tuberculosis benefits

Daily benefit: A daily benefit of €11.43 (€5.71 if the beneficiary is a pensioner or the insured's dependent) is paid while receiving institutional care.

Postsanatorium benefit: A daily benefit of €19.04 (€9.53 if the beneficiary is a pensioner or the insured's dependent) is paid for a maximum of 2 years after leaving institutional care that had lasted for at least 6 months.

Care and support allowance: A monthly allowance of €76.79 is paid for a renewable 2-year period if the insured person has an assessed loss of at least 50% of earning capacity.

Christmas allowance: An additional 30 days of benefits are paid.

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 a midwife or doctor at childbirth, specified appliances, and spa treatment. Tuberculosis care includes curative and convalescent care in sanatorium, postsanatorium care, and rehabilitation.

Cost sharing: Copayments are made by patients of up to 50% of the cost of certain prescribed medicines and up to €36 for each prescribed medical service. Copayments are waived for certain categories of insured persons (including children younger than age 6, disabled persons, and persons receiving minimum social benefits) and for persons with certain medical conditions.

There is no limit to duration.

Dependents' 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 a midwife or doctor at childbirth, specified appliances, and spa treatment. Tuberculosis care includes curative and convalescent care in sanatorium, postsanatorium care, and rehabilitation.

Cost sharing: Copayments are made by patients of up to 50% of the cost of certain prescribed medicines and up to €36 for each prescribed medical service. Copayments are waived for certain categories of insured persons (including children younger than age 6, disabled persons, and persons receiving minimum social benefits) and for persons with certain medical conditions.

There is no limit to duration.

Administrative Organization

Ministry of Labor and Social Security (<http://www.lavoro.gov.it>) and Ministry of Economy and Finance (<http://www.tesoro.it>) provide general supervision.

National Social Insurance Institute (<http://www.inps.it>) administers cash sickness, maternity, and tuberculosis benefits.

National Health Service (<http://www.ministerosalute.it>) administers medical benefits through 20 regional health authorities and respective local health authorities.

Work Injury

Regulatory Framework

First law: 1898.

Current laws: 1965 (work injury insurance), 1999 (domestic accidents), 2000 (disability benefits), 2000 (injuries), and 2006.

Type of program: Social insurance system.

Coverage

Manual workers, nonmanual employees in dangerous work, agricultural self-employed persons, domestic workers, company managers, contract workers, and professional athletes. Special system for seamen.

Source of Funds

Insured person: None.

Self-employed person: Variable contributions are paid according to the assessed degree of risk.

Employer: 0.5% to 16% of payroll, according to the assessed degree of risk. The average contribution for industrial workers is 3%.

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period. Accidents that occur while commuting to and from work are covered.

Temporary Disability Benefits

60% of the insured's average daily wage is paid for the first 90 days; thereafter, 75%. The benefit is paid after a 3-day waiting period. The employer must pay 100% of earnings to the insured for the day the accident or the onset of the occupational disease occurred and a minimum of 60% of earnings for the next 3 days.

The average daily wage is based on earnings in the last 15 days before the accident or the onset of an occupational disease.

For certain categories of workers (including agricultural fixed-term contract workers and agricultural self-employed persons), benefits are calculated on the basis of a reference income fixed by ministerial decree.

Permanent Disability Benefits

Permanent disability pension (for incidents before July 25, 2000): The pension is awarded for an assessed degree of disability of at least 11%. The pension is based on average earnings during the year preceding the date of the accident or the onset of the occupational disease and the assessed degree of disability. For an assessed degree of disability from 11% to 64%, the pension is based on 50% to 98% of reference earnings; for an assessed degree of disability greater than 64%, the pension is based on 100% of reference earnings. The amount of the pension may be revised according to changes in the assessed degree of disability.

The minimum annual earnings for benefit calculation purposes are €13,078.80.

The maximum annual earnings for benefit calculation purposes are €24,289.20.

Reference earnings are equal to an annual fixed amount of €19,738.62 for agricultural fixed-term contract workers; €13,078.80 for agricultural self-employed persons.

Dependent's supplement: 5% of the pension is paid for a spouse and for each child younger than age 18 (age 21 if in full-time education, age 26 if a university student, no limit if disabled).

Constant-attendance supplement: €430.63 a month is paid for an assessed permanent disability of 100%.

The pension cannot be combined with old-age, disability, and survivor pensions.

The pension is payable abroad.

Benefit adjustment: Benefits are adjusted annually in July by ministerial decree according to changes in consumer prices.

Permanent disability pension (for incidents on or after July 25, 2000): Two types of compensation are paid:

- compensation for an illness is paid either as a lump sum or a pension. The amount is calculated based on the insured's age, gender, and degree of disability. There is no earnings test.
- compensation for an injury to an organ or body tissue is based on the insured's average earnings during the year preceding the date of the accident or the onset of the occupational disease and a coefficient, according to the schedule in law.

If the assessed degree of disability is less than 6%, no compensation is paid. If the assessed degree of disability is from 6% to 15%, compensation for an illness is paid as a lump sum. If the assessed degree of disability is at least 16%, a pension is calculated based on both types of compensation.

Constant-attendance supplement: €415.13 a month is paid for an assessed permanent disability of 100%.

The pension cannot be combined with old-age, disability, and survivor pensions.

The pension is payable abroad.

Benefit adjustment: Benefits are adjusted annually in July by ministerial decree according to changes in consumer prices.

Permanent disability pension (domestic accidents after March 1, 2001): Paid to insured persons aged between 18 and 65 who are injured while completing household tasks that result in an assessed degree of incapacity equal to or greater than 33% (27%, if the accident was after January 1, 2007). The pension is calculated based on the reference minimum salary in the industrial sector.

Unemployability pension: A monthly payment of €222.66 supplements the permanent disability pension if the insured is younger than age 65, has an assessed degree of disability of at least 34%, has lost all capacity for work, or is a risk to colleagues' or workplace safety.

Transitional compensation for silicosis and asbestosis: Benefits are paid for 1 year to compensate insured workers who are forced to abandon a harmful work position to avoid aggravation of a diagnosed disease. The compensation is paid for a degree of disability up to 80%. If the insured has become unemployed, the amount paid is equal to 2/3 of the average daily wage received in the 30 days preceding the abandonment of the harmful work position. If 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 abandonment of the former

harmful work position and the remuneration received in the new employment.

Benefit adjustment: Benefits are adjusted annually in July according to changes in consumer prices.

Workers' Medical Benefits

Benefits include medical, surgical, and hospital care; appliances; and rehabilitation.

Survivor Benefits

Survivor pension: The spouse receives 50% of the deceased's average earnings.

Average earnings are based on earnings during the year preceding the date of the accident or the onset of the occupational disease that resulted in the insured's death.

Orphan's pension: Each orphan younger than age 18 (age 21 if a full-time student, age 26 if a university student, no limit if disabled) receives 20% of the deceased's average earnings; 40% for a full orphan.

Average earnings are based on earnings during the year preceding the date of the accident or the onset of the occupational disease that resulted in the insured's death.

Other eligible survivors (in the absence of the above):

Each dependent parent or brother or sister receives 20% of the deceased's average earnings.

Average earnings are based on earnings during the year preceding the date of the accident or the onset of the occupational disease that resulted in the insured's death.

All survivor benefits combined must not exceed 100% of the deceased's average earnings.

Funeral grant: A lump sum of €1,725.45 is paid to the person who paid for the funeral.

Administrative Organization

Ministry of Labor and Social Security (<http://www.lavoro.gov.it>) provides general supervision.

National Accident Insurance Institute (<http://www.inail.it>) administers the program through provincial offices.

National Health Service (<http://www.ministerosalute.it>) administers medical benefits.

Unemployment

Regulatory Framework

First law: 1919.

Current laws: 1975, 1988, 1991, 1994, 1996, 1997, 1998, 2000, and 2005.

Type of program: Social insurance system.

Coverage

Private-sector employees. Construction workers are also covered for a special supplementary benefit.

Source of Funds

Insured person: None; except for insured persons working in companies with more than 50 employees who contribute 0.3% of gross earnings for the special wage supplement.

Self-employed person: Not applicable.

Employer: Employers with less than 50 employees make no contributions. Industrial employers with 50 or more employees contribute 1.61% of gross earnings (2.21% of gross earnings for employers in commerce). Industrial employers also contribute an additional 2.8% of gross earnings for the special wage supplement.

There are no maximum earnings for contribution purposes.

Government: Administrative costs, plus subsidies for agricultural workers.

Qualifying Conditions

Total unemployment benefits

Unemployment benefit: The insured must have at least 2 years of coverage with 52 weeks of contributions in the last 2 years; construction workers must have 43 weeks or 10 months of contributions during 2 years of employment in the sector. Insured persons with at least 2 years of coverage and 78 days of actual or deemed contributions during the last year before unemployment are eligible for a reduced benefit. Unemployment must be involuntary.

Mobility allowance: Paid to industrial workers (apart from construction workers) with at least 1 year of coverage and 6 months of employment. Workers must be registered at an employment office and be capable of, and available for, work. Unemployment must be involuntary.

Partial unemployment benefits

Ordinary wage supplement: Paid for a temporary reduction in the work week as a result of a reduction in the firm's activity, with the agreement of the National Social Insurance Institute. The claim is made by the employer on behalf of the employee.

Special wage supplement: Awarded by ministerial decree to insured persons working in industrial firms employing more than 15 employees (50 employees for firms in the commercial sector) if there is a reduction in the working week due to restructuring or a change in activity. The claim is made by the employer on behalf of the employee.

Unemployment Benefits

Total unemployment benefits

Unemployment benefit: Benefits are paid for a maximum of 8 months; 12 months for beneficiaries aged 50 or older. Daily benefits are equal to 60% of the insured's gross average daily wage for the first 6 months and 50% for the 7th and 8th month. Beneficiaries aged 50 or older receive 60% of the gross average daily wage during the first 6 months, 50% for the 7th and 8th month, and 40% until the 12th month.

The gross average daily wage is based on the insured's earnings in the previous 3 months.

The maximum monthly benefit is €858.58; €1,031.93 if the insured's gross earnings before unemployment were more than €1,857.48 a month.

Construction workers receive 100% of earnings during the first 12 months of unemployment; thereafter, 80% for a maximum period of between 18 months and 27 months, depending on the location of the employing firm.

Insured persons eligible for reduced benefits receive 35% of the gross average daily wage (may rise to 40% for subsequent periods of unemployment). The duration of benefits depends on the number of days that the insured had worked during the last year before unemployment, up to a maximum of 180 days.

The maximum reduced benefit is €844.06 a month; €1,014.48 if the insured's gross earnings before unemployment were greater than €1,826.07 a month.

Mobility allowance: 100% of the insured's last earnings are paid for up to 12 months; thereafter, 80%. The maximum duration of the allowance varies from 12 months to 36 months (24 months to 48 months in southern regions) and is dependent on the age of the worker and the location of the place of employment.

The maximum monthly benefit is €858.58; €1,031.93 if the insured's gross earnings before unemployment were greater than €1,857.48 a month.

Partial unemployment benefits:

Ordinary wage supplement: The benefit is equal to 80% of lost earnings caused by a reduction in the work week of between 24 and 40 hours and is awarded for a maximum period of 12 months.

The maximum monthly benefit is €858.58; €1,031.93 if the insured's gross earnings before unemployment were greater than €1,857.48 a month.

Special wage supplement: The benefit is equal to 80% of lost earnings caused by a reduction in the work week of up to 40 hours and is awarded for a maximum period of 24 months.

The maximum monthly benefit is €858.58; €1,031.93 if the insured's gross earnings before unemployment were greater than €1,857.48 a month.

Administrative Organization

Ministry of Labor and Social Security (<http://www.lavoro.gov.it>) and Ministry of Economy and Finance (<http://www.tesoro.it>) provide general supervision.

National Social Insurance Institute (<http://www.inps.it>) administers the program through its branch offices.

Family Allowances

Regulatory Framework

First law: 1937.

Current laws: 1955, 1961, 1988 (family allowances), and 1999.

Type of program: Employment-related system.

Coverage

Children and dependents of employees or social insurance, welfare, and unemployment beneficiaries.

Special systems for self-employed persons and for pensioners of the special systems.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: 2.48% of gross payroll.

The minimum weekly earnings for contribution purposes are €177.42 or, if higher, the minimum wage.

Government: Subsidies, including 1.8% of the employer contribution.

Qualifying Conditions

Family allowances (means-tested): The insured must be a salaried worker; a part-time worker; a cooperative member; a pensioner of the general scheme; a recipient of unemployment, maternity, or sickness benefits; or in military service.

Eligible persons are the insured; a nondivorced or separated spouse; children younger than age 18 (age 21 if in full-time education, age 26 if a university student, no limit if disabled); and dependent orphaned brothers, sisters, nieces, and nephews (if not eligible for a survivor pension).

Means test: Total family taxable income (except for pensions and social benefits) must not exceed an amount adjusted annually according to changes in the retail price index. The worker's income and other related income must not be less than 70% of the total family income.

Family support allowance (means-tested): Paid to families with at least three dependent children.

Means test: For a five-member family of which three are dependent children, annual family income must not exceed €22,480.91.

Family Allowance Benefits

Family allowances (means-tested): The monthly benefit varies from €10.33 to €1,132.50, according to the number of family members and certain other criteria (including the number of dependents and disabled family members or for single parent families).

Family support allowance (means-tested): €124.89 is paid a month.

Schedule of payments: Benefits are paid monthly, with a 13th payment in December.

Benefit adjustment: Benefits are adjusted annually according to a government index.

Administrative Organization

Ministry of Labor and Social Security (<http://www.lavoro.gov.it>) and Ministry of Economy and Finance (<http://www.tesoro.it>) provide general supervision.

National Social Insurance Institute (<http://www.inps.it>) administers the program through the Central Family Allowances Fund.

Employers pay allowances directly to employees (except in agriculture), including domestic workers, and settle any surplus or deficit in contributions with the local branch office of the National Social Insurance Institute.

Jersey

Exchange rate: US\$1.00 equals 0.48 pounds (£).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1951.

Current laws: 1972 (attendance allowance); 1974 (social security), implemented in 1975; 1978 (invalid care and disability benefits), with 2008 amendment; 1997 (disability transport allowance); 2002 (incapacity); and 2007 (income support), implemented in 2008.

Type of program: Social insurance and social assistance system.

Coverage

Old-age and survivor benefits: Employed persons; self-employed persons and nonemployed persons under certain conditions of age and residence in Jersey.

Disability benefits: All persons residing in Jersey.

Source of Funds

Insured person: 6% of covered earnings (old-age and survivor pensions).

The minimum monthly earnings for contribution purposes are £717.

The maximum monthly earnings for contribution purposes are £3,394.

The insured's contributions also finance sickness, maternity, and work injury benefits and part of the cost of medical benefits.

Nonemployed persons older than the age at which they can leave school and residing in Jersey for a continuous period of at least 6 months (except for nonemployed persons with low income, pensioners, certain married women, disabled persons, students, and persons staying at home to look after a child younger than age 5) contribute 12.5% of covered earned income (old-age and survivor pensions and medical benefits).

The minimum annual earned income for contribution purposes for nonemployed persons is £7,956.

The maximum annual earned income for contribution purposes for nonemployed persons is £40,728.

The maximum total earned and unearned income for contribution purposes is £54,304.

Self-employed person: 12.5% of covered earnings.

The minimum monthly earnings for contribution purposes are £717.

The maximum monthly earnings for contribution purposes are £3,394.

The self-employed person's contributions also finance sickness, maternity, and work injury benefits and part of the cost of medical benefits.

Employer: 6.5% of covered payroll.

The minimum monthly earnings for contribution purposes are £717.

The maximum monthly earnings for contribution purposes are £3,394.

The employer's contributions also finance sickness, maternity, and work injury benefits and part of the cost of medical benefits.

Government: The total cost of income support.

Qualifying Conditions

Old-age pension: Age 65 (age 60 for women registered with the pension system before 1975) with at least 4.5 years of paid or credited contributions including at least 6 months of paid contributions. The full pension is paid with 45 years of paid or credited contributions.

Partial pension: Paid with at least 4.5 years of paid or credited contributions.

Credited contributions may be awarded for up to 3 years of full-time education; for periods of incapacity, disability, or unemployment; for widowed persons; and for parents who do not work for up to 10 years in order to care for children younger than age 5.

Early pension: A reduced pension is possible from age 63. The option to receive an early pension cannot be reversed.

The pension paid for a widow or a woman who married before April 2001 is based either on her own contribution record or on that of her husband, whichever is greater.

Persons receiving the old-age pension (including partial or early pensions) may continue to work.

The old-age pension is payable abroad.

The old-age pension may be combined with income support benefits, subject to eligibility (see Family Allowances).

Disability pension: The insured must be assessed as permanently incapable of any work (including voluntary work) and have at least 6 months of paid contributions, including paid or credited contributions during at least 10% of the period between the date the insured first entered the system and the date the disability began.

The disability pension is payable abroad.

The disability pension may be combined with income support benefits, subject to eligibility (see Family Allowances).

Short-term incapacity allowance: The insured must have at least 3 months of contributions, including paid contributions on earnings above £717 in the 3 months of the calendar-year quarter starting 6 months before the calendar-year quarter in which the claim is made. Self-employed persons and nonemployed persons must have paid contributions in the quarter the claim was made. A reduced benefit is paid if contributions were paid on earnings above £717 in only 1 or 2 months of the qualifying quarter.

The short-term incapacity allowance may be combined with income support benefits, subject to eligibility (see Family Allowances).

Long-term incapacity allowance: The insured must be assessed with a degree of disability of at least 5% and have at least 6 months of contributions, including contributions paid on earnings above £717 in the 3 months of the calendar-year quarter starting 6 months before the calendar-year quarter in which the claim is made. Self-employed persons and nonemployed persons must have paid contributions in the same quarter in which the claim is made.

Persons receiving the allowance may continue in paid or voluntary work.

The allowance is payable abroad for 13 weeks only; may be paid for a longer period under a reciprocal agreement.

The long-term disability allowance may be combined with income support benefits, subject to eligibility (see Family Allowances).

Invalid care allowance (income-tested): Paid to a person providing care to a person who is eligible to receive a personal care benefit because of an assessed impairment (See Family Allowance). The carer's annual income must not exceed £55,498.

The invalid care allowance may be combined with income support benefits, subject to eligibility (see Family Allowances).

Survivor allowance: The deceased was a pensioner at the time of death or had at least 6 months of paid contributions, including paid or credited contributions during at least 10% of the period between age 18 and the month before death. The full survivor allowance is paid if the deceased had a full contribution record.

The surviving spouse or the insured was younger than age 65 at the time of the insured's death. The eligible survivor must have been married to the deceased at the time of death.

The survivor allowance may be combined with income support benefits, subject to eligibility (see Family Allowances).

Survivor pension: The deceased was a pensioner at the time of death or had at least 6 months of paid contributions, including paid or credited contributions during at least 10% of the period between age 18 and the month before death. The full survivor pension is paid if the deceased had a full contribution record.

The eligible survivor must be younger than age 65 and have been married to the deceased at the time of death.

The survivor pension is payable abroad.

The survivor pension may be combined with income support benefits, subject to eligibility (see Family Allowances).

Death grant: The deceased had at least 1 year of contributions, or less than 1 year of contributions and a contribution was paid in the month the death occurred. Part of the cost of funeral expenses may also be met through income support benefits, subject to conditions (see Family Allowances).

Old-Age Benefits

Old-age pension: The full weekly pension is £165.76. The pension is paid monthly.

Partial pension: The pension is reduced proportionately for less than 45 years of contributions.

Early pension: The pension is reduced by 0.58% a month for each month the insured claims the pension before age 65.

Dependent's supplement: A weekly supplement of £109.41 is paid for a dependent wife younger than age 65 if the marriage took place before April 2001 and the wife is not receiving any contributory social security benefits; may also be paid for an adult dependent, subject to conditions. If the insured is receiving the early pension, the supplement is reduced by 0.58% a month for each month the insured claims the pension before age 65. The supplement is paid monthly.

Benefit adjustment: Pensions are adjusted annually according to changes in the earnings index.

Permanent Disability Benefits

Disability pension: The full weekly pension is £165.76 if the insured has 45 years of paid or credited contributions (contributions for the years between the date the disability began up to the retirement age are credited). The pension is reduced proportionately for less than 45 years of contributions. The pension is paid after sickness benefits have been paid for 1 year and is payable until age 65. The pension is paid monthly.

The minimum weekly pension is £23.00.

The degree of incapacity for work is assessed by a medical board consisting of two doctors. Further medical board examinations may be required.

Dependent's supplement: £109.41 a week is paid for a dependent wife younger than age 65 if the marriage took place before April 2001 and the wife is not receiving any contributory social security benefits; may also be paid for an adult dependent, subject to conditions.

Long-term incapacity allowance: If the assessed degree of disability is 100%, the weekly allowance is £165.76. The allowance is paid after sickness benefits have been paid for

1 year and is payable until age 65. The allowance is paid monthly.

The degree of incapacity for work is assessed by a medical board consisting of two doctors.

Partial disability allowance: If the assessed degree of disability is from 16% to 99%, the allowance is reduced in proportion to the assessed degree of disability.

Dependent's supplement: £109.41 a week is paid for a spouse or, under certain conditions, the insured's partner.

Disablement gratuity: A lump sum is paid if the assessed degree of disability is between 5% and 15%. The gratuity varies according to the insured's age.

Invalid care allowance (income-tested): £663.36 a month is paid.

Benefit adjustment: Benefits are adjusted annually according to changes in the earnings index.

Survivor Benefits

Survivor allowance: The weekly allowance is £198.87 and is paid for the first 52 weeks after the insured's death.

The allowance ceases on remarriage or cohabitation.

Survivor pension: The full weekly pension is £165.76 and is paid after entitlement to the survivor allowance ceases. The pension is reduced proportionately if the deceased had less than 45 years of contributions.

The survivor pension is replaced by the old-age pension at age 65.

The pension ceases on remarriage or cohabitation.

Death grant: A lump sum of £662.80 is paid.

Benefit adjustment: Benefits are adjusted annually according to changes in the earnings index.

Administrative Organization

Social Security Department (<http://www.gov.je/socialsecurity>) administers the program.

Sickness and Maternity

Regulatory Framework

First law: 1951.

Current laws: 1967 (health insurance); and 1974 (social security), implemented in 1975.

Type of program: Social insurance (cash benefits) and universal (medical benefits) system.

Coverage

Cash benefits: Employed and self-employed persons.

Medical benefits: All persons residing in Jersey.

Source of Funds

Insured person

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

Medical benefits: 0.8% of gross earnings. For nonemployed persons, see source of funds under Old Age, Disability, and Survivors, above.

Self-employed person

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

Medical benefits: 2% of gross earnings.

Employer

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

Medical benefits: 1.2% of gross payroll.

Government

Cash benefits: None.

Medical benefits: The total cost of hospital care.

Qualifying Conditions

Short-term incapacity allowance: The insured must have at least 3 months of contributions, including paid contributions on earnings above £717 in the 3 months of the calendar-year quarter starting 6 months before the calendar-year quarter in which the claim was made. (Self-employed persons and nonemployed persons must have paid contributions in the quarter the claim was made). A reduced benefit is paid if contributions were paid on earnings above £717 in only 1 or 2 months of the qualifying quarter.

Long-term incapacity allowance: The insured must have an assessed degree of incapacity of at least 5% and have at least 6 months contributions, including contributions paid on earnings above £717 in the 3 months of the calendar year quarter starting 6 months before the calendar year quarter in which the claim is made. Self-employed persons and nonemployed persons must have paid contributions in the same quarter in which the claim is made.

Persons receiving the allowance may continue paid or voluntary work.

The allowance is payable abroad for 13 weeks only; may be paid for a longer period under a reciprocal agreement.

The long-term incapacity allowance may be combined with income support benefits, subject to eligibility (see Family Allowances).

Cash maternity allowance: The insured must have at least 13 weeks of contributions, including paid contributions in the calendar-quarter 1 year before the expected date of childbirth.

Maternity (adoption) grant: At least one of the parents must have paid at least 1 year of contributions.

Medical benefits: The insured must have at least 6 months of contributions or have resided in Jersey for at least 6 months.

Sickness and Maternity Benefits

Short-term incapacity allowance: The weekly benefit is £165.76 and is paid for a minimum of 2 days up to a maximum of 364 days.

Dependent's supplement: £109.41 a week is paid for a dependent spouse or partner.

After a year of entitlement to the short-term incapacity allowance, a long-term incapacity allowance or a disability pension (see Old Age, Disability, and Survivors, above) may be paid.

Benefit adjustment: Benefits are adjusted annually according to changes in the earnings index.

Long-term incapacity allowance: If the assessed degree of incapacity is 100%, the weekly allowance is £165.76. The allowance is paid after receiving the short-term incapacity allowance for 1 year and is payable until age 65. The allowance is paid monthly.

The degree of incapacity for work is assessed periodically by a medical board consisting of two doctors.

Partial incapacity allowance: If the assessed degree of incapacity is from 16% to 99%, the allowance is reduced in proportion to the assessed degree of incapacity.

Dependent's supplement: £109.41 a week is paid for a dependent spouse or partner.

Incapacity gratuity: A lump sum is paid if the assessed degree of incapacity is between 5% and 15%. The gratuity varies according to the insured's age.

Benefit adjustment: Benefits are adjusted annually according to changes in the earnings index.

Maternity allowance: £165.76 is paid for 18 weeks, starting between 6 and 11 weeks before the expected date of child-birth. The allowance is paid weekly.

Benefit adjustment: Benefits are adjusted annually according to changes in the earnings index.

Maternity (adoption) grant: A lump sum of £497.10 is paid for the birth (or adoption) of each child.

Benefit adjustment: Benefits are adjusted annually according to changes in the earnings index.

Workers' Medical Benefits

Medical benefits: Hospitals provide free medical care.

Cost sharing: The cost of general practitioner care varies among practices, but the government subsidizes each consultation by £15.00.

Pharmaceuticals prescribed by general practitioners are free.

Dependents' Medical Benefits

Medical benefits: Hospitals provide free medical care.

Cost sharing: The cost of general practitioner care varies among practices, but the government subsidizes each consultation by £15.00.

Pharmaceuticals prescribed by general practitioners are free.

Administrative Organization

Social Security Department (<http://www.gov.je/socialsecurity>) administers social security and health insurance.

Department of Health and Social Services (<http://www.gov.je/health>) administers hospital treatment.

Work Injury

Regulatory Framework

First law: 1930.

Current laws: 1974 (social security), implemented in 1975; and 2002 (social security).

Type of program: Social insurance system.

Coverage

Employed and self-employed persons.

Source of Funds

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

Self-employed person: See source of funds under Old Age, Disability, and Survivors, above.

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

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

Qualifying Conditions

Short-term incapacity allowance: The insured must have at least 3 months of contributions, including paid contributions on earnings above £717 in the 3 months of the calendar-year quarter starting 6 months before the calendar-year quarter in which the claim was made. (Self-employed persons must have paid contributions in the quarter the claim was made). A reduced benefit is paid if contributions were paid on earnings above £717 in only 1 or 2 months of the qualifying quarter.

The short-term incapacity allowance may be combined with income support benefits, subject to eligibility (see Family Allowances).

Long-term incapacity allowance: The insured must have an assessed degree of incapacity of at least 5% and have at least 6 months of contributions, including contributions paid on earnings above £717 in the 3 months of the calendar year quarter starting 6 months before the calendar year quarter in which the claim is made. Self-employed persons must have paid contributions in the same quarter in which the claim is made.

Persons receiving the allowance may continue paid or voluntary work.

The allowance is payable abroad for 13 weeks only; may be paid for a longer period under a reciprocal agreement.

The long-term incapacity allowance may be combined with income support benefits, subject to eligibility (see Family Allowances).

Incapacity pension: The insured must be assessed as permanently incapable of any work (including voluntary work) and have at least 6 months of paid contributions, including paid or credited contributions during at least 10% of the period between the date the insured first entered the system and the date the incapacity began.

The incapacity pension is payable abroad.

The incapacity pension may be combined with income support benefits, subject to eligibility (see Family Allowances).

Survivor allowance: The deceased had at least 6 months of paid contributions, including paid or credited contributions during at least 10% of the period between age 18 and the month before death. The full survivor allowance is paid if the deceased had a full contribution record.

The surviving spouse or the insured was younger than age 65 at the time of the insured's death. The eligible survivor must have been married to the deceased at the time of death.

The survivor allowance may be combined with income support benefits, subject to eligibility (see Family Allowances).

Survivor pension: The deceased had at least 6 months of paid contributions, including paid or credited contributions during at least 10% of the period between age 18 and the month before death. The full survivor pension is paid if the deceased had a full contribution record.

The eligible survivor must be younger than age 65 and have been married to the deceased at the time of death.

The survivor pension is payable abroad.

The survivor pension may be combined with income support benefits, subject to eligibility (see Family Allowances).

Death grant: The deceased had at least 1 year of contributions, or less than 1 year of contributions and a contribution was paid in the month the death occurred. Part of the cost of funeral expenses may also be met through income support benefits, subject to conditions (see Family Allowances).

Temporary Disability Benefits

Short-term incapacity allowance: The weekly benefit is £165.76 and is paid for a minimum of 2 days up to a maximum of 364 days.

Dependent's supplement: £109.41 a week is paid for a dependent wife or partner.

After receiving the short-term incapacity allowance for 1 year, a long-term incapacity allowance or an incapacity pension may be paid.

Benefit adjustment: Benefits are adjusted annually according to changes in the earnings index.

Permanent Disability Benefits

Long-term incapacity allowance: If the assessed degree of incapacity is 100%, the weekly allowance is £165.76. The allowance is paid after receiving the short-term incapacity allowance for 1 year and is payable until age 65. The allowance is paid monthly.

Partial incapacity allowance: If the assessed degree of incapacity is from 16% to 99%, the allowance is reduced in proportion to the assessed degree of incapacity.

Dependent's supplement: £109.41 a week is paid for a dependent spouse or partner.

Incapacity gratuity: A lump sum is paid if the assessed degree of incapacity is between 5% and 15%. The gratuity varies according to the insured's age.

The degree of incapacity for work is assessed periodically by a medical board consisting of two doctors.

Incapacity pension: The full weekly pension is £165.76 if the insured has 45 years of paid or credited contributions (contributions for the years from the date the incapacity began until the retirement age are credited). The pension is paid after receiving the short-term incapacity allowance for 1 year and is payable until age 65. The pension is paid monthly.

The minimum weekly pension is £23.00.

The degree of incapacity for work is assessed periodically by a medical board consisting of two doctors.

Dependent's supplement: £109.14 a week is paid for a dependent wife younger than age 65 if the marriage took place before April 2001 and the wife is not receiving any contributory social security benefits; may also be paid for an adult dependent, subject to conditions.

Benefit adjustment: Benefits are adjusted annually according to changes in the earnings index.

Workers' Medical Benefits

Medical benefits: Hospitals provide free medical care.

Cost sharing: The cost of general practitioner care varies among practices, but the government subsidizes each consultation by £15.00.

Pharmaceuticals prescribed by general practitioners are free.

Survivor Benefits

Survivor allowance: The weekly allowance is £198.87 and is paid for the first 52 weeks after the insured's death.

The survivor allowance ceases on remarriage or cohabitation.

Survivor pension: The full weekly pension is £165.76 and is paid after entitlement to the survivor allowance ceases. The pension is reduced proportionately if the deceased had less than 45 years of contributions.

The pension ceases on remarriage or cohabitation; otherwise, paid until age 65 when it is replaced by the old-age pension.

Benefit adjustment: Benefits are adjusted annually according to changes in the earnings index.

Death grant: A lump sum of £662.80 is paid.

Benefit adjustment: Benefits are adjusted annually according to changes in the earnings index.

Administrative Organization

Social Security Department (<http://www.gov.je/socialsecurity>) administers social insurance benefits.

Department of Health and Social Services (<http://www.gov.je/health>) administers hospital care.

Unemployment

Regulatory Framework

First law: 1930.

Current law: 2007 (income support), implemented in 2008.

Type of program: Social assistance system.

Coverage

All persons residing in Jersey.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost is financed through local taxes and general revenue.

Qualifying Conditions

Income support (income-tested): Income support provides financial help to adult jobseekers. The scheme provides support toward the costs of accommodation, daily living expenses, medical needs, and childcare. The amount of the

benefit received depends on household income and assets. Income support benefits are exempt from income tax.

The jobseeker must have ordinarily resided in Jersey for at least 5 years, currently reside in Jersey, and be actively seeking employment.

The jobseeker must have a current Jobseeker's Agreement. The Jobseeker's Agreement is drafted and signed by the jobseeker and the jobseeker's advisor. It obliges the jobseeker to actively seek training and work. Failure to sign a Jobseeker's Agreement may result in the reduction of benefits.

Unemployment Benefits

Income support (income-tested): Income support is normally paid weekly. The benefit depends on individual household circumstances, including the number of persons in the household, level of housing rent paid, and household expenses. Additional components may be paid for child care, impairment, and carers. Special one-time payments may also be paid to help with the cost of major items and for emergencies.

There is no limit to duration.

Benefit adjustment: Benefits are adjusted annually according to changes in the earnings index and retail price index.

Administrative Organization

Social Security Department (<http://www.gov.je/socialsecurity>) administers social insurance benefits.

Work Zone at the Social Security Department provides advice and support to help jobseekers find suitable employment.

Family Allowances

Regulatory Framework

First and current law: 1972 (family allowances), with 2002 (children) amendment, implemented in 2005; and 2007 (income support), implemented in 2008.

Type of program: Universal system.

Coverage

All persons residing in Jersey with one or more children.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Income support (income-tested): Income support provides financial help to Jersey residents in need. The scheme provides support toward the costs of accommodation, daily living expenses, medical needs, and childcare. The amount of the benefit received depends on household income and assets. Income support benefits are exempt from income tax.

The claimant must have ordinarily resided in Jersey for at least 5 years and the claimant and all other adults in their household must be in full-time employment, exempt from full-time employment, or actively seeking employment.

Family Allowance Benefits

Income support (income-tested): Income support is normally paid weekly. The benefit depends on individual

household circumstances, including the number of persons in the household, level of housing rent paid, and household expenses. Additional benefits may be paid for child care, impairment, and carers. Special one-time payments may also be paid to help with the cost of major items and for emergencies.

There is no limit to duration.

Benefit adjustment: Benefits are adjusted annually according to changes in the earnings index and retail price index.

Administrative Organization

Social Security Department (<http://www.gov.je/socialsecurity>) administers the program.

Latvia

Exchange rate: US\$1.00 equals 0.47 lats.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1922.

Current laws: 1995 (social insurance), with amendments; 1997 (social insurance), with amendments; and 2000 (funded pension scheme), with 2002 and 2004 amendments.

Type of program: Notional defined contribution (NDC), mandatory individual account, and social assistance system. Social assistance benefits (means-tested and conditional) are provided by municipalities to support the needy.

Note: Participation in the individual account system is mandatory for individuals who were younger than age 30 on July 1, 2001, and voluntary for those who were between ages 30 and 49 on July 1, 2001.

Coverage

Old-age and survivor pensions: Employed persons; self-employed persons; unemployed persons; armed forces personnel and their spouses; persons caring for a child younger than 18 months; recipients of the maternity benefit, parent's benefit, or disabled child care benefit; and spouses of diplomatic staff.

Voluntary coverage for all persons aged 15 or older residing permanently in Latvia who are not subject to compulsory insurance and are not receiving an old-age pension; the spouse of a self-employed person younger than the retirement age; and students.

Disability pension: Employed and self-employed persons.

Voluntary coverage for all persons aged 15 or older residing permanently in Latvia who are not subject to compulsory insurance and are not receiving an old-age pension; the spouse of a self-employed person younger than the retirement age.

Source of Funds

Insured person: 9% of covered earnings.

Of the total insured person and employer contribution of 33.09% of covered earnings, 12% of covered earnings finances the NDC pension and 8% of covered earnings finances the individual account. The remainder finances sickness and maternity benefits, work injury benefits, and unemployment benefits. (Both the NDC pension contribution rate and the individual account contribution rate will be

10% of covered earnings in 2010. The total contribution rate will remain the same.)

In addition, pension fund administrators charge an annual management fee on the individual's accumulated funds in the mandatory individual account. (There are no minimum or maximum limits for fees set by law.)

The minimum annual earnings for contribution purposes are equal to the statutory minimum annual wage; the minimum daily earnings for contribution purposes depend on the statutory minimum hourly wage.

The maximum annual earnings for contribution purposes are 29,600 lats.

Self-employed person: 30.44% of covered earnings.

Of the total self-employed person's contribution of 30.44% of covered earnings, 12% of covered earnings finances the NDC pension and 8% of covered earnings finances the individual account. The remainder finances sickness and maternity benefits, work injury benefits, unemployment benefits, and parent's benefits. (Both the NDC pension contribution rate and the individual account contribution rate will be 10% of covered earnings in 2010. The total contribution rate will remain the same.)

In addition, pension fund administrators charge an annual management fee on the individual's accumulated funds in the mandatory individual account. (There are no minimum or maximum limits for fees set by law.)

The minimum annual declared earnings for contribution purposes are 1,800 lats.

The maximum annual declared earnings for contribution purposes are 29,600 lats.

Employer: 24.09% of covered earnings.

Of the total insured person and employer contribution of 33.09% of covered earnings, 12% of covered earnings finances the NDC pension and 8% of covered earnings finances the individual account. The remainder finances sickness and maternity benefits, work injury benefits, and unemployment benefits. (Both the NDC pension contribution rate and the individual account contribution rate will be 10% of covered earnings in 2010. The total contribution rate will remain the same.)

The minimum annual earnings for contribution purposes is equal to the statutory minimum annual wage; the minimum daily earnings for contribution purposes depends on the statutory minimum hourly wage.

The maximum annual earnings for contribution purposes are 29,600 lats.

Government: Contributes 10 lats a month on behalf of military personnel; for persons residing in Latvia caring for a child younger than 18 months and receiving the child rearing allowance, child care benefits, or disabled child care benefits; and spouses of diplomatic staff and military personnel residing abroad. Also makes partial contributions

on behalf of recipients of unemployed benefits or maternity or sickness benefits and for unemployed disabled persons. Finances the total cost of the state social security benefit. Contributes as an employer.

Qualifying Conditions

Old-age pension (social insurance and mandatory individual account): Age 62 (men) or age 61 and 6 months (women) with at least 10 years of coverage. The age requirement for women is increasing by 6 months each year up to age 62 by July 1, 2009.

Special conditions apply to persons disabled for life and certain persons with specific disabilities; to men or women who have raised five or more children up to age 8 or a disabled child; to persons who before 1996 worked under hazardous or dangerous conditions; and to certain persons affected by the Chernobyl catastrophe.

For a transitional period special conditions apply to transport workers (air, rail, public transport, maritime, and river transport) and artists (including those working in circus, opera, or ballet).

Early pension: Age 60 (men) or age 59.5 (women) with at least 30 years of coverage. The early pension is a transitional benefit and no new claims will be paid after June 30, 2008.

Deferred pension: The pension may be deferred. There is no maximum age for deferral.

Old-age benefits are payable abroad.

State social security benefit: Age 67 (men) or age 65 and 6 months (women) with less than 10 years of coverage or with no previous coverage.

Disability pension (social insurance): The insured must be assessed as disabled and have at least 3 years of coverage. There are three groups of assessed disability: Group I (severely disabled and requiring constant attendance); Group II (severely disabled but not in need of constant attendance); and Group III (disabled).

The degree of disability is assessed by the Health and Working Capacity Medical Expert Commission.

Disability benefits are payable abroad.

State social security benefit: Paid to persons aged 18 or older who are assessed with a Group I or Group II disability but do not qualify for a disability pension.

Disabled person care allowance: Paid to all disabled adults (regardless of whether covered or not) with an assessed Group I disability.

Survivor pension (social insurance): The deceased was insured or was a pensioner at the time of death.

Eligible survivors are the insured's children, including adopted children younger than age 18 (age 25 if a student, no limit if disabled); and dependent brothers, sisters, grand-

children, stepsons, and stepdaughters younger than age 18 (age 25 if a student, no limit if disabled) who are without parents capable of work.

Survivor benefits are payable abroad.

Spouse benefit (social insurance): If the surviving spouse receives a state pension and the insured died after January 1, 2007, the spouse is entitled to a lump-sum benefit.

Death allowance (social insurance): Paid for the death of an insured person; an unemployed person; a pensioner; or an insured's dependent family member. In the case of the death of an insured person or a family member of an insured person, the death must have occurred within 1 month after the end of the contribution period. The benefit can be claimed up to 12 months after the date of death.

State social security benefit: Paid to eligible survivors if the deceased did not satisfy the qualifying conditions for a pension.

Old-Age Benefits

Old-age pension

Social insurance (NDC): The pension is calculated on the basis of the insured's contributions plus annual capital growth adjusted according to changes in the earnings index divided by the average life expectancy.

The monthly minimum pension for a coverage period of up to 20 years is 49.50 lats or 55 lats if disabled since childhood; for a coverage period of 21 to 30 years, 58.50 lats or 65 lats if disabled since childhood; for a coverage period of 30 to 40 years, 67.50 lats or 75 lats if disabled since childhood; for a coverage period of 41 years or more, 76.50 lats or 85 lats if disabled since childhood.

Early pension: The pension is equal to 80% of the old-age pension until the insured reaches the normal retirement age.

Deferred pension: The pension is calculated in the same way as the old-age pension.

Benefit adjustment: Pensions that do not exceed 135 lats a month are adjusted annually on April 1 according to changes in the consumer price index. Pensions that exceed 135 lats but do not exceed 225 lats a month are adjusted annually on October 1, according to changes in the consumer price index and changes in average contributory earnings.

Mandatory individual account: The value of the pension depends on the insured's contributions plus accrued interest. At retirement, the insured can purchase an annuity or have the funds credited to his or her NDC account.

State social security benefit: The monthly benefit is 45 lats or 50 lats if disabled since childhood.

Permanent Disability Benefits

Disability pension (social insurance): The pension is calculated according to three groups of assessed disability.

Group I: The monthly pension is equal to 0.45 times the insured's average earnings in 3 consecutive years in the last 5 years, plus the insured's average wage times the ratio of actual contribution years to the total possible number of years of coverage between age 15 and retirement.

The minimum monthly pension is equal to 1.6 times the state social security benefit (72 lats or 80 lats if disabled since childhood).

Group II: The monthly pension is equal to 0.4 times the insured's average earnings in 3 consecutive years in the last 5 years, plus the insured's average wage times the ratio of actual contribution years to the total possible number of years of coverage between age 15 and retirement.

The minimum pension is equal to 1.4 times the state social security benefit (63 lats or 70 lats if disabled since childhood).

Group III: The monthly pension is equal to the state social security benefit of 45 lats or 50 lats if disabled since childhood.

The minimum annual earnings for benefit calculation purposes for self-employed persons and voluntary insured persons are 1,800 lats.

The maximum annual earnings for benefit calculation purposes are 20,700 lats.

Benefit adjustment: Pensions that do not exceed 135 lats a month are adjusted annually on April 1 according to changes in the consumer price index. Pensions that exceed 135 lats, but do not exceed 225 lats a month, are adjusted annually on October 1, according to changes in the consumer price index and changes in average contributory earnings.

State social security benefit: The monthly benefit is 45 lats or 50 lats if disabled since childhood.

Disabled person care allowance: The monthly allowance is 100 lats.

Survivor Benefits

Survivor pension (social insurance): The monthly pension for one survivor is equal to 50% of the deceased's old-age pension; 75% for two eligible survivors; 90% for three or more eligible survivors. The pension for a full orphan is based on the old-age pensions of both parents.

The minimum monthly survivor pension is equal to 65% of the state social security benefit for each eligible survivor (29.25 lats or 32.50 lats if disabled since childhood).

Benefit adjustment: Pensions that do not exceed 135 lats a month are adjusted annually on April 1 according to changes in the consumer price index. Pensions that exceed 135 lats, but do not exceed 225 lats a month, are adjusted annually on October 1, according to changes in the consumer price index and changes in average contributory earnings.

Spouse benefit (social insurance): A lump sum is paid equal to 2 months of the deceased pension.

Death allowance (social insurance): The allowance is equal to twice the deceased's last monthly average earnings used for contribution purposes or the deceased's pension. For the death of a dependent family member or an unemployed person, the allowance is three times the state social security benefit.

State social security benefit: The monthly benefit is 45 lats or 50 lats if disabled since childhood.

Administrative Organization

Ministry of Welfare (<http://www.lm.gov.lv>) provides general supervision.

State Social Insurance Agency (<http://www.vsaa.gov.lv>) administers cash benefits.

Financial and Capital Market Commission supervises private pension funds.

Individual pension funds administer individual capitalization accounts.

Sickness and Maternity

Regulatory Framework

First law: 1924.

Current law: 1995 (maternity and sickness benefits), with amendments.

Type of program: Social insurance system.

Coverage

Cash benefits: Employed and self-employed persons.

Voluntary coverage for all persons aged 15 or older residing permanently in Latvia who are not compulsorily covered and are not receiving an old-age pension; the spouse of a self-employed person younger than the retirement age.

There are no special systems for any specified groups of employees.

Medical benefits: All Latvian citizens residing in Latvia and noncitizens with term-residence permission.

Source of Funds

Insured person: See source of funds under Old Age, Disability, and Survivors, above; voluntary contributors pay 3.45% of earnings for sickness and maternity benefits and 1.08% of earnings for the parent's benefit.

The minimum annual earnings for contribution purposes are equal to the statutory minimum annual wage; the minimum daily earnings for contribution purposes depend on the statutory minimum hourly wage.

The minimum annual earnings for benefit calculation purposes for self-employed persons and voluntarily insured persons are 1,800 lats.

The maximum annual earnings for contribution purposes are 29,600 lats.

Self-employed person: 3.36% of gross earnings for sickness and maternity benefits and 1.08% for the parent's benefit is taken from the total contribution rate of 30.44% of gross earnings paid under Old Age, Disability, and Survivors, above.

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

Government: Finances state-guaranteed health care services through the annual state budget. Contributes as an employer.

Qualifying Conditions

Cash and medical benefits: There is no minimum qualifying period.

Sickness and Maternity Benefits

Sickness benefit: The benefit is equal to 80% of the insured's average earnings in the last 6 months (last 12 months for a self-employed person). The benefit is paid from the 15th day of incapacity for work until recovery or up to 52 weeks from the first day of incapacity for work (78 weeks within a 3-year period for a repeated incapacity for work). The employer pays the benefit in the waiting period (the benefit must not be less than 75% of the insured's average earnings for the 2nd and 3rd days and not less than 80% for the 4th to the 14th days).

The minimum annual earnings for benefit calculation purposes for self-employed persons and voluntary insured persons are 1,800 lats.

The maximum annual earnings for benefit calculation purposes are 29,600 lats.

The sickness benefit is paid after the insured is certified as incapable of work by the State Social Insurance Agency.

Sick child care benefit: The benefit is equal to 80% of the insured's average earnings in the last 6 months (last 12 months for a self-employed person) and is paid from the first day up to the 21st day if caring for a child younger than age 14. The benefit is also paid for a child receiving treatment in hospital.

Maternity benefit: The benefit is equal to 100% of the insured's average earnings in the last 6 months (last 12 months for a self-employed person). The benefit is paid for 112 consecutive days (56 days before and 56 days after the expected date of childbirth); 14 additional days are paid in the event of multiple births.

The minimum annual earnings for benefit calculation purposes for self-employed persons and voluntary insured persons are 1,800 lats.

The maximum annual earnings for benefit calculation purposes are 29,600 lats.

The benefit may be paid for 14 additional consecutive days as the result of complications arising during pregnancy, childbirth, or the postnatal period and in cases where inpatient medical care associated with the pregnancy began before the 12th week of pregnancy.

Maternity benefits must be claimed within 12 months after the first day of the maternity leave period.

Maternity benefits are paid after the insured is certified as incapable of work by the State Social Insurance Agency.

Paternity benefit: The benefit is equal to 80% of the insured's average earnings in the last 6 months and is paid for 10 consecutive days.

The minimum annual earnings for benefit calculation purposes for self-employed persons and voluntary insured persons are 1,800 lats.

The maximum annual earnings for benefit calculation purposes are 29,600 lats.

Parent's benefit: Paid to persons on child care leave or to persons who work during the child care period while raising a child younger than age 1. The benefit is equal to 70% of the insured's average monthly earnings, but must be at least 63 lats a month.

Average earnings are based on earnings in the 12-month period starting 3 months before the expected month of childbirth.

The minimum annual earnings for benefit calculation purposes for self-employed persons and voluntary insured persons are 1,800 lats.

The maximum annual earnings for benefit calculation purposes are 29,600 lats.

Workers' Medical Benefits

Benefits are provided by state-owned and private hospitals under contract with the Health Compulsory Insurance State Agency. Benefits include general and specialist care, medicines, hospitalization, maternity care, dental care for children up to age 18 and for certain persons affected by Chernobyl, and cochlear implants for children, according to the schedule in law.

Cost sharing: For outpatient care in clinics, the insured pays 0.50 lats for a visit to a general practitioner and 2 lats for a visit to a specialized physician. Fees for inpatient care are 1 to 5 lats from the second day of treatment, but no more than 80 lats per month.

Different rates apply for disability group I pensioners, persons older than age 80 (for a home visit by a general practitioner), and for pensioners whose monthly pension does not exceed 60 lats (specialist care).

Treatment is free for emergency treatment; for children up to age 18; for pregnant women and women with a newborn child (for up to 42 days); for low-income persons; for persons with serious conditions (tuberculosis, psychiatric

illnesses, and chronic hemodialysis); persons who are cared for in state social care centers and local government rest homes; for vaccinations provided through the state immunization program; for preventive examinations and treatment for certain infectious diseases; for certain persons affected by Chernobyl; and for politically oppressed persons and participants of the national resistance movement.

Dependents' Medical Benefits

Benefits are provided by state-owned and private hospitals under contract with the Health Compulsory Insurance State Agency. Benefits include general and specialist care, medicines, hospitalization, maternity care, dental care for children up to age 18 and for certain persons affected by Chernobyl, and cochlear implants for children, according to the schedule in law.

Cost sharing: For outpatient care in clinics, the insured pays 0.50 lats for a visit to a general practitioner and 2 lats for a visit to a specialized physician. Fees for inpatient care are 1 to 5 lats from the second day of treatment, but no more than 80 lats per month.

Different rates apply for disability group I (severely disabled and requiring constant attendance) pensioners, persons older than age 80 (for a home visit by a general practitioner), and for pensioners whose monthly pension does not exceed 60 lats (specialist care).

Treatment is free for emergency treatment; for children up to age 18; for pregnant women and women with a newborn child (for up to 42 days); for low-income persons; for persons with serious conditions (tuberculosis, psychiatric illnesses, and chronic hemodialysis); persons who are cared for in state social care centers and local government rest homes; for vaccinations provided through the state immunization programme; for preventive examinations and treatment for certain infectious diseases; for certain persons affected by Chernobyl; and for politically oppressed persons and participants of the national resistance movement.

Administrative Organization

Ministry of Welfare (<http://www.lm.gov.lv>) and Ministry of Health (<http://www.vm.gov.lv>) provide general supervision. State Social Insurance Agency (<http://www.vsaa.gov.lv>) administers cash benefits.

Health Compulsory Insurance State Agency (<http://www.voava.gov.lv>) administers medical benefits.

Work Injury

Regulatory Framework

First law: 1927.

Current law: 1995 (work injuries and occupational diseases), with amendments.

Type of program: Social insurance system.

Coverage

Employed persons if the work-related accident occurred or the occupational disease was diagnosed after 1997.

Exclusions: Self-employed persons.

There is no voluntary coverage.

There are no special systems for any specified groups of employees.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

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

Government: Finances state-guaranteed health care services through the annual state budget. Contributes as an employer.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period. Accidents that occur while commuting to and from work are not covered. For an occupational disease, the insured must have at least 3 years of coverage after 1997.

Temporary Disability Benefits

The benefit is identical to the sickness benefit paid under Sickness and Maternity, above.

The benefit is equal to 80% of the insured's average earnings in the last 6 months (last 12 months for a self-employed person). The benefit is paid from the 15th day of incapacity for work until recovery or up to 52 weeks from the first day of incapacity for work (78 weeks within a 3-year period for a repeated incapacity for work). The employer pays the benefit in the waiting period (the benefit must not be less than 75% of the insured's average earnings for the 2nd and 3rd days and not less than 80% for the 4th to the 14th days).

The maximum annual earnings for benefit calculation purposes are 29,600 lats.

The sickness benefit is paid after the insured is certified as incapable of work by the State Social Insurance Agency.

Permanent Disability Benefits

Permanent disability benefit: For a 100% loss of earning capacity, the monthly pension is equal to 80% of the insured's average monthly earnings in the last 6 months.

The maximum annual earnings for benefit calculation purposes are 29,600 lats.

Partial disability pension: A reduced pension is paid for a loss of earning capacity less than 100%. For a loss of earning capacity from 90% to 99%, the monthly pension is equal to 75% of the insured's average monthly earnings in the last 6 months. The minimum partial disability pension is paid for

a loss of earning capacity from 10% to 14% and is equal to 25% of the insured's average monthly earnings.

The maximum annual earnings for benefit calculation purposes are 29,600 lats.

The disability is assessed by the Health and Working Capacity Medical Expert Commission.

Benefit adjustment: Benefits are adjusted annually in October according to changes in the consumer price index.

Workers' Medical Benefits

Benefits include general and specialist care, medicines, and hospitalization. The insured is also reimbursed for additional expenses for medical treatment, nursing care, prostheses, travel expenses, and occupational rehabilitation.

Survivor Benefits

Survivor pension: The monthly pension is equal to 25% of the deceased's average monthly earnings in the last 6 months for one survivor, 35% for two, 45% for three, and 55% for four or more.

The minimum survivor pension is equal to the state social security benefit (45 lats or 50 lats if disabled since childhood).

The maximum survivor pension is equal to 80% of the deceased's average monthly earnings in the last 6 months.

Eligible survivors are the surviving spouse; children; and dependent brothers, sisters, grandchildren, parents, and grandparents.

Orphan's pension: The monthly pension is equal to 25% of the deceased's average monthly earnings in the last 6 months for one survivor, 35% for two, 45% for three, and 55% for four or more.

Full orphan's pension: The monthly pension is equal to 40% of the deceased's average monthly earnings in the last 6 months for one survivor, 50% for two, 60% for three, and 70% for four or more.

Benefit adjustment: Benefits are adjusted annually in October according to changes in the consumer price index.

Death allowance: The allowance is equal to twice the deceased's last monthly average earnings used for contribution purposes or the deceased's pension.

Administrative Organization

Ministry of Welfare (<http://www.lm.gov.lv>) provides general supervision.

State Social Insurance Agency (<http://www.vsaa.gov.lv>) administers benefits.

Unemployment

Regulatory Framework

First law: 1991.

Current law: 1999 (unemployment insurance), with amendments.

Type of program: Social insurance system.

Coverage

Employed persons; active military personnel and their spouses; persons residing in Latvia caring for a child younger than 18 months; and recipients of the child rearing allowance, child care benefit, sickness benefit, or maternity benefit.

Exclusions: Self-employed persons.

There is no voluntary coverage.

There are no special systems for any specified groups of employees.

Source of Funds

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

Self-employed person: Not applicable.

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

Government: Contributes 1.75% of 50 lats per month on behalf of active military personnel and their spouses and for persons residing in Latvia caring for a child younger than 18 months.

Qualifying Conditions

Unemployment benefit: The insured must have at least 1 year of contributions, including 12 months in the last 18 months before unemployment, and be registered at the state employment office.

Special conditions apply to persons caring for a child younger than 18 months, persons caring for a disabled child younger than age 16, formerly disabled persons who have regained the capacity to work, and persons in military service.

Unemployment Benefits

The monthly benefit varies according to the length of the coverage period and the duration of unemployment. The benefit is equal to 50% of the insured's average earnings in the last 6 months with 1 to 9 years of coverage, 55% with 10 to 19 years, 60% with 20 to 29 years, and 65% with 30 years or more.

The benefit is paid for a maximum duration of 9 months in any 12 month period and the benefit decreases over time: for

persons with 1 to 9 years of coverage, the benefit is paid for a maximum of 4 months, with 100% of the benefit payable for the first 2 months and 75% for the next 2 months; for persons with 10 to 19 years of coverage, the benefit is paid for a maximum of 6 months, with 100% of the benefit payable for the first 2 months, 75% for the next 2 months, and 50% for the last 2 months; for persons with 20 years or more of coverage, the benefit is paid for a maximum of 9 months, with 100% of the benefit payable for the first 3 months, 75% for the next 3 months, and 50% for the last 3 months.

The maximum annual earnings for benefit calculation purposes are 29,600 lats.

Persons caring for a child younger than 18 months or caring for a disabled child younger than age 16 or formerly disabled persons who have regained the capacity to work and persons who were in military service before becoming unemployed receive twice the monthly state social security benefit of 54 lats.

Administrative Organization

Ministry of Welfare (<http://www.lm.gov.lv>) provides general supervision.

State Social Insurance Agency (<http://www.vsaa.gov.lv>) and local insurance offices administer benefits.

State Employment Agency (<http://www.nva.lv>) and local employment offices are responsible for job placements, training, and retraining.

Family Allowances

Regulatory Framework

First law: 1990.

Current laws: 1995 (social security); and 2002 (social benefits), with amendments.

Type of program: Universal system.

Coverage

All Latvian citizens residing in Latvia and noncitizens with term-residence permission.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Family allowance: The child must be younger than age 15 (age 20 if a full-time student).

Foster family allowance: The allowance is paid to families providing foster care.

Foster care benefit: Paid to a family or person recognized as the foster family or parent.

Child-rearing allowance (flat-rate benefit): The child must be younger than age 2. The person rearing a child must not be employed. Family allowances are also paid. A woman may not receive the allowance while receiving maternity benefits (see Sickness and Maternity, above).

Child-rearing allowance supplement: Paid in the event of multiple births.

Childbirth allowance: Paid to one of the parents (or guardian) of a child younger than age 1.

Disabled child-rearing allowance: Paid to persons rearing a child younger than age 18 with an assessed severe disability.

Disabled child supplement: Paid to persons receiving family allowances for a disabled child younger than age 18.

Adopted child care benefit: Paid to a person who has custody of an adopted child, but the decision has yet to be approved by a court.

Adoption benefit: Paid to a person who has adopted a child and the adoption has been approved by a court.

Legal guardian allowance: Paid to the appointed legal guardian.

Legal guardian duties benefit: Paid to the appointed legal guardian.

Family Allowance Benefits

Family allowance: The monthly benefit is 8 lats for the first child, 9.60 lats for the second, 12.80 lats for the third, and 14.40 lats for the fourth and each subsequent child.

Foster family allowance: The monthly allowance is 80 lats regardless of the number of foster children and is paid for the duration of the child's stay with the family.

Foster care benefit: The amount paid is set by the local authority, but must be at least 27 lats a month.

Child-rearing allowance (flat-rate benefit): The monthly benefit is 50 lats if the child is younger than age 1; 30 lats if the child is aged 1 or 2.

Child-rearing allowance supplement: The benefit is 50 lats per month for each child younger than age 1 and 30 lats per month for each child aged 1 or 2.

Childbirth allowance: A lump sum of 296 lats is paid.

Childbirth supplement: 100 lats is paid for the first child, 150 lats for the second, and 200 lats for the third and each subsequent child.

Disabled child-rearing allowance: 150 lats a month is paid until the disabled child reaches age 18.

Disabled child supplement: 50 lats a month is paid until the child reaches age 18.

Adopted child care benefit: 35 lats a month is paid.

Adoption benefit: A lump sum of 1,000 lats is paid for each child.

Legal guardian allowance: 32 lats a month is paid for each child.

Legal guardian duties benefit: 38 lats a month is paid.

Administrative Organization

Ministry of Welfare (<http://www.lm.gov.lv>) provides general supervision.

Ministry for Children and Family Affairs (<http://www.bm.gov.lv>) is responsible for family policy and the payment of child-rearing allowances.

State Social Insurance Agency (<http://www.vsaa.gov.lv>) administers benefits.

Liechtenstein

Exchange rate: US\$1.00 equals 1.12 francs.

Old Age, Disability, and Survivors

Regulatory Framework

First and current laws: 1952 (old-age and survivors), implemented in 1954; 1960 (disability); and 1988 (mandatory occupational pensions), with 2005 amendment.

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

Coverage

Social insurance: All persons residing or employed or self-employed in Liechtenstein.

Mandatory occupational pension: All employees covered by social insurance with annual earnings greater than 19,350 francs. Coverage is mandatory from age 23 for old-age benefits if the employment contract exceeds 3 months and from age 17 for disability and survivor benefits regardless of the duration of the employment contract.

Voluntary coverage is possible.

Source of Funds

Social insurance

Insured person: 3.8% of gross earnings for old-age and survivor benefits and 0.75% of gross earnings for disability benefits.

A nonemployed person pays variable annual contributions according to income, between 228 francs and 7,600 francs for old-age and survivor benefits and between 45 francs and 1,500 francs for disability benefits, plus an additional 3.6% of the total contribution amount for administrative costs.

There are no maximum earnings for contribution purposes.

Self-employed person: A lump sum of 228 francs for old-age and survivor benefits if annual income is between 3,000 francs and 6,000 francs; 3.8% to 7.5% of annual income for old-age and survivor benefits if annual income is between 6,000 francs and 26,000 francs; 7.6% of annual income for old-age and survivor benefits and 1.5% of annual income for disability benefits if annual income is greater than 26,000 francs.

There is no maximum income for contribution purposes.

Self-employed persons pay an additional 3.6% of their total contribution amount for administrative costs.

Employer: 3.8% of payroll for old-age and survivor benefits and 0.75% of payroll for disability benefits, plus an addi-

tional 3.6% of the total contribution amount for administrative costs.

There are no maximum earnings for contribution purposes.

Government: 20% of annual expenditure, plus 2/3 of income from the Heavy Vehicle Fee equal to at least 4.2 million francs a year for old-age and survivor benefits; any deficit up to 50% of annual expenditure for disability benefits.

Mandatory occupational pension

Insured person: At least 6% of covered earnings. Normally, covered earnings include income between 19,890 francs and 79,560 francs, minus a tax allowance of 13,260 francs. In addition, the insured pays up to 50% of the cost of administrative fees.

Nonemployed persons may contribute voluntarily.

Self-employed person: Voluntary contributions, plus the cost of administrative fees.

Employer: At least 8% of total payroll or 6% of covered earnings for each insured employee.

The employer's contribution must be at least equal to the value of the insured person's contribution. Normally, covered earnings include income between 19,890 francs and 79,560 francs, minus a tax allowance of 13,260 francs. In addition, the employer pays at least 50% of the cost of administrative fees.

Government: None.

Qualifying Conditions

Old-age pension

Old-age pension (social insurance): Age 64 (men) or age 63 (women) with at least 1 year of contributions. The pensionable age for women will increase gradually to age 64 by 2009.

Early pension: Paid from age 60 (men and women).

Deferred pension: The pension may be deferred up to age 70.

Child's supplement: Paid for each child younger than age 18 (age 25 if a student or in vocational training).

Wife's supplement: Husbands born before 1945 may receive a supplement for a wife born before 1955. The wife must not be entitled to a pension in her own right.

Mandatory occupational old-age pension: Age 64 (men and women).

Early pension: Age 60 (men and women) if eligible for a social insurance early pension.

Deferred pension: The pension may be deferred.

Disability pension

Disability pension (social insurance): The full pension is paid with at least 1 year of contributions and a permanent loss of at least 67% in working capacity.

Partial pension: A half pension is paid with at least 1 year of contributions and a permanent loss of 50% to 67% in working capacity. A quarter pension is paid with at least 1 year of contributions and a permanent loss of 40% to 49% in working capacity.

Disability supplement: Paid for insured persons younger than age 45 when the disability began.

Child's supplement: Paid for each dependent child younger than age 18 (age 20 if a student or in vocational training).

Mandatory occupational disability pension: The disability must begin before the normal pensionable age. The degree of disability is assessed according to the loss in earning capacity. The pension ceases when the insured reaches the normal pensionable age.

Survivor pension

Survivor pension (social insurance): The insured had at least 1 year of contributions.

Eligible survivors are the spouse, a divorced spouse entitled to alimony, and orphans younger than age 18 (age 25 if a student or in vocational training).

Mandatory occupational survivor pension: Eligible survivors are the spouse and orphans younger than age 18 (age 25 if a student or in vocational training).

Old-Age Benefits

Old-age pension

Old-age pension (social insurance): For a full pension based on a complete contribution period for the insured's age cohort (defined by the year of birth), the pension is between 1,105 francs and 2,210 francs a month depending on the annual average earnings during the total coverage period.

Annual average earnings are calculated on the basis of employment income, contributions made while nonemployed, and recognized care-giving periods for children or persons in need of care. If married, the annual average earnings are split equally between both partners for the marriage period.

Child's supplement: 40% of the minimum old-age pension payable to the insured's age cohort is paid for each child younger than age 18 (age 25 if a student or in vocational training); 50% is paid if the disability pension is replaced by the old-age pension.

Wife's supplement: Between 10% and 35% of the old-age pension, according to the insured's age cohort.

Partial pension: A reduced pension is paid for an incomplete contribution period, according to the insured's age cohort.

Early pension: The pension is reduced for each year it is awarded before the normal pensionable age: for up to 1 year before, the pension is reduced by 3%; for 2 years, by 7%; for 3 years, by 11.5%; or for 4 years, by 16.5%. For

women born before 1952 who retire at age 62, the pension is reduced by 1.5%.

Deferred pension: The pension is increased by 5.22% for 1 year of deferral up to 40.71% for the maximum deferral of 6 years.

Christmas bonus: 100% of the monthly pension is paid in December.

Benefit adjustment: Benefits are adjusted every 2 years for changes in the consumer price index and wage index; may be adjusted annually if the annual consumer price index increases by more than 4%. If the consumer price index increases by less than 5% in a 2-year period, the adjustment may be postponed.

Mandatory occupational old-age pension: Benefits may be paid as an annuity or as a lump sum, depending on the plan's regulations.

The minimum pension is based on the insured's accumulated capital and the annuity rate of the pension institution. Annuity rates are defined by plan regulations.

Benefit adjustment: Benefits are adjusted according to the financial situation of each institution.

Permanent Disability Benefits

Disability pension

Disability pension (social insurance): The full pension is based on a complete contribution period for the insured's age cohort (defined by the year of birth). If the level of disability is at least 67% (total disability), the pension is between 1,075 francs and 2,150 francs a month depending on the insured's annual average earnings during the total coverage period.

Annual average earnings are calculated on employment income, contributions made while nonemployed, and recognized care-giving periods for children or persons in need of care. If married, the annual average earnings are split equally between both partners for the marriage period.

If the disability began before age 25 and the insured has at least the minimum required contribution period, the disability pension paid must be at least 133.3% of the minimum rate of the full pension payable for the insured's age cohort.

Partial disability: If the assessed degree of disability is between 50% and 66.6%, the pension is equal to 50% of the full pension; if the assessed degree of disability is between 40% and 49%, the pension is equal to 25% of the full pension.

Partial pension: A reduced pension is paid for an incomplete contribution period.

Disability supplement: The supplement is proportional to the value of average annual income. The supplement is set by the government.

Child's supplement: 50% of the disability pension is paid for each child younger than age 18 (age 25 if a student or in vocational training).

Christmas bonus: 100% of the monthly pension is paid in December.

Benefit adjustment: Benefits are adjusted every 2 years for changes in the consumer price index and wage index; may be adjusted annually if the annual consumer price index increases by more than 4%. If the consumer price index increases by less than 5% in a 2-year period, the adjustment may be postponed.

Mandatory occupational disability pension: Benefits may be paid as an annuity or as a lump sum, depending on the plan's regulations. The full pension must be at least equal to 30% of the insured's covered earnings.

Partial disability: A reduced pension is paid.

Child's supplement: Up to 6% of covered earnings is paid for each child younger than age 18 (age 20 if a student or in vocational training).

Benefit adjustment: Benefits are adjusted according to the financial situation of each institution.

Survivor Benefits

Survivor pension

Survivor pension (social insurance): The full pension is based on a complete contribution period for the insured's age cohort (defined by the year of birth) and is equal to 80% of the pension paid or payable to the deceased.

The full pension is paid to a widow(er) with children or a widow(er) without children aged 45 or older at the time of the insured's death who was married to the insured for at least 5 years.

The widow(er) pension ceases on remarriage.

Temporary survivor pension: A pension is paid for a limited 2-year period to a widow(er) who was married to the deceased for less than a year; for 3 years if married for less than a year and younger than age 40 at the time of the insured's death; for 4 years if married for between 1 and 5 years and older than age 40 at the time of the insured's death; or for 5 years if married for between 1 and 5 years and between ages 40 and 45 at the time of the insured's death.

For a surviving separated or divorced spouse, the total pension payable is equal to the value of any alimony owing to him or her.

Partial survivor pension: A reduced pension is paid for an incomplete contribution period.

Orphan's pension (social insurance): Each orphan younger than age 18 (age 25 if a student or in vocational training) receives 40% of the pension paid or payable to the deceased; full orphans receive a pension for each insured parent.

Partial orphan's pension: A reduced pension is paid for an incomplete contribution period.

Benefit adjustment: Benefits are adjusted every 2 years for changes in the consumer price index and wage index; may be adjusted annually if the annual consumer price index increases by more than 4%. If the consumer price index increases by less than 5% in a 2-year period, the adjustment may be postponed.

Mandatory occupational survivor pension: Benefits may be paid as an annuity or as a lump sum, depending on the plan's regulations. The survivor pension must be at least equal to 18% of the insured's covered earnings for the spouse and 6% of the insured's covered earnings for each orphan.

In the case of a death of a recipient of an old-age or disability pension, the survivor pension is equal to 60% of the deceased's pension for the spouse and 20% for each orphan.

The survivor pension ceases if the surviving spouse remarries.

Benefit adjustment: Benefits are adjusted according to the financial situation of each institution.

Administrative Organization

Social insurance: Old Age, Survivor, and Disability Insurance Institutes (<http://www.ahv.li>) administer the program. The institutes are responsible for registering insured persons, regulating and collecting contributions, and providing benefits.

Mandatory occupational pension: Financial Market Authority (<http://www.fma-li.li>) supervises and regulates pension institutions and ensures compliance.

Mandatory occupational pension plans are administered by private pension institutions under government supervision.

Sickness and Maternity

Regulatory Framework

First law: 1910.

Current laws: 1971 (sickness), implemented in 1972, with amendments; and 1981 (maternity), implemented in 1982.

Type of program: Social insurance (cash benefits) and universal (medical benefits) system.

Coverage

Cash sickness and maternity benefits: Employed persons aged 15 or older.

Voluntary coverage for self-employed persons.

Medical benefits: All persons residing or employed or self-employed in Liechtenstein.

Source of Funds

Insured person: A variable percentage of covered earnings (the average is between 1.5% and 2%) or a fixed sum (the average amount is 221 francs for adults and 110.50 francs for young persons between ages 17 and 20); children up to age 16 are exempt. The contributions of an insured person between ages 17 and 20 must not be more than half the value of the contributions of an adult.

The maximum annual earnings for contribution purposes are 126,000 francs.

Self-employed person: Voluntary contributions only.

Employer: The contribution must be equal to at least 50% of the insured person's contribution.

The maximum annual earnings for contribution purposes are 126,000 francs.

Government: Varying contributions are made toward the cost of medical benefits and are paid to health insurance funds according to the age and gender balance of each fund. The government covers 90% of the cost of medical benefits for children younger than age 17 and covers up to 50% of the costs of medical benefits for the other insured persons. The government subsidizes contributions for insured persons with low incomes.

Qualifying Conditions

Cash sickness benefits: The insured must contribute to a health insurance fund.

Cash maternity benefits: The insured must have 270 days of membership in a health insurance fund without an interruption of membership longer than 3 months.

Sickness and Maternity Benefits

Sickness benefit: The benefit is equal to at least 80% of the insured's covered earnings. The benefit is paid after a 2-day waiting period for a total of 720 days in a period of 900 consecutive days.

Partial sickness benefit: A reduced sickness benefit is paid for a partial incapacity of at least 50%.

Maternity benefit: The benefit is equal to at least 80% of the insured's covered earnings. The benefit is paid for 20 weeks, of which at least 16 weeks must be after the expected date of childbirth.

Maternity allowance: A variable tax-exempt lump sum (between 500 francs and 4,500 francs), based on the taxable income of both spouses (or the taxable income of the woman if she is a lone parent), is paid to a woman who is not eligible for the maternity benefit. If the woman is also eligible for the maternity benefit and if the maternity benefit payable is lower than the maternity allowance, only the difference between the allowance and the maternity benefit is paid.

Workers' Medical Benefits

Medical services are provided by approved doctors, public hospitals, private hospitals, clinics under contract with health insurance funds, and by members of other health professions such as nurses or physiotherapists.

Medical benefits include primary and specialist treatment, hospitalization, ambulance services, pharmaceuticals, maternity care, and convalescence.

There is normally no limit to duration.

Cost sharing: 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 up to a maximum of 800 francs. Cost-sharing rates are halved for pensioners and adolescents older than age 16 but younger than age 20; there is no cost sharing for children younger than age 16, for chronic diseases, or for preventive or maternity care.

Dependents' Medical Benefits

Individuals are insured in their own right and there is no family coverage.

Medical services are provided by approved doctors, public hospitals, private hospitals, clinics under contract with health insurance funds, and by members of other health professions such as nurses or physiotherapists.

Medical benefits include primary and specialist treatment, hospitalization, ambulance services, pharmaceuticals, maternity care, and convalescence.

There is normally no limit to duration.

Cost sharing: 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 up to a maximum of 800 francs. Cost-sharing rates are halved for pensioners and adolescents older than age 16 but younger than age 20; there is no cost sharing for children younger than age 16, for chronic diseases, or for preventive or maternity care.

Administrative Organization

Office for Health (<http://www.ag.llv.li>) supervises and regulates Health Insurance Funds.

Health Insurance Funds recognized by the government and the Federation of Health Insurance Funds administer contributions and benefits.

Federation of Health Insurance Funds ensures compliance.

Work Injury

Regulatory Framework

First law: 1910.

Current law: 1990 (accident insurance), implemented in 1991.

Type of program: Social insurance system.

Coverage

Employed persons.

Voluntary coverage for self-employed persons.

Source of Funds

Insured person: None.

Self-employed person: A contribution is made according to the extent of coverage required and the assessed degree of risk.

The maximum annual earnings for contribution and benefit purposes are 126,000 francs.

Employer: Premiums vary according to the assessed degree of risk.

The maximum annual earnings for contribution and benefit purposes are 126,000 francs.

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

If the insured has an assessed loss in working capacity of at least 10%, the benefit is equal to 80% of the insured's earnings. The benefit is paid after a 1-day waiting period.

The maximum annual earnings for benefit calculation purposes are 126,000 francs.

Permanent Disability Benefits

Permanent disability benefits: The full pension is equal to 80% of the insured's earnings and is paid for a reduction in working capacity of more than 50%.

The maximum annual earnings for benefit calculation purposes are 126,000 francs.

Partial disability: 50% of the pension is paid for a reduction in working capacity of 25% to 50%.

Constant-care allowance: Paid if the insured requires constant care or assistance to complete daily tasks.

Integrity damage grant: The grant is paid for a permanent and major physical or mental disability that was the result of an accident. The value of the lump sum depends on the assessed degree of disability, up to a maximum of 126,000 francs.

Workers' Medical Benefits

All necessary expenses and care are covered in full.

There is no limit to duration.

Survivor Benefits

Survivor pension: The pension is equal to 40% of the deceased's earnings.

The maximum annual earnings for benefit calculation purposes are 126,000 francs.

The pension is paid to a surviving widow(er) or to a separated or divorced spouse (if the deceased was required to pay alimony) if he or she has dependent children, is at least 66.6% disabled, or is aged 45 or older.

Survivor pension for a divorced spouse: The pension is equal to 20% of the deceased's earnings. The pension is paid up to the value of the alimony owed to the separated or divorced spouse.

Orphan's pension: Each orphan younger than age 18 (age 25 if a student or in vocational training) receives 15% of the deceased's earnings; 25% for a full orphan.

The maximum annual earnings for benefit calculation purposes are 126,000 francs.

All survivor benefits combined must not exceed 70% of the deceased's covered earnings (90% if a divorced spouse is also receiving a survivor pension). If survivors also receive pensions under Old Age, Disability, and Survivors, only the difference between 90% of the deceased's covered earnings and the value of the other pensions is payable. (Survivors also receive cost-of-living allowances.)

Benefit adjustment: Benefits are adjusted every 2 years for changes in the consumer price index and wage index; may be adjusted annually if the annual consumer price index increases by more than 4%. If the consumer price index increases by less than 5% in a 2-year period, the adjustment may be postponed.

Survivor allowance: A lump sum is paid to a surviving spouse or to a divorced or separated spouse who is not eligible for a pension. The lump sum varies from one to five times the annual pension, depending on the duration of marriage. The maximum lump sum for a marriage that lasted 1 year is equal to 1 year's pension; 5 years' pension is paid for 5 years of marriage.

Administrative Organization

Office for Health (<http://www.ag.llv.li>) supervises and regulates Accident Insurance Funds and ensures compliance.

Registered Compulsory Accident Insurance Funds administer contributions and benefits.

Unemployment

Regulatory Framework

First and current law: 1969 (unemployment), implemented in 1970.

Type of program: Social insurance system.

Coverage

Employed persons and apprentices.

Source of Funds

Insured person: 0.25% of covered earnings.

The maximum annual earnings for contribution purposes are 97,200 francs.

Self-employed person: Not applicable.

Employer: 0.25% of covered payroll.

The maximum annual earnings for contribution purposes are 97,200 francs.

Government: Under certain conditions, the government finances up to 20% of the cost of benefits. The government also finances up to 20% of the cost of any deficit.

Qualifying Conditions

Unemployment benefit: The insured must have at least 6 months of coverage in the last 2 years before claiming unemployment benefits, must be available for work, and must satisfy any other necessary requirements.

Short-time work compensation: The insured has worked for a maximum of 18 months in the last 2 years. The compensation is paid for a temporary work stoppage, a reduction in working hours of at least 2 days a month, or a reduction in working hours due to bad weather for certain professional groups in the construction industry between December 1 and March 15 (with the exception of the period between December 24 and January 6).

Unemployment Benefits

Unemployment benefit: The benefit is equal to 80% of daily covered earning and is paid for up to 250 days for insured persons up to age 49 (400 days if aged 50 to 59; 500 days if aged 60 to 64) in a 2-year period. The benefit is equal to 70% of the insured's daily covered earnings if the insured has no dependents, is not disabled, and has daily earnings of more than 130 francs.

Benefits are calculated according to the last salary; in certain cases may be calculated according to the average salary in the last 6 to 12 months.

Dependent's supplement: Ten francs a day is paid for one dependent; 5 francs a day for each additional dependent.

The maximum benefit is equal to 85% of the insured's daily covered earnings (including supplements for dependents).

Short-time work compensation: The worker receives compensation for the period of reduced working time. The benefit is equal to 80% of the insured's covered earnings for the period of lost working time and is paid for up to 3 months. The national unemployment insurance fund pays 80%, and the employer pays 20%, of the total benefit.

Administrative Organization

Office for the Economy (<http://www.avw.llv.li>) supervises and regulates the National Unemployment Insurance Fund and ensures compliance.

National Unemployment Insurance Fund administers contributions and benefits.

Family Allowances

Regulatory Framework

First law: 1958.

Current law: 1985 (family allowance), implemented in 1986.

Type of program: Social insurance system.

Coverage

All persons residing or employed or self-employed in Liechtenstein.

Source of Funds

Insured person: Employees make no contributions.

Nonemployed persons make variable contributions of between 63 francs and 2,100 francs, depending on their assets and income.

Nonemployed persons pay an additional 4% of their individual contribution amount for administrative costs.

Self-employed person: 2.1% of gross earnings.

Self-employed persons pay an additional 4% of their individual contribution amount for administrative costs.

There are no maximum earnings for contribution purposes.

Employer: 2.1% of payroll and an additional 3.6% of payroll for administrative costs.

There are no maximum earnings for contribution purposes.

Government: Any deficit.

Qualifying Conditions

Family allowances: Paid for children younger than age 18.

Family Allowance Benefits

Family allowance: 280 francs a month per child is paid for the first two children younger than age 11; 330 francs a month per child is paid for the first two children older than age 10; 330 francs a month per child for the third and each subsequent child or for twins. The same rules apply to full orphans.

Single-parent supplement: 110 francs a month is paid per child to a single parent.

Birth grant: 2,300 francs is paid per child; 2,800 francs per child for multiple births.

Birth grants are also paid for the adoption of a child younger than age 5.

If eligible parents receive family allowances from another country that are paid at a rate lower than those paid in Liechtenstein, only the difference between the amounts is paid.

Administrative Organization

National Family Allowances Fund (<http://www.ahv.li>) administers contributions and benefits.

Lithuania

Exchange rate: US\$1.00 equals 2.35 litas.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1922.

Current laws: 1994 (social insurance), with 2005 amendment; 1994 (social assistance), with amendments; 1999 (pension funds), with 2003 amendment, implemented in 2004; 2002 (pension system), with 2004 amendment; and 2003 (individual account), implemented in 2004, with 2005 amendment.

Type of program: Social insurance and social assistance system.

Note: Since January 1, 2004, employed persons may voluntarily transfer part of their social insurance contributions to an individual account to complement the social insurance old-age pension program. The decision to contribute to an individual account cannot be reversed.

Coverage

Private- and public-sector employees, military personnel, conscripts, the clergy, self-employed persons, parents and guardians of children younger than age 3, and persons providing care at home for disabled persons.

Voluntary coverage is possible.

Source of Funds

Insured person: 2.5% of earnings.

Voluntarily insured persons contribute an amount equal to 50% of the basic pension for the basic pension, plus 15% of declared earnings for the supplementary pension.

The basic pension is 316 litas.

The minimum earnings for contribution purposes are equal to the minimum monthly wage (700 litas).

Self-employed person: Contributes an amount equal to 50% of the basic pension for the basic pension, plus 15% of declared earnings for the supplementary pension.

The basic pension is 316 litas.

The minimum declared earnings for contributions purposes are equal to the monthly minimum wage (700 litas).

There are no maximum earnings for contribution purposes.

Employer: 23.7% of payroll.

The minimum earnings for contributions purposes are equal to the minimum monthly wage (700 litas).

Government: Any deficit; contributes as an employer.

Qualifying Conditions

Old-age pension (social insurance): Age 62 and 6 months with at least 30 years of contributions (men) or age 60 with at least 30 years of contributions (women).

A partial pension is paid at the normal pensionable age with at least 15 years of contributions.

Early pension: An early pension is possible up to 5 years before the normal pensionable age for persons with at least 30 years of contributions and for persons registered as unemployed for the last 12 months and not receiving other benefits.

Deferred pension: If the insured has at least 30 years of contributions at the normal pensionable age, the pension may be deferred for at least 1 year and up to a maximum of 5 years.

Old-age pensions are payable abroad under reciprocal agreement; in the absence of a reciprocal agreement, benefits are payable abroad to insured persons with at least 15 years of contributions.

Old-age pension (social assistance): Age 62 and 6 months (men) or age 60 (women). The beneficiary must not be eligible for the social insurance old-age pension.

Disability pension (social insurance): The pension is paid for an assessed loss in working capacity of at least a 45%. The required coverage period increases with age. If younger than age 22, the insured must have at least 2 months of contributions; thereafter, the required coverage period increases by 2 months per year up to age 37; by 6 months per year from age 38, up to a maximum of 15 years of contributions.

The Disability and Capacity for Work Establishment Office assesses the loss of working capacity. The disability pension ceases at the normal pensionable age, and the old-age pension is paid.

Disability pensions are payable abroad under reciprocal agreement; in the absence of a reciprocal agreement, benefits are payable abroad to insured persons with at least 15 years of contributions.

Survivor pension (social insurance): The benefit is paid if the deceased received the old-age pension or disability pension and had at least 15 years of contributions.

Eligible survivors are a widow(er) of pensionable age or assessed as disabled before, or within 5 years after, the spouse's death or before reaching the normal pensionable age; a widow(er) without children who was married to the deceased for at least 5 years; in the absence of a surviving spouse, a partner who had children with the deceased or provides care at home for the deceased's children.

Survivor pensions are payable abroad under reciprocal agreement; in the absence of a reciprocal agreement, benefits are payable abroad to insured persons with at least 15 years of contributions.

Old-Age Benefits

Old-age pension (social insurance): The monthly pension is equal to 110% of the basic pension plus the supplementary pension. The basic pension is 316 litas a month. The monthly supplementary pension is equal to 0.005 times the number of years of contributions times the insured's coefficient times the insured income level.

The insured's coefficient is calculated using annual earnings based on the 5 most favorable consecutive years in the period between January 1, 1984 and December 31, 1993, and annual earnings based on each year from January 1, 1994.

The insured income level is 1,356 litas (February 2007). The insured income level is set annually by the government.

Pension supplement: For insured persons with a contribution period greater than 30 years at the pensionable age, a supplement is paid equal to 3% of the pension for each year of contributions exceeding 30 years.

Partial pension: Paid to an insured person who has between 15 and 30 years of contributions. The basic part of the pension is reduced in proportion to the number of years of contributions less than 30 years.

Early pension: The pension is reduced by 0.4% for each month the pension is awarded before the normal pensionable age.

Deferred pension: The pension is increased by 8% for each year the pension is deferred.

Benefit adjustment: Benefits are adjusted according to changes made by the government in the value of the basic pension and the insured income level.

Old-age pension (social assistance): The monthly benefit is equal to 0.9 times the basic pension.

The basic pension is 316 litas a month.

Permanent Disability Benefits

Disability pension (social insurance): The pension is paid to insured persons with an assessed loss of working capacity from 45% to 100%. The monthly pension is equal to 110% of the basic pension plus the supplementary pension. The basic pension is 316 litas a month. (If the assessed loss of working capacity is from 75% to 100%, the basic part of pension is equal to 1.5 times the basic pension.) The supplementary pension is equal to 0.005 times the number of years of contributions times the insured's coefficient times the insured income.

The insured's coefficient is calculated using annual earnings based on the 5 most favorable consecutive years in the period between January 1, 1984 and December 31, 1993, and annual earnings based on each year from January 1, 1994.

The insured income level is 1,356 litas (February 2007). The insured income level is set annually by the government.

Pension supplement: For insured persons with a contribution period greater than 30 years when the disability began, a supplement is paid equal to 3% of the pension for each year of contributions exceeding 30 years.

Partial disability: If the loss of working capacity is from 45% to 55%, the pension is equal to 50% of the basic pension plus the supplementary pension.

There is no minimum disability pension.

There is no maximum disability pension.

Benefit adjustment: Benefits are adjusted according to changes made by the government in the value of the basic pension and the insured income level.

Survivor Benefits

Survivor pension (social insurance): The pension is equal to the survivor basic pension approved by government (70 litas).

The survivor pension ceases on remarriage.

Benefit adjustment: Survivor benefits are adjusted according to changes made by the government in the value of the survivor basic pension.

Orphan's pension (social insurance): Each orphan receives 50% of the deceased's old-age or disability pension.

Full orphans receive a pension for both parents.

All orphans' benefits must not exceed 100% of the deceased's pension.

Benefit adjustment: Orphans' benefits are adjusted according to changes made by the government in the value of the basic pension and the insured income level.

Administrative Organization

Ministry of Social Security and Labor (<http://www.socmin.lt>) supervises the program.

State Social Insurance Fund Board (<http://www.sodra.lt>) administers the program, collects contributions, and pays benefits.

Sickness and Maternity

Regulatory Framework

First law: 1925

Current laws: 1991 (social insurance); and 2000 (sickness and maternity), with amendments.

Type of program: Social insurance system.

Coverage

Private-sector employees and certain public-sector employees.

Exclusions: Public-sector employees covered by a state employees' program.

Voluntary coverage for self-employed persons and for all other persons older than age 16, including citizens of any member state of the European Union, residing permanently in Lithuania.

Source of Funds

Insured person: 0.5% of earnings.

Self-employed person: Voluntary monthly contribution from 10 litas to 200 litas.

Employer: 2.8% of payroll for cash benefits and 3% of payroll for medical benefits.

Government: Any deficit.

Qualifying Conditions

Sickness benefits: The insured must have at least 3 months of contributions in the last 12 months or at least 6 months of contributions in the last 24 months.

Occupational rehabilitation benefits: The insured must participate in an occupational rehabilitation program and have at least 3 months of contributions in the last 12 months or at least 6 months of contributions in the last 24 months before participating in the program.

Maternity benefits: The insured must have at least 3 months of contributions in the last 12 months or at least 6 months of contributions in the last 24 months before the first day of the maternity leave.

Paternity benefits: The paternity leave period must be taken before the child reaches the age of 1 month. The insured must have at least 7 months of contributions before the first day of the paternity leave.

Child care benefits: Paid to one of the parents (including adoptive parents) or a guardian providing care for a child younger than age 1. The insured must have at least 7 months of contributions in the last 24 months before the first day of the child care leave.

Sickness and Maternity Benefits

Sickness benefit: The sickness benefit is equal to 85% of the insured's average earnings in the last 3 months before the incapacity began.

The employer pays benefits for the first 2 days of incapacity from 80% to 100% of the insured's average earnings.

The minimum benefit is equal to 25% of the insured income level (1,356 litas a month from February 2007). The insured income level is set annually by the government.

The maximum benefit is equal to 5 times the insured income level (1,356 litas a month from February 2007). The insured income level is set annually by the government.

Occupational rehabilitation benefit: The benefit is equal to 85% of the insured's average earnings and is paid for up to 180 days.

Maternity benefit: The benefit is equal to 100% of the insured's average earnings and is paid for 126 days.

The minimum benefit is equal to 25% of the insured income level (1,356 litas a month from February 2007). The insured income level is set annually by the government.

The maximum benefit is equal to 5 times the insured income level (1,356 litas a month from July 2006). The insured income level is set annually by the government.

Paternity benefit: The benefit is equal to 100% of the insured's average earnings.

The minimum benefit is equal to 33% of the insured income level (1,356 litas a month from February 2007). The insured income level is set annually by the government.

The maximum benefit is equal to 5 times the insured income level (1,356 litas a month from February 2007).

Child care benefit: The benefit is equal to 100% of the insured's average earnings if the child is younger than 6 months or 85% if the child is younger than age 1.

The minimum child care benefit is equal to 33% of the insured income level (1,356 litas a month from February 2007). The insured income level is set annually by the government.

The maximum child care benefit is equal to 5 times the insured income level (1,356 litas a month from February 2007). The insured income level is set annually by the government.

Workers' Medical Benefits

Medical benefits include the provision of health care services and reimbursement of the cost of medicines.

Dependents' Medical Benefits

Medical benefits: Medical benefits include the provision of health care services and reimbursement of the cost of medicines.

Administrative Organization

Ministry of Social Security and Labor (<http://www.socmin.lt>) supervises the program.

State Social Insurance Fund Board (<http://www.sodra.lt>) administers the program, collects contributions, and pays benefits.

Work Injury

Regulatory Framework

First law: 1936 (accident insurance).

Current law: 1999 (work injury), with amendments.

Type of program: Social insurance system.

Coverage

Private-sector employees and certain public-sector employees; students in vocational schools, colleges, and universities; persons sent for vocational training or retraining by the Lithuanian Labor Exchange; and convicted persons in prison.

Exclusions: Public-sector employees covered by a state employees' program.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: 0.28% to 1% of earnings, according to three employment categories.

The minimum earnings for contributions purposes are equal to the monthly minimum wage (700 litas).

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period for work injuries or recognized occupational diseases. Accidents that occur while commuting to and from work are covered.

Temporary Disability Benefits

The benefit is equal to 100% of the insured's average earnings and is paid from the first day of disability until the date of rehabilitation for work or certification of permanent disability.

The Disability and Capacity for Work Establishment Office assesses the loss of working capacity.

The minimum benefit is equal to 25% of the insured income level (1,356 litas a month from February 2007). The insured income level is set annually by the government.

The maximum benefit is equal to 5 times the insured income level (1,356 litas a month from February 2007). The insured income level is set annually by the government.

Permanent Disability Benefits

Permanent disability pension: With a loss of working capacity of 30% or more, the benefit is equal to 50% of the amount calculated on the basis of the percentage loss in working capacity times the compensation coefficient times the insured income level of the current year.

The compensation coefficient is calculated on the basis of average insured annual earnings and must not be lower than 0.25 or higher than 3. The insured income level is 1,356 litas a month (February 2007). The insured income level is set annually by the government.

The Disability and Capacity for Work Establishment Office assesses the loss of working capacity.

Benefit adjustment: Benefits are adjusted according to changes in the assessed loss of working capacity and the insured income level.

Permanent disability grant: With a loss of working capacity of 5% to 19%, a lump sum is paid equal to 10% of the insured's average earnings in the last 24 months.

With a loss of working capacity from 20% to 29%, a lump sum is paid equal to 20% of the insured's average earnings in the last 24 months.

The minimum lump-sum payment is equal to 25% of the insured income level (1,356 litas a month from February 2007). The insured income level is set annually by the government.

The maximum lump-sum payment is equal to 3.5 times the insured income level (1,356 litas a month from February 2007). The insured income level is set annually by the government.

The Disability and Capacity for Work Establishment Office assesses the loss of working capacity.

Survivor Benefits

Survivor pension: The monthly pension is equal to the permanent disability pension that would have been payable to the deceased with a 100% loss in working capacity.

Eligible survivors are a widow(er) of retirement age or assessed as disabled or partially disabled, orphans younger than age 18 (age 24 if a student), and other dependent persons.

Benefit adjustment: Benefits are adjusted according to changes in the insured income level (1,356 litas a month from February 2007). The insured income level is set annually by the government.

Survivor allowance: A lump sum equal to 100 times the insured income is paid to the deceased's family. The insured income is 1,356 litas a month (February 2007).

Benefit adjustment: Benefits are adjusted according to changes in the insured income level (1,356 litas a month from February 2007). The insured income level is set annually by the government.

Administrative Organization

Ministry of Social Security and Labor (<http://www.socmin.lt>) supervises the program.

State Social Insurance Fund Board (<http://www.sodra.lt>) administers the program, collects contributions, and pays benefits.

Unemployment

Regulatory Framework

First law: 1919.

Current laws: 1991 (social insurance), with 2004 amendment, implemented in 2005; 2003 (unemployment), implemented in 2005; and 2006 (employment support).

Type of program: Social insurance system.

Coverage

Private- and public-sector employees, certain public officials, and military personnel.

Exclusions: Self-employed persons.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: 1.2% of payroll.

Government: Any deficit; contributes as an employer.

Qualifying Conditions

Unemployment benefit: The insured must be registered at the local Labor Exchange as unemployed and have paid at least 18 months of contributions in the last 36 months; there is no contribution requirement if the insured is involuntarily unemployed or has just completed compulsory basic military service or state defense service.

Unemployment Benefits

The monthly benefit is equal to the state-supported income of 235 litas plus a variable amount, calculated on the basis of the insured's income in the last 36 months, the state-supported income, and the insured income level (1,356 litas a month from February 2007). The insured income level is set annually by the government.

The maximum variable amount of the unemployment benefit is equal to the difference between 70% of the insured income level (1,356 litas a month from February 2007) and the state-supported income (235 litas a month).

The benefit is paid from the eighth day after registration for up to 6 months if the insured has less than 25 years of contributions, for up to 7 months with 25 to 29 years of contributions, for up to 8 months with 30 to 34 years of contributions, or for up to 9 months with 35 years or more of contributions.

Benefit is suspended for 3 months if unemployment is voluntary.

Administrative Organization

Ministry of Social Security and Labor (<http://www.socmin.lt>) supervises the program.

Lithuanian Labor Exchange of the Ministry of Social Security and Labor (<http://www.socmin.lt>), with 46 local offices, administers the program and pays benefits.

State Social Insurance Fund Board (<http://www.sodra.lt>) collects contributions and disburses contributions each month to the Lithuanian Labor Exchange of the Ministry of Social Security and Labor.

Family Allowances

Regulatory Framework

First law: 1990.

Current laws: 1994 (social income), with 2005 amendment; 1994 (family allowances), implemented in 1995, with 2004 (family benefits) amendment; 1994 (social assistance), with 2004 amendment; and 2003 (social assistance), implemented in 2004, with 2005 amendment.

Type of program: Universal system.

Coverage

All persons residing permanently in Lithuania.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Social assistance pension (means-tested): Paid for children under guardianship or with an assessed need for special care and younger than age 18 (age 24 if a student); if the child also receives a survivor pension or any other periodic benefit, the benefit is reduced accordingly. Also paid for disabled children and persons assessed as disabled before age 24; for parents, guardians, or caregivers of retirement age or assessed as disabled who have been providing care at home for at least 15 years for a disabled person with an assessed need for continuous nursing or care; for mothers who have given birth to five or more children, have reared them up to age 8, and who are of retirement age or are assessed as disabled; and for persons who are of retirement age or are assessed as disabled.

Means test: The means test is based on family income and property.

Long-term care allowance: The allowance is paid to disabled children.

Family Allowance Benefits

Social assistance pension (means-tested): The benefit ranges from 1 to 2 times the basic pension, according to the assessed loss of working capacity or the assessed degree of need.

The basic pension is 316 litas a month.

The value of benefits for children depends on the number and age of children in a family; special benefits are allocated to children of soldiers in military service.

Lump-sum grants for housing, heating, water, and drainage expenses are also provided.

Long-term care allowance: The allowance is equal to 100% of the basic pension for a severe degree of disability; 50% for a medium degree of disability.

The basic pension is 316 litas a month.

Administrative Organization

Municipalities administer social assistance family benefits.

Luxembourg

Exchange rate: US\$1.00 equals 0.68 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1911 (wage earners) and 1931 (salaried employees).

Current laws: 1987 (unified pension insurance), 1989 (pension scheme), 1998 (special schemes), and 2000 (pension scheme).

Type of program: Social insurance system.

Coverage

All economically active persons in the private and public sectors, including self-employed persons.

Special systems for railway employees who entered employment before January 1, 1999, and for public-sector employees who entered employment on or after January 1, 1999.

Source of Funds

Insured person: 8% of covered earnings.

The minimum monthly earnings for contribution and benefit calculation purposes are equal to the social minimum wage (€1,570.28).

The maximum monthly earnings for contribution and benefit calculation purposes are equal to five times the social minimum wage (€7,851.40).

Self-employed person: 16% of covered income.

The minimum monthly income for contribution and benefit calculation purposes is equal to the social minimum wage (€1,570.28).

The maximum monthly income for contribution and benefit calculation purposes is equal to five times the social minimum wage (€7,851.40).

Employer: 8% of covered payroll.

The minimum monthly earnings for contribution calculation purposes are equal to the social minimum wage (€1,570.28).

The maximum monthly earnings for contribution calculation purposes are equal to five times the social minimum wage (€7,851.40).

Government: 8% of covered earnings.

The minimum monthly earnings for contribution calculation purposes are equal to the social minimum wage (€1,570.28).

The maximum monthly earnings for contribution calculation purposes are equal to five times the social minimum wage (€7,851.40).

Qualifying Conditions

Old-age pension: Age 65 (men and women) with at least 120 months of coverage.

Early pension: Age 60 with at least 480 months of paid or credited contributions, including at least 120 months of paid contributions; age 57 with 480 months of paid contributions. Retirement is necessary.

Disability pension: The insured must be younger than age 65 and unable to perform the usual occupation or any other similar occupation. The insured must have at least 12 months of coverage in the 3 years before the disability began. There is no minimum qualifying period for a disability that is the result of an accident.

Survivor pension: The deceased had at least 12 months of coverage in the 3 years before death or was a pensioner at the time of death.

Eligible survivors are the deceased's spouse or declared partner if the date of marriage or the legal declaration of partnership was before the date the deceased retired (waived if the death resulted from an accident, if the deceased had children with his or her spouse or partner, if the marriage or partnership lasted at least 10 years, or if the marriage or partnership exceeded a year and the age gap between the two spouses or partners was less than 15 years); a surviving divorced spouse or separated partner if they had not remarried before the insured's death; orphans younger than age 18 (age 27 if a student or in vocational training); and the deceased's carer younger than age 40, in the absence of a surviving spouse or partner.

Old-Age Benefits

Old-age pension: The monthly pension comprises two elements: a flat-rate component of €365.74 a month if the insured has at least 40 years of coverage and an annual increment equal to 1.85% of adjusted lifetime covered earnings.

Partial pension: The flat-rate component of the pension is reduced by 1/40 for each year of coverage less than 40.

The minimum monthly pension is €1,400.79 if the insured has at least 40 years of coverage. The minimum pension is reduced by 1/40 for each year of coverage less than 40. A minimum pension is not paid if the insured has less than 20 years of coverage.

The maximum monthly pension is €6,484.76.

Old-age pensions are payable abroad.

Benefit adjustment: Benefits are indexed to changes in the cost of living and are periodically adjusted according to changes in wages.

Permanent Disability Benefits

Disability pension: The monthly pension comprises two elements: a flat-rate component of €353.36 a month if the insured has at least 40 years of coverage and an annual increment equal to 1.85% of adjusted lifetime covered earnings.

If the disability began before age 55, an additional annual increment is paid for the period between the date the disability began and age 55. The additional increment is based on 1.85% of the insured's average earnings from age 25 to the date the disability began plus a special flat-rate increment equal to 1/40 of €365.74 for each remaining year between the date the disability began and age 65.

Partial pension: The flat-rate component is reduced by 1/40 for each year of coverage less than 40.

The minimum monthly disability pension is €1,400.71 if the insured has at least 40 years of coverage.

Disability pensions are payable abroad.

Benefit adjustment: Benefits are indexed to changes in the cost of living and are periodically adjusted according to changes in wages.

Survivor Benefits

Survivor pension: The survivor pension for an eligible spouse or partner is based on the old-age pension and is equal to 100% of the flat-rate component plus 75% of the deceased's annual increment. The survivor pension for an eligible divorced spouse or separated partner is calculated according to the length of the coverage period accrued during the marriage or partnership.

The survivor pension is reduced if the total income including other pension income exceeds a given amount.

Orphan's pension: The orphan's pension is based on the old-age pension and is equal to 33% of the flat-rate component plus 25% of the deceased's annual increment. Full orphans receive a double pension.

All survivor benefits combined must not exceed 100% of the deceased's pension.

Survivor pensions are payable abroad.

Benefit adjustment: Benefits are indexed to changes in the cost of living and are periodically adjusted according to changes in wages.

Administrative Organization

Ministry of Social Security (<http://www.mss.etat.lu>) provides general supervision.

Managed by an employee-employer governing body and presided over by a government official, the Old Age and Invalidity Insurance Institution (<http://www.avi.lu>) administers the program for wage earners.

Managed by an employee-employer governing body and presided over by a government official, the Private Salaried Employees' Pension Fund (<http://www.cpep.lu>) administers the program for salaried employees.

Managed by a governing body made up of representatives of the various self-employed groups, the Pension Fund for Self-employed Artisans, Merchants, and Manufacturers (<http://www.cpaci.lu>) administers the program for self-employed persons.

Managed by a governing body of representatives of the agricultural profession, the Agricultural Pension Fund administers the program for farmers.

Public Employees Administration administers the program for civil servants.

Sickness and Maternity

Regulatory Framework

First law: 1901.

Current law: 1992 (sickness insurance and health), implemented in 1994.

Type of program: Social insurance system.

Coverage

All employees in the private and public sectors and social security beneficiaries. (Self-employed persons, artists, and farmers are covered for medical and attendance benefits.)

Voluntary coverage for those without compulsory coverage.

Special systems for self-employed persons, artists, and farmers (cash benefits).

Source of Funds

Insured person

Cash benefits: 2.35% of covered earnings (0.1% of covered earnings for employees receiving 100% of salary during sick leave).

Medical benefits: 2.7% of covered earnings; pensioners contribute 2.7% of the pension.

The minimum monthly earnings for contribution and benefit calculation purposes are equal to the social minimum wage (€1,570.28); €2,041.36 for pensioners.

The maximum monthly earnings for contribution and benefit calculation purposes are equal to five times the social minimum wage (€7,851.40).

Attendance benefits: 1.4% of gross income.

Self-employed person

Cash benefits: 0.2% of covered income.

Medical benefits: 5.4% of covered income.

The minimum monthly income for contribution and benefit calculation purposes is equal to the social minimum wage (€1,570.28); €2,041.36 for pensioners.

The maximum monthly income for contribution and benefit calculation purposes is equal to five times the social minimum wage (€7,851.40).

Attendance benefits: 1.4% of gross income.

Employer

Cash benefits: 2.35% of covered payroll (0.1% of covered payroll on behalf of employees receiving 100% of salary during sick leave).

Medical benefits: 2.7% of covered payroll.

Attendance benefits: None.

The minimum monthly earnings for contribution purposes are equal to the social minimum wage (€1,578.28).

The maximum monthly earnings for contribution purposes are equal to five times the social minimum wage (€7,851.40).

Government

Cash benefits: A subsidy equal to 10% of contributions covering cash benefits and the total cost of maternity allowances.

Medical benefits: A subsidy equal to 37% of contributions covering health care benefits.

Attendance benefits: 45% of the cost of long-term health care.

Qualifying Conditions

Cash sickness, medical, and attendance benefits: Membership in a sickness fund.

Cash maternity benefits and adoption leave: Membership in a fund for at least 6 months in the year before the year of the expected date of childbirth or the year of the child's adoption.

Sickness and Maternity Benefits

Sickness benefit: The benefit is equal to 100% of the insured's average daily covered earnings. The benefit is paid from the first day of incapacity for up to a maximum of 52 weeks in a 104-week period.

Average daily covered earnings are based on earnings in the last 3 calendar months before the sick leave began.

The minimum benefit is equal to the social minimum wage (€1,570.28).

Attendance benefits: Various cash benefits and services for the provision of care by a third person are provided to enable an individual to perform routine daily activities. Cash benefits are €52.44 an hour for care provided at home and €41.43 an hour for care provided in an institution.

Maternity benefit: The benefit is equal to 100% of the insured's average daily covered earnings. The benefit is paid for 8 weeks before and 8 weeks after the expected date of childbirth (12 weeks in the case of a premature birth, multiple births, or if the mother is breastfeeding her child).

Average daily covered earnings are based on earnings in the last 3 calendar months before the start of maternity leave.

The minimum benefit is equal to the social minimum wage (€1,570.28).

Maternity allowance: A lump sum of €3,104.32 is paid for a 16-week maternity leave period to persons who have no loss of income while on maternity leave.

Adoption leave: The benefit is equal to 100% of the insured's average daily covered earnings. The benefit is paid for 8 weeks (12 weeks if more than one child is adopted).

Average daily covered earnings are based on earnings in the last 3 calendar months before the date of the child's adoption.

The minimum benefit is equal to the social minimum wage (€1,570.28).

Workers' Medical Benefits

The insured may choose the service provider. Services are provided by doctors and hospitals under collective agreements, according to the established schedule of fees. Medical benefits include general and specialist care, hospitalization, laboratory services, maternity care, dental care, appliances, medicines, transportation, and rehabilitation services.

Cost sharing: In general, insurance covers the entire cost of medical benefits, but the insured pays 20% for a visit to a doctor, 10% for other ambulatory services, 5% for dental care fees that exceed €44.94 a year, €12.03 a day for hospitalization, and varying rates of 20% or 60% of the cost of medicines.

Dependents' Medical Benefits

Medical benefits: The insured's dependents may choose the service provider. Services are provided by doctors and hospitals under collective agreements, according to the established schedule of fees. Medical benefits include general and specialist care, hospitalization, laboratory services, maternity care, dental care, appliances, medicines, transportation, and rehabilitation services.

Cost sharing: In general, insurance covers the entire cost of medical benefits, but the insured pays 20% for a visit to a doctor, 10% for other ambulatory services, 5% for dental care fees that exceed €44.94 a year, €12.03 a day for hospitalization, and varying rates of 20% or 60% of the cost of medicines.

Administrative Organization

Ministry of Social Security (<http://www.mss.etat.lu>) provides general supervision.

Nine funds, each responsible for different occupational categories, administer benefits. Elected committees composed of representatives of insured persons and employers manage the funds.

Sickness Fund Union administers attendance benefits.

Work Injury

Regulatory Framework

First law: 1902.

Current law: 1925 (social insurance).

Type of program: Social insurance system.

Coverage

Employees, self-employed persons, domestic workers, maritime workers, civil servants, apprentices, students, and military personnel.

Source of Funds

Insured person: None.

Self-employed person: 0.52% to 6% of covered income, according to the assessed degree of risk.

The minimum monthly income for contribution and benefit calculation purposes is equal to the social minimum wage (€1,570.28).

The maximum monthly income for contribution and benefit calculation purposes is equal to five times the social minimum wage (€7,851.40).

Employer: 0.52% to 6% of covered payroll, according to the assessed degree of risk.

The minimum monthly earnings for contribution purposes are equal to the social minimum wage (€1,570.28).

The maximum monthly earnings for contribution purposes are equal to five times the social minimum wage (€7,851.40).

Government: 50% of the cost of administration.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period. Accidents that occur while commuting to and from work are covered.

Temporary Disability Benefits

The benefit is equal to 100% of the insured's average daily covered earnings and is paid from the first day of incapacity for up to 52 weeks; thereafter, the benefit is replaced by a permanent disability pension.

Average daily covered earnings are based on earnings in the last 3 calendar months before the disability began.

Permanent Disability Benefits

Permanent disability benefit: If the insured is totally disabled, the monthly pension is equal to 85.6% of covered earnings.

Covered earnings are the insured's earnings in the last year.

Partial disability: The monthly pension is equal to a percentage of the full pension according to the assessed degree of disability. (The insured can opt for a lump-sum payment with an assessed degree of disability from 10% to 40%.) If the assessed degree of disability is 10% or less, the pension is converted to a lump sum after 3 years.

Constant-attendance supplement: Attendance benefits (see Sickness and Maternity, above) are paid to beneficiaries who require the constant attendance of another person.

Child's supplement: If the insured is assessed as at least 50% disabled, 10% of the pension is paid for each child younger than age 18 (age 27 if a student, no limit if disabled).

Schedule of payments: Benefits are paid monthly in advance.

Benefits are payable abroad.

Benefit adjustment: Benefits are indexed to changes in the cost of living and are periodically adjusted according to changes in wages.

Workers' Medical Benefits

All necessary care, including medical treatment and surgery, hospitalization, medicines, appliances, and rehabilitation.

Survivor Benefits

Survivor pension: The widow(er) receives 42.8% of the deceased's average earnings or 53.5% if the surviving spouse or the declared partner is assessed as at least 50% disabled.

Average earnings are based on the insured's earnings in the last year before the accident that resulted in his or her death.

The survivor pension is reduced if total income including other pension income exceeds a given amount.

Orphan's pension: Each orphan younger than age 18 (age 27 if a student) receives 21.4% of the deceased's average earnings.

Average earnings are based on the insured's earnings in the last year before the accident that resulted in his or her death.

Other eligible survivors (in the absence of the above): 32.1% of the deceased's average earnings are paid to parents, grandparents, or the deceased's carer.

Average earnings are based on the insured's earnings in the last year before the accident that resulted in his or her death.

All survivor benefits must not exceed 85.6% of the deceased's average earnings.

The survivor pension is payable abroad.

Funeral grant: A lump sum is paid equal to 1/15 of the deceased's annual earnings or the minimum wage, whichever is greater.

Benefit adjustment: Benefits are indexed to changes in the cost of living and are periodically adjusted according to changes in wages.

Administrative Organization

Ministry of Social Security (<http://www.mss.etat.lu>) provides general supervision.

Accident Insurance Association (<http://www.aaa.lu>) administers the program for workers in industry, agriculture, and forestry.

Unemployment

Regulatory Framework

First law: 1921.

Current laws: 1975 (layoff prevention), 1976 (unemployment fund), 1990 (preretirement), and 1995 (involuntary unemployment).

Type of program: Social insurance system.

Coverage

Employed persons, self-employed persons under certain conditions, recent graduates of schools, and persons aged 16 to 28 who have completed vocational training.

Source of Funds

Insured person: Contributes an amount under a special solidarity tax.

Self-employed person: Contributes an amount under a special solidarity tax.

Employer: None.

Government: Central government's contribution is set annually by the budget law; also, the proceeds from an earmarked tax on certain products. Local governments contribute 4% of their income, and communes contribute 2%.

Qualifying Conditions

Unemployment benefits: The insured must have worked 26 weeks in the last 12 months; recent graduates must have 26 weeks of registered unemployment. Self-employed persons must have 2 years of work. The insured must register at the employment office, be capable of work, and be prepared to accept appropriate employment. Unemployment is not due to voluntary leaving or the refusal of a suitable job offer.

Unemployment Benefits

The benefit is equal to 80% of the insured's average earnings (85% if the insured has a dependent child), up to a maximum of 2.5 times the social minimum wage. The maximum benefit is reduced to twice the social minimum wage after 182 days; 1.5 times the social minimum wage after 365 days. Young unemployed persons receive 70% of the social minimum wage; unemployed self-employed persons, 80%.

Benefits are paid for up to 365 days in a 24-month period; may be extended for 6, 9, or 12 months for older unemployed persons; additional extensions are available for hard-to-place unemployed persons.

The social minimum wage is €1,570.28.

Benefit adjustment: Benefits are indexed to changes in the cost of living.

Administrative Organization

Ministry of Labor and Employment (<http://www.mt.etat.lu>) provides general supervision.

Employment Agency (<http://www.adem.public.lu>), through its local offices, administers the program and pays benefits.

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 reared and legally residing in Luxembourg.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Family allowance: The child must be younger than age 18 (age 27 for students and disabled children).

Supplementary allowance: Paid if the child is seriously disabled.

Birth allowance: The mother must undergo prescribed medical examinations and reside in Luxembourg.

Beginning of school year allowance: Paid to families with one or more children aged 6 to 18 (age 27 if a student) who are eligible for family allowances.

Child-rearing allowance: All residents rearing one or more children younger than age 2 for whom they receive family allowances. The beneficiary must rear the children on a full-time basis or the household income must be no more than three, four, or five times the social minimum wage (after the deduction of social security contributions) according to whether there are one, two, or three children, respectively. Persons who allocate more than half of normal working time to rearing children are eligible for 50% of the allowance without an income test.

Parental leave allowance: Paid to a parent for a child younger than age 5 for whom they receive family allowances. The parent must have been living and working in Luxembourg at the time of the child's birth. The parent must allocate more than half of normal working time to rearing the child and must have been employed by the same employer (or insured, for a self-employed person) during the 12 months immediately before the parental leave period.

Family Allowance Benefits

Family allowances: €185.60 a month is paid for one child, €440.72 a month for two, €802.74 a month for three, €1,164.48 a month for four, or €1,526.40 a month for five. In addition, €16.17 a month is paid for each child aged 6

to 11 and €48.52 a month is paid for each child aged 12 or older.

Supplementary allowance: €185.60 a month is paid.

Birth allowances: €1,740.09 is paid in three equal installments as a prenatal allowance, birth grant, and postnatal allowance.

Beginning of school year allowance: €113.15 is paid for a child older than age 6 (€161.67 if older than age 12), €194.02 per child if there are two children older than age 6 (€242.47 per child if both are older than age 12), and €274.82 per child if there are three or more children older than age 6 (€323.34 per child if all are older than age 12).

Child-rearing allowance: €485.01 a month is paid.

Parental leave allowance: €1,778.31 a month is paid for a maximum of 6 months.

Benefit adjustment: All allowances are indexed to changes in the cost of living.

Administrative Organization

Ministry of Family and Integration (<http://www.fm.etat.lu>) provides general supervision.

National Family Allowance Fund (<http://www.cnpf.lu>) administers allowances.

Malta

Exchange rate: US\$1.00 equals 0.68 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1956 (old age and survivors), 1956 (social assistance), 1965 (disability), and 1979 (earnings-related pension).

Current laws: 1987 (social security) and 2006 (pension system reform).

Type of program: Social insurance and social assistance system.

Coverage

Residents aged 16 or older, citizens employed outside Malta by foreign employers having a place of business in Malta, and students in certain work-study programs.

Exclusions: Married persons not gainfully employed, full-time students, and persons older than age 65.

Source of Funds

Insured person: 10% of covered wages.

The minimum weekly contribution is €14.23; a flat rate of €6.62 a week if younger than age 18.

The maximum weekly contribution is €31.94.

The maximum weekly wage for contribution purposes is €319.25.

The maximum annual wage for contribution purposes for the earnings-related part of the pension is €16,601.

The maximum annual wage for pensionable income purposes if the employer provides an occupational service pension is €16,601.

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

Self-employed person: From €24.88 to €47.89 a week, depending on net income from self-employment and other sources; if net income is less than €7,168, a flat rate of €20.68 a week.

The maximum annual net income for contribution purposes is €16,601.

The maximum net annual income for payment of the earnings-related pension is €16,601.

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

Employer: 10% of covered payroll.

The minimum weekly contribution for each employee is €14.23; a flat rate of €6.62 a week for employees younger than age 18 with earnings up to the minimum wage. The minimum weekly wage is €142.39.

The maximum weekly contribution is €31.94.

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

Government: A sum equal to 50% of the value of total contributions.

The government's contributions also finance cash sickness, work injury, and unemployment benefits.

Qualifying Conditions

Old-age pension: If born before December 31, 1951, the pensionable age is age 61 (men) or age 60 with the option to retire at age 61 (women); age 62 (men and women) if born from 1952 to 1955; age 63 (men and women) if born from 1956 to 1958; age 64 (men and women) if born from 1959 to 1961; age 65 (men and women) if born on or after January 1, 1962.

The insured must have at least 156 weeks of paid contributions, including an annual average of at least 50 weeks of paid or credited contributions.

Insured and self-employed persons receive 2 years (4 years for a disabled child) credited contributions to finance old-age benefits, for each child reared. The credited periods for child rearing can be shared between the parents. The insured (including adoptive parents) must have legal custody of the child who must be younger than age 6 (age 10 if disabled). The credited periods are awarded once the insured has returned to gainful activities for the same number of years as those for which credits are due.

Early pension: Paid from age 61. If the insured was born on or after January 1, 1962, he or she must have accumulated 2,080 paid or credited contributions since attaining age 18; if the insured was born between 1952 and 1961, he or she must have accumulated 1,820 paid or credited contributions since attaining age 18.

Retirement from insured employment is necessary.

Partial pension: A reduced pension is paid with an annual average of between 20 and 49 weeks of contributions (flat-rate pension) or with between 15 and 49 weeks of contributions (earnings-related pension).

Income test: Earned income from employment or self-employment from age 61 (men) or age 60 (women) must not exceed the national minimum weekly wage (€142.39) until age 65.

The old-age pension is payable abroad.

Old-age noncontributory pension (means-tested): Paid if the insured does not satisfy the contribution conditions for the old-age pension.

Means test: The means test is based on the capital assets and income of the household members.

The old-age noncontributory pension is payable abroad.

Disability pension: The insured is assessed as totally and permanently incapable of full-time or part-time work and has at least 250 weeks of paid contributions as an employee or as a self-employed person, including an annual average of at least 50 weeks of paid or credited contributions. The insured must have been in continuous full-time or regular part-time employment or self-employment for at least 12 months before the date of the claim.

Insured and self-employed persons receive 2 years (4 years for a disabled child) credited contributions to finance disability survivor benefits, for each child reared. The credited periods for child rearing can be shared between the parents. The insured (including adoptive parents) must have legal custody of the child who must be younger than age 6 (age 10 if disabled). The credited periods are awarded once the insured has returned to gainful activities for the same number of years as those for which credits are due.

Partial pension: A reduced pension is paid with an annual average of between 20 and 49 weeks of contributions.

The disability pension is payable abroad.

Disabled child allowance (noncontributory): A benefit is paid to parents for a child with an assessed disability.

The allowance ceases at age 14 for a child assessed with a visual impairment (age 16 for any other assessed disability) and is replaced by the disability pension.

Pension for visually impaired, disabled, or severely disabled persons (noncontributory): Paid for visually impaired, disabled, or severely disabled persons.

Noncontributory disability pensions are not payable abroad.

Survivor pension: Paid to a widow(er) whose deceased spouse had paid at least 156 weeks of contributions, with an annual average of at least 50 weeks of paid or credited contributions.

Insured and self-employed persons receive 2 years (4 years for a disabled child) credited contributions to finance survivor benefits, for each child reared. The credited periods for child rearing can be shared between the parents. The insured (including adoptive parents) must have legal custody of the child who must be younger than age 6 (age 10 if disabled). The credited periods are awarded once the insured has returned to gainful activities for the same number of years as those for which credits are due.

Partial pension: A reduced pension is paid if the deceased had an annual average of between 20 and 49 weeks of contributions (flat-rate pension) or with between 15 and 49 weeks of contributions (earnings-related pension).

Income test: Earned income must not exceed the minimum wage; widows younger than age 60 with children younger

than age 21 qualify for the survivor pension regardless of income.

A widow(er) aged 60 or older without dependent children receives the survivor pension if his or her average weekly earnings do not exceed the national minimum wage.

In case of remarriage, the widow(er)'s pension ceases 5 years after the date of remarriage.

Orphan's pension: Paid for the death of both parents. One parent must have been insured and had at least 1 week of contributions at the time of death.

Survivor benefits are payable abroad.

Old-Age Benefits

Old-age pension: Pensions vary depending on whether entitlement exists to the earnings-related pension 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 and has a dependent spouse.

The flat-rate pension for those who paid contributions only before January 22, 1979, ranges from a minimum of €102.77 a week to a maximum of €213.23 a week according to family status.

Earnings-related pensions, which can be as much as €213.23 a week, are based on 2/3 of annual average earnings 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.

Old-age noncontributory pension (means-tested): €83.03 is paid for a single person, and €114.14 is paid for a married couple. When only one member of a couple qualifies, €71.42 is paid.

Benefit adjustment: Benefits are adjusted according to increases in prices.

Permanent Disability Benefits

Disability pension: Pensions vary depending on whether an occupational service pension is payable and whether the insured is married and has a dependent spouse.

The minimum weekly pension is €51.64.

The maximum weekly pension is €118.93.

Benefit adjustment: Benefits are adjusted according to increases in prices and, in some cases, increases in wages.

Disabled child allowance (noncontributory): €16.31 a week is paid.

Pension for visually impaired, disabled, or severely disabled persons (noncontributory): €82.88 is paid for a single person; €166.74 for a couple, if both persons qualify.

Benefit adjustment: Benefits are adjusted according to increases in prices.

Survivor Benefits

Survivor pension: The pension paid to a widow(er) varies depending on whether contributions were paid before January 22, 1979, and whether a survivor pension is paid by the deceased spouse's employer.

The maximum flat-rate pension for the survivor of a deceased person who paid contributions only before January 22, 1979, is €177.68 a week.

Earnings-related pensions, which can be as much as €177.68 a week, are calculated on the basis of 5/9 of annual average earnings of the best 3 consecutive years in the last 10 years before the spouse's death or retirement on age or medical grounds for employees; in the last 10 consecutive years before the spouse's death or retirement on age or medical grounds for self-employed persons.

Survivor's supplement: €4.54 a week is paid per child if the child is entitled to the child allowance (see Family allowances, below). An additional €9.32 a week per child is paid if the child is younger than age 18 and the surviving spouse is not employed or self-employed.

Upon remarriage, the widow(er) continues to receive a pension, which varies from a minimum of €61.40 to a maximum of €84.99.

Benefit adjustment: Benefits are adjusted according to increases in wages and prices.

Orphan's pension: €46.82 a week is paid for each orphan younger than age 16; €83.86 is paid for each orphan between ages 16 and 21 who is not in gainful employment. If the orphan is gainfully employed but gross earnings are less than the minimum wage, the allowance is reduced to make the combined income from the allowance and gross earnings equal to the national minimum weekly wage (€142.39).

Benefit adjustment: Benefits are adjusted according to increases in prices.

Administrative Organization

Ministry for the Family and Social Solidarity (<http://www.mfss.gov.mt>) provides general supervision.

Director of Social Security manages the program.

Department of Social Security administers the program.

Sickness and Maternity

Regulatory Framework

First laws: 1956 (sickness) and 1981 (maternity).

Current law: 1987 (social security).

Type of program: Social insurance (cash benefits) and universal (medical benefits) system.

Note: The Employment and Industrial Relations Act requires employers to provide 100% of earnings for 14 weeks' maternity leave.

Coverage

Cash sickness benefits: Employed and self-employed persons.

Cash maternity benefits: Maltese citizens residing in Malta.

Medical benefits: Maltese citizens residing in Malta.

Source of Funds

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

Self-employed person: See source of funds under Old Age, Disability, and Survivors, above.

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

Government: See source of funds under Old Age, Disability, and Survivors, above, for cash sickness benefits. Medical and maternity benefits are funded from general revenue.

Qualifying Conditions

Cash sickness benefits: The insured must have at least 50 weeks of paid contributions with 20 weeks paid or credited contributions in the last 2 contribution years before the benefit year in which the claim is made.

Cash maternity benefits: Paid to Maltese citizens residing in Malta and European Union citizens and persons covered by the European Social Charter residing in Malta. The insured must not be entitled to maternity leave under the Employment and Industrial Relations Act. (The Employment and Industrial Relations Act requires employers to provide 100% of earnings for 14 weeks' maternity leave.)

Medical benefits: There is no minimum qualifying period.

Sickness and Maternity Benefits

Sickness benefit: €16.72 a day is paid for a married person or a person supporting a spouse who is not employed full time; €10.81 a day is paid for other persons. The benefit is paid from the 4th day of incapacity for up to 156 benefit days a year; up to a maximum of 312 benefit days a year if the person undergoes major surgery, suffers a severe injury (not work-related), or has a serious disease requiring long-term treatment before being able to resume work.

During a 2-year period, the total number of benefit days must not exceed 468 days. The total number of benefit days must not exceed the total number of contributions paid since the person first entered the system.

Maternity benefit: €63.48 is paid for 14 weeks, of which at least 5 weeks must be taken after childbirth.

Workers' Medical Benefits

Benefits and health services are provided by public hospitals and clinics. Inpatient treatment, including medicines and medical devices, is provided free of charge in public hospitals. Public primary care services and outpatient treatment is free of charge. Persons registered as having a chronic disease receive free medicines. Outpatients, except for low-income persons, pay for medicines and medical devices.

Dependents' Medical Benefits

Benefits and health services are provided by public hospitals and clinics. Inpatient treatment, including medicines and medical devices, is provided free of charge in public hospitals. Public primary care services and outpatient treatment is free of charge. Persons registered as having a chronic disease receive free medicines. Outpatients, except for low-income persons, pay for medicines and medical devices.

Administrative Organization

Ministry for the Family and Social Solidarity (<http://www.mfss.gov.mt>) supervises cash benefits.

Ministry for Health, Elderly, and Community Care (<http://www.sahha.gov.mt>) is responsible for in-kind and medical benefits.

Director of Social Security manages the program.

Department of Social Security administers the program.

Work Injury

Regulatory Framework

First law: 1929.

Current law: 1987 (social security).

Type of program: Social insurance system.

Coverage

Employed and self-employed persons whose work is interrupted as a result of a work injury.

Source of Funds

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

Self-employed person: See source of funds under Old Age, Disability, and Survivors, above.

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

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

Qualifying Conditions

Work injury benefits: The insured must have at least 1 week of contributions.

Temporary Disability Benefits

€25.09 a day is paid for a single or married person supporting a spouse who is not in full-time employment; €18.89 a day is paid for other insured persons. The benefit is paid from the fourth day of disability for up to 12 months.

Permanent Disability Benefits

Permanent disability pension: For an assessed degree of disability of at least 90%, a full disability pension is paid regardless of the number of contributions paid or credited. Benefits vary depending on whether an occupational service pension is paid and whether the person is married and has a dependent spouse. Benefits range from a minimum of €51.64 a week to a maximum of €118.93 a week.

For an assessed degree of disability of between 20% and 89%, the pension ranges from €13.27 to €25.36 a week.

For an assessed degree of disability of between 1% and 19%, a lump sum is paid ranging from €204.98 to €3,894.29.

Benefit adjustment: Benefits are adjusted according to increases in prices and, in some cases, increases in wages.

Workers' Medical Benefits

Benefits include medical, surgical, and rehabilitative treatment and medicines.

Survivor Benefits

Survivor pension: The pension paid to a widow(er) varies depending on whether contributions were paid before or after January 22, 1979, and whether a survivor pension is paid by the deceased spouse's employer.

The maximum flat-rate pension for the survivor of a deceased person who paid contributions only before January 22, 1979, is €177.68 a week.

Earnings-related pensions, which can be as much as €177.68 a week, are calculated on the basis of 5/9 of annual average earnings of the best 3 consecutive years in the last 10 years before the spouse's death or retirement on age or medical grounds for employees; in the last 10 consecutive years before the spouse's death or retirement on age or medical grounds for self-employed persons.

Upon remarriage, the widow(er) continues to receive a pension, which varies from a minimum of €61.40 to a maximum of €84.99.

Benefit adjustment: Benefits are adjusted according to increases in wages and prices.

Orphan's pension: €46.82 a week is paid for each orphan younger than age 16; €83.86 for each orphan between

ages 16 and 21, provided the 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 make total income from the allowance and gross earnings equal to the national minimum weekly wage (€142.39).

Dependent parent's pension: €114.16 is paid for a married dependent father who is supporting a wife; €95.34 for all other cases.

Benefit adjustment: Benefits are adjusted according to increases in prices.

Administrative Organization

Ministry for the Family and Social Solidarity (<http://www.mfss.gov.mt>) provides general supervision.

Director of Social Security manages the program.

Department of Social Security administers the program.

Unemployment

Regulatory Framework

First law: 1956.

Current law: 1987 (social security).

Type of program: Social insurance and social assistance system.

Coverage

Employed persons.

Source of Funds

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

Self-employed person: Not applicable.

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

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

Qualifying Conditions

Unemployment benefit: The insured must have at least 50 weeks of paid contributions, including 20 weeks of paid or credited contributions in the contribution year before the benefit year in which the claim is made. The insured must be registered as unemployed and be capable of, and available for, work. No benefit is paid for 6 months if unemployment is voluntary or the result of misconduct.

Special unemployment benefit (means-tested): Paid to the head of the household in place of the unemployment benefit if he or she satisfies a means test.

Unemployment assistance: Paid if the insured has exhausted the right to unemployment benefits.

Unemployment Benefits

Unemployment benefit: The daily benefit is €10.16 for a single parent or a married person supporting a spouse who is not in full-time employment; €6.64 a day is paid for other insured persons. The benefit is paid for up to a maximum of 156 days. The total number of benefit days must not exceed the total number of contributions paid since the person first entered the system.

Special unemployment benefit: The daily benefit rate is €17.03 for a single parent or for a married person maintaining a spouse who is not in full-time employment; €11.13 a day for other insured persons. The benefit is paid from the first day of unemployment for up to 156 benefit days; thereafter, entitlement depends on the insured having completed at least 13 weeks of employment. The total number of benefit days must not exceed the total number of contributions paid since the person first entered the system.

Unemployment assistance (means-tested): The maximum benefit is €84.95 a week. The benefit is reduced by all annual income derived from investments exceeding €93.18. If weekly income exceeds the weekly benefit, no benefit is paid.

Administrative Organization

Ministry for the Family and Social Solidarity (<http://www.mfss.gov.mt>) provides general supervision.

Director of Social Security manages the program.

Department of Social Security administers 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 (social security), with 1996 amendment.

Type of program: Social insurance and social assistance system.

Coverage

All Maltese citizens residing in Malta and European Union citizens and persons covered by the European Social Charter residing in Malta.

Source of Funds

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

Self-employed person: See source of funds under Old Age, Disability, and Survivors, above.

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

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

Qualifying Conditions

Child allowance (income-tested): All households with children younger than age 21, if the income of both parents does not exceed €23,923. For children aged 16 or older, the child must be a full-time student and not receiving a stipend for studying, must never have been in gainful employment, must not be registered as unemployed, and is not entitled to any social benefits.

Care allowance for foster children: The child is certified by a competent authority as being a foster child or under the care of an institution.

Disabled child allowance (no means test): Paid to all households caring for a child with an assessed physical

or mental disability. The child must not receive any other social security pension for the disability.

Family Allowance Benefits

Child allowance: The benefit for one child is calculated as the difference between €23,923 and the couple's income multiplied by 6%. The benefit increases by another 6% per child. If household income does exceed €23,923, a flat rate of €250 per annum per child is paid.

Care allowance for fostered children: €39.60 a week is paid.

Disabled child allowance: €16.31 a week is paid.

Administrative Organization

Ministry for the Family and Social Solidarity (<http://www.mfss.gov.mt>) provides general supervision.

Director of Social Security manages the program.

Department of Social Security administers the program.

Moldova

Exchange rate: US\$1.00 equals 11.16 lei.

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1956 (state pensions) and 1964 (pensions and allowances for collective farmers).

Current laws: 1995 (public employment); 1998 (social insurance pensions), with 2004 amendment; 1999 (social insurance system), with amendments; 2000 (social insurance); and 2001 (pension calculations).

Type of program: Social insurance system.

Republics, local authorities, and employers may provide supplementary benefits out of their own budgets.

Coverage

Employed citizens, agricultural workers, and certain self-employed persons.

Special systems for armed forces personnel and for employees of the Ministry of Internal Affairs.

Source of Funds

Insured person: 4% of covered earnings.

There are no minimum earnings for contribution purposes.

The maximum earnings for contribution purposes are equal to three average monthly wages in the industrial sector (2,015 lei in 2007).

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

Self-employed person: An annual flat-rate contribution of 2,138 lei, regardless of income. Agricultural landowners contribute a flat rate 576 lei.

The self-employed person's contributions also finance cash sickness and maternity benefits, work injury benefits, unemployment benefits, and family allowances.

Employer: 25% of payroll (industrial sector); 20% of payroll (agricultural sector).

The contribution rate for employers who are without arrears in the payment of social insurance contributions may be reduced by 2%, subject to conditions.

There are no minimum or maximum earnings for contribution purposes.

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

Government: Ad hoc flat-rate payments to offset price increases as a result of government reductions in food and fuel subsidies. The total cost of social pensions and pensions for judges, prosecutors, and other specified professional categories.

Qualifying Conditions

Old-age pension: Age 62 with at least 30 years of coverage (men) or age 57 with at least 30 years of coverage (women).

Age 54 with at least 30 years of coverage, including at least 10 years in hazardous or arduous conditions (men) or age 49 with at least 30 years of coverage, including at least 7 years and 6 months in hazardous or arduous conditions (women).

Age 54 with at least 30 years of coverage for women who have given birth to and reared five or more children.

Civil servants who satisfy the coverage qualifying period (at least 30 years of coverage, but including at least 15 years as a civil servant) may receive the pension 5 years before the normal pensionable age.

Partial pension: At the normal pensionable age the insured must have at least 15 years of coverage.

Early pension: There is no early pension.

Deferred pension: Paid with more than 35 years of coverage. There is no age limit for deferral.

The old-age pension is not payable abroad.

Social pension (old-age): Paid to citizens of pensionable age who do not satisfy the qualifying conditions for the old-age pension.

Social pensions are not payable abroad.

Disability pension: To receive a full pension the insured must be assessed with a Group I disability (an incapacity for any work and requiring constant attendance), Group II disability (an incapacity for any work but not requiring constant attendance), or Group III (incapacity for usual work).

The required coverage period varies according to the insured's age when the disability began: at least 1 year if younger than age 23, 2 years if aged 23 to 26, 3 years if aged 26 to 31, or 5 years if older than age 31.

If the coverage period is less than a year, the insured may receive a social pension.

The degree of loss of working capacity is assessed by the Medical Fitness Examining Committee.

The disability pension is not payable abroad.

For a work-related disability, work injury benefits supplement the disability pension provided under Old Age, Disability, and Survivors.

Social pension (disability): Paid to disabled persons whose disability began in childhood and to disabled children younger than age 16 (Groups I, II, or III) who are not eligible for a contributory disability pension.

Social pensions are not payable abroad.

Survivor pension: The insured was a pensioner or met the requirements for the old-age (partial or full) pension or disability (Groups I, II, or III) pension.

Eligible survivors include widow(er)s and orphans. The surviving spouse must be of pensionable age (or within 5 years of retirement) or disabled (Group I or II) at the time of the insured's death; married to the deceased for at least 15 years; or caring for a child younger than age 3 and not employed. Children must be younger than age 18 (age 23 if a student, no limit if disabled).

The survivor pension is not payable abroad.

Social pension (survivors): Paid to survivors who are not eligible for a contributory survivor pension.

Social pensions are not payable abroad.

Old-Age Benefits

Old-age pension: The pension is based on the number of years of coverage, the effective date of retirement, and average monthly earnings plus 2% of wages for each year of coverage exceeding 30 years.

Insurable earnings for benefit calculation purposes must not exceed three times the average monthly wage.

The minimum monthly pension is 406.06 lei (April 2007); 361.50 lei for agricultural workers (April 2007).

There is no maximum monthly pension established by law.

Partial pension: Paid with at least 15 years but less than 30 years of coverage. The full monthly benefit is reduced in proportion to the number of years less than the required number of years of coverage.

Deferred pension: The pension is increased by 2% of wages for each year of deferral.

Social pension (old-age): 70.88 lei a month is paid (April 2007).

Benefit adjustment: Benefits are adjusted in April according to increases in consumer prices and average earnings in the previous year.

Permanent Disability Benefits

Disability pension: The pension is based on monthly average covered earnings, the number of years of coverage, and a coefficient related to the group of assessed disability.

The coefficient for a Group I disability is 0.42; Group II, 0.35; and Group III, 0.2.

The minimum monthly pension (April 2007) is 288.87 lei (Group I), 278.96 lei (Group II), or 196.43 lei (Group III).

There is no maximum monthly pension established by law.

Covered earnings for benefit calculation purposes must not exceed twice the average monthly national wage in the year before the claim.

Social pension (disability): A Group I disabled person receives 93.13 lei a month; Group II, 79.37 lei; Group III, 46.77 lei. A Group I disabled person whose disability began in childhood receives 475.74 lei a month; Group II, 191.69; Group III, 126.11 lei. A disabled child younger than age 16 receives 475.74 lei a month (Group I) or 191.69 lei a month (Group II or III).

Persons who provide care for a disabled child (Group I) younger than age 16 receive 250.00 lei a month; persons who provide care for a person whose disability (Group I) began in childhood receive 250.00 lei a month; persons who provide care for a blind disabled person (Group I) receive 250.00 lei a month.

Death grant: 700 lei is paid for the death of an insured person; 600 lei for a noninsured person.

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

Survivor Benefits

Survivor pension: The minimum pension is equal to 50% of the deceased's pension for one survivor, 75% for two, or 100% for three or more.

The survivor pension ceases on remarriage.

Full orphan's pension: The minimum orphan's pension is equal to 50% of the deceased's minimum old-age pension.

There is no maximum survivor pension established by law.

Social pension (survivors): 69.46 lei is paid for one orphan. The pension is doubled for full orphans.

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

Administrative Organization

Ministry of Social Protection, Family, and Children (<http://mpsfc.gov.md>) provides general coordination and supervision.

National Office of Social Insurance (<http://www.cnas.md>) and local social security departments administer the program.

Sickness and Maternity

Regulatory Framework

First law: 1993.

Current laws: 1995 (health protection); 1997 (prenatal care); 1999 (family planning); and 1999 (social insurance system), with amendments.

Type of program: Social insurance system.

Coverage

Cash sickness and maternity benefits: Salaried citizens; agricultural workers; self-employed persons; elected or appointed officials in government, parliament, and the judicial system; disabled persons; and unemployed persons.

Medical benefits: All persons residing in Moldova.

Source of Funds

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

Self-employed person: See source of funds under Old Age, Disability, and Survivors, above.

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

Government: See source of funds under Old Age, Disability, and Survivors, above. The total cost of medical benefits.

Qualifying Conditions

Cash sickness and maternity benefits: Insured persons residing in Moldova.

Child care allowance (medical leave): Paid to provide care for a sick child younger than age 7; younger than age 16 for a disabled child with a short-term incapacity that is not the result of, or related to, the assessed disability.

Medical benefits: All persons residing in Moldova.

Sickness and Maternity Benefits

Sickness benefit: The benefit depends on the length of the coverage period. If the insured has less than 5 years of coverage, the benefit is equal to 60% of the insured's average earnings; with 5 to 8 years, 80%; or for more than 8 years, 100%. The benefit is paid from the first day of sickness for up to 4 months; may be extended in certain cases for up to 30 days.

Average earnings are based on the insured's earnings in the last 6 months before the incapacity began; if the earnings period is less than 6 months, average earnings are based on the full calendar months worked within the period; if less than a calendar month is worked, average earnings are based on the total hours worked; if no earnings have been received within the last 6 months, the benefit is calculated according to a reference wage established for each particular job.

Sick childcare allowance (medical leave): The allowance is calculated in the same way as the sickness benefit, above.

Death grant: 700 lei is paid.

Maternity benefit: The benefit is equal to 100% of the insured's average earnings. The benefit is paid from the 30th week of pregnancy and is paid for 126 days. Additional

leave of 14 days is provided for multiple births or for complications resulting from the pregnancy or childbirth.

For the adoption of a child, the benefit is paid for 56 days after the date of adoption.

Average earnings are based on the insured's earnings in the last 6 months before the expected date of childbirth; if the earnings period is less than 6 months, average earnings are based on the full calendar months worked within the period; if less than a calendar month is worked, average earnings are based on the total hours worked; if no earnings have been received within the last 6 months, the benefit is calculated according to a reference wage established for each particular job.

Workers' Medical Benefits

Medical care is provided by the state. Free hospital treatment is provided for a limited number of days.

Cost sharing: The insured makes a minimal contribution toward the cost of some medical care.

There is no limit to duration.

Dependents' Medical Benefits

Medical care is provided by the state. Free hospital treatment is provided for a limited number of days.

Cost sharing: The insured makes a minimal contribution toward the cost of some medical care.

There is no limit to duration.

Administrative Organization

Ministry of Health (<http://www.ms.md>), with local authorities and the trade unions, supervises the provision of medical care.

Ministry of Health, National Agency of Health Insurance (<http://www.atchisinau.com.md>), and local health departments administer medical services provided through clinics, hospitals, and other facilities.

Work Injury

Regulatory Framework

First law: 1991 (labor protection).

Current laws: 1993 (occupational diseases); 1997 (work injury); 1999 (work injury and occupational diseases insurance), with 2001 and 2004 amendments; 2001 (work injury allowances); and 2005 (disability assessment).

Type of program: Social insurance (cash benefits) and universal (medical benefits) system.

Local authorities and employers may provide supplementary pension benefits out of their own budgets.

Note: For a work-related disability, work injury benefits supplement the disability pension provided under Old Age, Disability, and Survivors, above.

Coverage

Cash and medical benefits: Employed persons, members of cooperatives, students, and persons undergoing professional training.

Voluntary coverage for self-employed persons.

Source of Funds

Insured person: None.

Self-employed person: See source of funds under Old Age, Disability, and Survivors, above.

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

Government: None.

Qualifying Conditions

Work injury benefits: The worker must be insured and the assessed disability must be work related. Work-related activities include vocational training; participation in social, cultural, or sporting events organized by the employer; or travel between different places of work (including abroad) if related to work.

Temporary Disability Benefits

Temporary disability benefit: The benefit varies according to the insured's assessed degree of disability. The benefit for a Group I or Group II disability is based on the difference between the level of disability benefit provided under Old Age, Disability, and Survivors, above, and 2/3 of the insured's average earnings in the last 6 months before the disability began. For a Group III disability, the benefit is a percentage of the Group II amount corresponding to the degree of loss of working capacity.

A Group I disability is classified as an incapacity for any work and requiring constant attendance; Group II, an incapacity for any work but not requiring constant attendance; and Group III, an incapacity for usual work.

The benefit is paid from the first day of the incapacity until recovery or the award of a disability pension, for up to a maximum of 180 days.

The degree of loss of working capacity is assessed by the Medical Fitness Examining Committee.

Employment transfer reimbursement: Paid if the insured is no longer capable of working in the usual job and is transferred by the employer to another job that results in a loss of earnings. The difference between the insured's average monthly wage in the last 6 months and the insured's average wage received in the new position of employment is paid for 90 days.

Permanent Disability Benefits

Permanent disability pension: The pension is paid according to the insured's income before 1999 and three groups of assessed disability: Group I is classified as an incapacity for any work and requiring constant attendance; Group II, an incapacity for any work but not requiring constant attendance; and Group III, an incapacity for usual work.

The degree of loss of working capacity is assessed by the Medical Fitness Examining Committee.

Death grant: A lump sum is paid depending on the category and number of dependents but must not exceed 24 national average monthly wages.

Workers' Medical Benefits

Medical services are provided directly to patients by government health providers and include general and specialist care, hospitalization, laboratory services, and transportation, plus the full cost of appliances and medicines.

Survivor Benefits

Survivor pension: At least 50% of the deceased's pension is paid for one survivor, 75% for two, and 100% for three or more.

Partial pension: If the deceased did not qualify for a pension, the monthly benefit is reduced in proportion to the number of years below the required number of years of coverage.

The survivor pension ceases on remarriage.

The maximum pension must not exceed 24 times the national average monthly wage.

Full orphan's pension: At least 50% of the deceased's minimum old-age pension is paid.

Partial pension: If the deceased did not qualify for a pension, the monthly benefit is reduced in proportion to the number of years less than the required number of years of coverage.

The maximum pension must not exceed 24 times the national average monthly wage.

Administrative Organization

Enterprises and employers pay temporary disability benefits for their employees.

Ministry of Social Protection, Family, and Children (<http://mpsfc.gov.md>) provides general coordination and supervision and coordinates pensions and medical benefits.

National Office of Social Insurance (<http://www.cnas.md>) and local social security departments provides coordination and supervises the Work Injury Fund.

Local government health departments of the Ministry of Health (<http://www.ms.md>) administer medical services provided through clinics, hospitals, and other facilities.

Unemployment

Regulatory Framework

First and current laws: 1997; 1999; 2002, with 2003 and 2005 amendments; 2003; 2004; and 2005.

Type of program: Social insurance system.

Coverage

Citizens aged 16 to 62 (men) or aged 16 to 57 (women) with a permanent address in Moldova and who are capable of work, including self-employed persons.

Source of Funds

Insured person: None.

Self-employed person: See source of funds under Old Age, Disability, and Survivors, above.

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

Government: Subsidies as required.

Qualifying Conditions

Unemployment benefit: The insured must be registered at an employment office and be willing and able to work. Benefits may be reduced, postponed, suspended, or terminated if the insured is discharged for violating work discipline, leaving employment without good cause, violating conditions for a job placement or vocational training, or filing fraudulent claims.

Claimants must register as unemployed, have at least 6 months of previous covered employment in the last 24 months before the date of registration, and not have taxable income according to the law. A self-employed person is also covered if their license to operate a business is revoked.

Unemployment Benefits

30% of the national average wage is paid for laid-off workers actively seeking work; 40% of the national average wage is paid for workers who were laid off because of ill health, for lack of qualifications, or for refusing to relocate to a new place of employment; 50% of the national average wage is paid for workers laid off because of the closure of the place of employment.

If employed previously for up to 5 years, the benefit is paid for a maximum of 6 months; if employed previously for 5 to 10 years, the benefit is paid for a maximum of 9 months; with more than 10 years of employment, the benefit is paid for a maximum of 12 months.

Benefit adjustment: Benefits are adjusted every January according to changes in the average national wage of the previous year.

Administrative Organization

Ministry of Economy and Trade's State Employment Agency administers the program.

Family Allowances

Regulatory Framework

First law: 1977.

Current laws: 1992 (children), with 2003 amendment; 1993 (children and family protection), with 2003 and 2005 amendments; 1999 (social insurance benefits), with amendments; 2002 (family allowances), with amendments; and 2004 (temporary disability allowances), implemented in 2005, with amendments.

Type of program: Social insurance and social assistance system.

Coverage

Families with children residing in Moldova.

Source of Funds

Insured person: None.

Self-employed person: See source of funds under Old Age, Disability, and Survivors, above.

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

Government: None.

Qualifying Conditions

Family allowance (social insurance): Paid for children younger than age 16 (age 18 if a student). Other qualifying conditions vary according to benefits. For children older than 18 months, the benefit is means tested. The average monthly income for each family member, including children, must not exceed 18 lei; for families with at least three children, 27 lei; for single mothers, 54 lei.

Disabled child allowance: Paid for a child younger than age 16 assessed as disabled by the Medical Fitness Examining Committee.

Single mother allowance: Paid to a single mother.

Birth grant: Paid for each live birth, regardless of family income.

Child-rearing allowance: Paid for a child up to age 3. The allowance is paid to an insured person who is on child-rearing leave or to another eligible person (a parent, grandparent, or other relative or guardian, regardless of family income). The allowance is also paid to noninsured persons.

Children under guardianship (social assistance): Means-tested assistance is paid for children aged 3 to 16.

Family Allowance Benefits

Family allowances (social insurance)

The amount of social insurance benefits paid depends on the insured's monthly average earnings in the last 6 months.

Family allowance: For an insured person's child up to age 3, the allowance is equal to 20% of the insured's average income, but not less than 100 lei; for a noninsured person's child up to age 1.5, 100 lei is paid. For an insured person's child aged 3 to 16 and for a noninsured person's child aged 1.5 to 16, 50 lei a month is paid if average per capita family income does not exceed 54 lei.

Disabled child allowance: 250 lei a month is paid for a severely disabled child (including children disabled from birth) until age 16.

Single mother allowance: 50 lei a month is paid, if average per capita family income does not exceed 54 lei.

Birth grant: 1000 lei is paid.

Child-rearing allowance: 20% of the insured's average monthly earnings is paid, but must be no less than 100 lei.

Children under guardianship (social assistance): Up to 200 lei a month is paid, depending on family income. The average per capita family income in the previous 6 months must not exceed 54 lei.

Administrative Organization

Ministry of Social Protection, Family, and Children (<http://mpsfc.gov.md>) provides general coordination and supervision.

Local departments of social security administer benefits to nonworking parents.

Enterprises and employers award benefits and provide payments to their own employees.

Monaco

Exchange rate: US\$1.00 equals 0.68 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1944 (workers) and 1958 (self-employed).

Current laws: 1944 (disability benefit), 1947 (old-age benefit), 1949 (disability benefit), and 1971 (disability benefit).

Type of program: Social insurance system.

Coverage

Employed persons, including state and local government contract workers.

Special systems for self-employed persons, civil servants, hospital personnel, and employees of the electricity and gas utility company.

Source of Funds

Insured person: 6.15% of covered earnings.

The insured's contribution finances the old-age pension, survivor pension, and death allowance.

The maximum monthly earnings for contribution purposes are €3,996.

Self-employed person: Not applicable.

Employer: 6.15% of covered payroll finances the old-age pension, survivor pension, and death allowance; and an annually adjusted amount of 0.89% of covered payroll (2007) finances contributions for periods during which workers paid no contributions but received paid sick or maternity leave, disability benefits, or unemployment benefits; and 14.9% of covered payroll finances disability benefits.

The employer's contribution for disability benefits also finances sickness and maternity benefits, family benefits, the death grant, and certain social and health care benefits.

The maximum monthly earnings for contribution purposes are €3,996 (old-age pension, survivor pension, and the death allowance) and €7,100 (disability benefits).

Government: None.

Qualifying Conditions

Old-age pension: Age 65 with at least 10 calendar years of employment, including a minimum of between 151 hours and 173 hours of work a year (depending on the year of employment) and at least 60 months of coverage (including

periods of paid sick or maternity leave and periods of disability or unemployment).

Retirement from work is not necessary.

Early pension: From age 60 and retired from all active work or employment; age 55 for a woman who has raised three children for at least 8 years before the children reach age 16. The insured must not be receiving sickness, work injury, or unemployment benefits.

Deferred pension: The pension can be deferred after age 65.

Spouse's allowance: Paid to the insured at retirement if his or her old-age pension is calculated on the basis of at least 60 pension points. The spouse must live with the insured and total household income (including the spouse's allowance) must not exceed 24 times the reference salary (The monthly reference salary in October 2007 is €999) used by the Independent Employees' Pension Fund.

The number of pension points acquired during any 1-year period is obtained by dividing the declared earnings by the reference salary in force (fixed by ministerial decree as €999 in October 2007), up to a maximum of four pension points per month.

Disability pension: The insured must be younger than age 60 and assessed with a total loss of working capacity (total disability) or the loss of 2/3 of working capacity (partial disability). The insured must have at least 12 months' coverage in the previous 15 months or 800 hours of employment in the previous 12 months, including 200 hours in the previous 3 months.

Survivor pension: The deceased was a pensioner or had at least 10 calendar years of employment at the time of death, including a minimum of between 151 hours and 173 hours of work a year (depending on the year of employment) and at least 60 months of coverage (including periods of paid sick or maternity leave and periods of disability or unemployment).

Eligible survivors are a widow aged 50 or older (of any age if she is caring for a child) or a widower with at least one dependent child (if the widower ceases to care for at least one dependent child, the pension is suspended until the widower reaches the pensionable age or age 60 if he is incapable of gainful activity); a divorced or separated widow(er) receiving alimony at the time of the insured's death; and orphans younger than age 18 (age 20 if an apprentice, age 21 if a student).

Death allowance: Paid to the surviving spouse of an old-age pensioner. The surviving spouse must not have been divorced or separated from the deceased. In the absence of an eligible surviving spouse, the allowance is paid to orphans eligible for a survivor pension.

Death grant: The benefit is paid (in order of priority) to the deceased's surviving spouse, orphans, or parents. The deceased was a disability pensioner or had worked at least

120 hours in the month (or 200 hours in the quarter) before death.

Old-Age Benefits

Old-age pension: The pension is calculated according to the number of pension points acquired over the total working life multiplied by the value of a point (€16.65). The number of points acquired during any 1-year period is obtained by dividing the insured's monthly declared earnings by the monthly reference salary in force (fixed by ministerial decree as €999 in October 2007), up to a maximum of four pension points per month.

Early pension: The pension is calculated in the same way as the old-age pension.

Deferred pension: The pension is calculated in the same way as the old-age pension. The pension is increased by 1.5% of the pension for each quarter of coverage after age 65, up to a maximum of 30%.

The maximum monthly pension is equal to six times the reference salary (€5,994 in October 2007).

Spouse's supplement: The benefit is paid annually in the last quarter of the year. The supplement is paid at the full rate if the old-age pension is calculated on the basis of 360 or more pension points. If the number of pension points is less than 360, a reduced amount is paid according to the total number of pension points.

Old-age benefits are payable abroad.

Schedule of payments: Pensions are paid monthly in Monaco, France, or Italy and quarterly in other countries.

Benefit adjustment: Benefits are adjusted annually according to changes in the value of the pension point.

Permanent Disability Benefits

Disability pension: The pension is 30% or 50% of the insured's average monthly covered earnings in the 60 months before the disability began, depending on whether the insured is capable of any kind of gainful employment.

The minimum and maximum monthly pension depend on the insured's age (younger than age 65 or aged 65 or older) and the whether the insured receives other pension income from any source.

Constant-attendance supplement: Equal to 40% of the disability pension.

Disability benefits are payable abroad.

Benefit adjustment: Benefits are adjusted annually in January by ministerial decree.

Survivor Benefits

Survivor pension: The widow(er) receives 60% of the pension paid or payable to the deceased. The pension for a divorced or separated spouse is calculated according to the

number of pension points acquired by the deceased while he or she lived with the surviving spouse.

The number of pension points acquired during any 1-year period is obtained by dividing the declared earnings by the reference salary in force (fixed by ministerial decree as €999 in October 2007), up to a maximum of four pension points per month.

The pension ceases on remarriage or cohabitation.

Orphan's pension: Each half orphan receives 25% of the pension paid or payable to the deceased. Each full orphan receives 50% of the deceased's pension (50% of the highest pension if both parents were pensioners).

All orphans' benefits combined must not exceed 100% of the deceased's pension.

Survivor pensions are payable abroad.

Benefit adjustment: Benefits are adjusted annually according to changes in the value of the pension point.

Death allowance: A lump sum is paid equal to 25% of the deceased's annual pension, up to a maximum of 150% of the reference salary in force at the time of death (fixed by ministerial decree as €999 in October 2007).

Death grant: A lump sum is paid equal to 90 times the deceased's average daily earnings in the last 12 months before death (if the deceased was an active contributor to the program) or the last 60 months before the disability began (if the deceased was receiving a disability pension).

The minimum grant is €335.

The maximum grant is €21,300.

Administrative Organization

Independent Employees' Pension Fund (<http://www.caisses-sociales.mc>), with representatives of government, employers, and employees, administers the employees' old-age insurance program.

Compensation Fund for Social Services (<http://www.caisses-sociales.mc>), with representatives of government, employers, and employees, administers the employees' disability insurance program.

Independent Pension Fund for Self-Employed Workers (<http://www.caisses-sociales.mc>), with representatives of government, employers, and self-employed persons, administers self-employed persons' old-age insurance program.

Sickness and Maternity

Regulatory Framework

First and current laws: 1944, 1949, 1971 (employees), and 1982 (self-employed persons).

Type of program: Social insurance system.

Coverage

Employed persons.

Special systems for civil servants, self-employed persons, and doctors and medical assistants.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: See source of funds for disability benefits under Old Age, Disability, and Survivors, above.

Government: None.

Qualifying Conditions

Cash sickness benefits: For an incapacity lasting less than 6 months, the insured must have at least 120 hours of effective or deemed employment in the last month or 200 hours in the previous 3 months; for an incapacity lasting 6 or more months, the insured must have at least 12 months of contributions in the previous 15 months with 800 hours of work or deemed work in the previous 12 months, including 200 hours in the last 3 months.

Cash maternity benefits: The insured must have 1 month of coverage in the quarter before the date of conception and continuing coverage with at least 85 hours of work for each month of coverage between the date of conception and the medical confirmation of pregnancy.

Paternity leave benefit: The insured must have at least 120 hours of effective or deemed employment in the last month or 200 hours in the previous 3 months. The leave period must begin within 4 months after the date of childbirth.

Medical benefits: The insured must have at least 120 hours of employment in the last month or 200 hours of employment in the last 3 months.

Sickness and Maternity Benefits

Sickness benefit: The benefit is equal to 50% of the insured's average daily wage in the last 12 months (66.6% from the 31st day if the insured has three or more dependent children), up to a ceiling of €118.33. The benefit is paid after a 3-day waiting period for up to a maximum of 360 days; may be extended for 3 or 4 years in cases of chronic or recurrent illness.

The benefit may be reduced during periods of hospitalization according to the insured's income and number of dependent children.

Benefit adjustment: If the sick leave period is longer than 6 months, benefits are adjusted automatically twice a year (January and July) according to a coefficient set by law.

Maternity benefit: The benefit is equal to 90% of the insured's average earnings in the last 12 months, up to a ceiling of €118.33. The benefit for the first and second child (or in households that already have a maximum of one child currently residing at home) is paid for 8 weeks before and 8 weeks after the expected date of childbirth; for the third and subsequent children (or in households that already have a maximum of two children currently residing at home), 8 weeks before and 18 weeks after the expected date of childbirth; for twins (with no other children in the household), 12 weeks before and 22 weeks after the expected date of childbirth; and for other multiple births, 24 weeks before and 22 weeks after the expected date of childbirth.

Paternity leave benefit: The daily benefit is equal to 90% of the father's daily gross average earnings in the 12 months before the date of birth, up to a ceiling of €118.33. The benefit is paid for up to 12 days, including Sundays and public holidays; 19 days for multiple births or in households with at least two dependent children.

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 income and family size: a standard rate with no extras; a rate that is 20% higher than the standard rate; and a fee set by prior agreement with a medical practitioner.

The award is up to 80% of the cost of the medical benefit, up to the ceiling of the first rate category. 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

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 income and family size: a standard rate with no extras; a rate that is 20% higher than the standard rate; and a fee set by prior agreement with a medical practitioner.

The award is up to 80% of the cost of the medical benefit, up to the ceiling of the first rate category. This rate can increase to 100% for lengthy and costly treatment or for certain complicated procedures, including complicated surgery and prolonged hospitalization.

Administrative Organization

Social Services Compensation Fund (<http://www.caisses-sociales.mc>), with representatives of government, employers, and employees, administers the program.

Work Injury

Regulatory Framework

First law: 1930.

Current law: 1958.

Type of program: Mandatory private insurance system.

Coverage

Employed persons.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: The total cost. The cost of premiums varies according to the reported accident rate. An additional contribution equal to 24% of the cost of premiums is paid to the Complementary Compensation Fund.

Government: None.

Qualifying Conditions

Work injury benefit: There is no minimum qualifying period. Accidents that occur while commuting to and from work are covered.

Temporary Disability Benefits

The daily benefit is equal to 50% (66.6%, from the 29th day after the disability began) of the insured's average daily earnings in the month before the accident. The benefit is paid from the day after the accident (the employer must pay the insured's full salary for the day the accident occurred) until recovery or certification of permanent disability.

The maximum daily earnings for benefit calculation purposes are equal to 1/312 of 15 times the legal annual minimum wage.

Schedule of payments: Benefits are paid at least every 16 days.

Permanent Disability Benefits

Permanent disability pension: If the insured is totally disabled, the annual pension is equal to 100% of the insured's annual earnings in the 12 months before the accident occurred or the occupational disease began.

The minimum annual earnings for benefit calculation purposes are equal to the legal annual minimum salary.

The maximum annual earnings for benefit calculation purposes are equal to 15 times the legal annual minimum salary (eight times the legal annual minimum salary for professional athletes, with only 1/3 of earnings between twice the minimum salary and eight times the minimum salary taken into account for benefit calculation purposes).

Constant-attendance supplement: Equal to 40% of the pension.

Partial pension: If the assessed degree of disability is at least 10%, the benefit is equal to 50% of the assessed loss in earning capacity for the portion of disability between 10% and 50%, plus 150% of the assessed loss in earning capacity for the portion of disability greater than 50%.

The degree of disability is assessed by a commission.

If the assessed degree of disability is less than 10%, a lump sum is paid according to the schedule in law.

Schedule of payments: Benefits are paid quarterly for the previous quarter.

The permanent disability pension may be replaced in full or in part by a lump sum after 5 years, subject to conditions.

Benefit adjustment: Pensions are adjusted according to a coefficient set by law.

Workers' Medical Benefits

Medical benefits include medical, hospital, surgical, and pharmaceutical treatment; rehabilitation; prostheses; and transportation costs.

All medical costs are met by the employer or insurer.

Survivor Benefits

Survivor pension: The pension is equal to 30% (50% if the survivor is aged 55 or older or disabled) of the deceased's annual earnings.

The benefit is paid to a surviving spouse who was married to, living with, or divorced from the deceased and receiving alimony at the time of the insured's death. The pension for a divorced spouse must not exceed the value of any alimony paid. The date of marriage must have been before the date of the accident that resulted in the insured's death or at least 2 years before the date of the insured's death; conditions are waived if the couple had at least one child.

The pension ceases on remarriage if there are no children receiving a survivor benefit, and a lump sum is paid equal to three times the value of the annual pension.

Orphan's pension: The pension is equal to 15% of the deceased's annual earnings for one child; 30% for two children; 40% for three or more children, plus an additional 10% for the fourth and each subsequent child. Each full orphan receives 20% of the deceased's annual earnings. The child must be eligible for family allowances.

Other eligible survivors: Each dependent parent and grandparent receives 10% of the deceased's annual earnings, up to a maximum of 30%.

All survivor benefits combined must not exceed 85% of the deceased's annual earnings.

Benefit adjustment: Pensions are adjusted according to a coefficient set by law.

Funeral allowance: Funeral costs are reimbursed, up to a maximum.

Administrative Organization

Licensed private insurance companies administer the program.

Complementary Compensation Fund guarantees benefit payments in case of the insolvency of the employer or insurance company.

Unemployment

Regulatory Framework

Coverage is provided through France's program for unemployment insurance.

Family Allowances

Regulatory Framework

First law: 1938.

Current law: 1954 (family benefits).

Type of program: Social insurance system.

Coverage

Employed persons and persons receiving unemployment benefits.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: See source of funds for disability benefits under Old Age, Disability, and Survivors, above.

Government: None; contributes toward the cost of certain social benefits.

Qualifying Conditions

Family allowance: The child must be younger than age 6 (age 16 if in full-time education; age 17 if searching for a first job; age 21 if an apprentice, a student, or disabled). A working child must earn less than €716.48 a month. The head of the household must be insured and have at least 77 hours of employment or deemed employment in the relevant month. If both parents are eligible for family allow-

ances, the benefit is paid once only (normally to the head of the household).

Prenatal allowance: The head of the household must be insured and have at least 77 hours of employment or deemed employment in the relevant month. The mother must undergo a medical examination and provide a formal declaration of pregnancy during the first 3 months following the date of conception. The mother must also undergo medical examination at the 3rd, 6th, and 8th month of pregnancy and after childbirth. The benefit is paid to an insured woman or the wife of an insured man. If both parents are eligible for family allowances, the benefit is paid once only (normally to the head of the household).

Education grant: Paid for children attending school in Monaco or France. The insured must have received family allowances for 7 months in the previous calendar year, including at least 1 month in the last 4 months of the previous year.

New school year allowance (means-tested): Paid for children attending school in Monaco or France. The child must be eligible to receive family allowances and have received family allowances in July of the relevant year. Household income in the year before the application must not exceed an amount fixed according to the number of dependents.

End-of-year grant (means-tested): Paid for children attending school in Monaco or France. The insured must have received family allowances for 7 months in the previous calendar year, including at least 1 month in the last 3 months of the previous year. Household income in the year before the application must not exceed an amount fixed according to the number of dependents.

Housing allowance (means-tested): The benefit is paid to family allowance beneficiaries and to certain other categories of person residing in Monaco, according to the number of people in the household and household income.

Other benefits: Child care services and other forms of individual and family support may be provided, subject to conditions.

Family Allowance Benefits

Family allowance: With 145 hours of covered employment, the allowance is €126.90 a month for each child younger than age 3, €190.40 for each child aged 3 to 5, €228.40 for each child aged 6 to 10, and €266.50 for each child aged 11 or older. The allowance is proportionately reduced with between 77 hours and 144 hours of covered employment. The allowance is paid monthly to the head of the household or the child's mother or guardian.

Prenatal allowance: With 145 hours of covered employment, the allowance is €126.90 (May 2008) a month for up to 9 months. The allowance is proportionately reduced with between 77 hours and 144 hours of covered employment. The allowance is paid in three installments (2 months'

benefit on the 3rd month of pregnancy, 4 months' benefit on the 6th month of pregnancy, and 3 months' benefit after childbirth).

Education grant: The amount varies according to the level of the studies and whether the child attends school in Monaco (between €59 and €377) or France (between €30 and €377). The grant is paid in October to the head of the household or the child's mother or guardian.

New school year allowance (means-tested): The benefit is €112 for a child younger than age 3, €167 for a child between ages 3 and 5, €200 for a child between ages 6 and 10, and €235 for a child between ages 11 and 21. The benefit is paid in August to the head of the household or the child's mother or guardian.

End-of-year grant (means-tested): €110 is paid in December.

Housing allowance (means-tested): The minimum monthly allowance is €15.24.

Other benefits: A contribution toward the cost of infant care for children up to age 3 and the cost of child care for children up to age 6. Other forms of individual and family support may be provided.

Administrative Organization

Compensation Fund for Social Services (<http://www.caisses-sociales.mc>), with representatives of government, employers, and employees, administers the program.

Netherlands

Exchange rate: US\$1.00 equals 0.68 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1901.

Current laws: 1957 (old-age pension), with 2003 amendment; 1959 (survivor pension), with 2003 amendment; 1966 (disability pension for employed persons), with 2003 amendment; 1998 (disability pension for self-employed persons), with 2001 amendment; 1998 (disability assistance for young persons), with 2002 amendment; and 2006 (disability pension for employed persons).

Type of program: Social insurance system.

Coverage

Old-age and survivor pensions: All persons residing in the Netherlands.

Disability pension: Employed workers, persons receiving benefits since before 2006, persons disabled since childhood, and students residing in the Netherlands.

Source of Funds

Insured person: 17.9% of covered earnings for the old-age pension and 1.1% of covered earnings for the survivor pension.

The maximum annual earnings for contribution purposes are €31,589.

Self-employed person: 17.9% of covered earnings for the old-age pension and 1.1% of covered earnings for the survivor pension.

The maximum annual earnings for contribution purposes are €31,589.

Employer: 5.65% of covered payroll for the disability pension for employed workers, plus a variable contribution for persons receiving disability benefits since before 2006.

The maximum annual earnings for contribution purposes are €46,205.

Government: A subsidy to increase all benefits up to the applicable social minimum, which is calculated as a percentage of the minimum wage and varies according to the type of beneficiary; the cost of pensions for persons disabled since childhood and students.

Qualifying Conditions

Old-age pension: The full pension is paid at age 65 if the insured has resided for 50 years in the Netherlands between ages 15 and 65 and, if income was earned, paid contributions each year from ages 15 to 65.

Partial pension: A reduced pension is paid if the qualifying conditions are not met in full (no reduction is made for the pre-1957 period if the insured is a Dutch citizen residing in the Netherlands with 6 years of residence after age 59).

Two persons sharing a household can qualify for a couple's pension if both are older than age 65; if one partner is younger than age 65, the younger partner must satisfy an income test for the pensioner to receive a supplementary allowance on his or her behalf.

Retirement is not necessary.

Old-age benefits are payable abroad if residing in a European Union country; otherwise, under reciprocal agreement.

Disability pension: Paid to employees younger than age 65 with a reduced working capacity. A distinction is made between employees who are fully and permanently disabled after a 2-year period and employees who are temporarily disabled, according to the assessed loss of earning capacity.

Permanent disability pension: Paid to disabled workers who are assessed with a full and permanent incapacity for work, with a current earning capacity of less than 20% of former earnings, and with no or little prospect of recovery.

The degree of disability is assessed on medical grounds; in certain cases, on medical grounds and work-related factors.

Partial disability: Paid to disabled workers who are assessed as at least 35% disabled but less than 80% disabled. The insured is deemed capable of some work.

Benefits are also paid to persons younger than age 65 residing in the Netherlands who are incapable of work at age 17 or who became disabled after age 17 and were students for at least 6 months in the year immediately before that date.

Disability benefits can be paid abroad under reciprocal agreement if the beneficiary normally resides in the Netherlands.

Survivor pension: Paid to a widow(er), an unmarried permanent partner, or a full orphan up to age 16 (age 18 if disabled, age 21 if a student). The survivor pension is income-tested for survivors born before 1950, for survivors with children younger than age 18, and for surviving partners who are assessed as at least 45% disabled.

Benefits are payable abroad if residing in a European Union country; otherwise, under reciprocal agreement.

Old-Age Benefits

Old-age pension: Single persons receive €984.86 a month. Couples, whether married or not, and both aged 65 or older, receive €673.84 a month each. A pensioner who is a single parent caring for a child younger than age 18 receives €1,222.72 a month. A person aged 65 or older with a partner younger than age 65 receives a monthly pension of €673.84 and an income-tested supplementary allowance up to a maximum of €673.84.

Income-tested supplementary allowance: Special rates apply if one partner, whether married or not, is younger than age 65. The supplementary allowance is added to the older partner's pension if the younger partner's income from employment is less than €1,211.01. The maximum supplement is paid if the partner's income from employment is less than €200.25. Income from employment (including unemployment benefits, disability benefits, and sickness benefits) is subtracted in full from the old-age pension; the supplementary allowance is paid if income is less than €673.84.

Partial pension: The pension is reduced by 2% for each year starting from 1957 for which the insured had earnings but did not pay contributions.

Benefit adjustment: Benefits are adjusted twice a year according to changes in the net minimum wage.

Permanent Disability Benefits

Disability pension: During the first 2 years of disability, a disabled employee receives at least 70% of his or her statutory wage.

Permanent disability pension: 75% of the insured's daily wage is paid. The benefit is normally paid after 2 years of sick leave during which the statutory wage has been paid; persons may qualify before 2 years if assessed with a full and permanent disability.

Partial disability: 75% of the insured's daily wage is paid. The benefit is paid for at least 6 months up to a maximum of 5 years, depending on the number of years of previous employment.

Constant-attendance allowance: 30% of the full pension is paid.

After a medical review of an assessed full and permanent disability, a partial disability benefit may be paid; otherwise, the benefit for a full and permanent disability is paid to age 65.

Supplementary allowance (means-tested): If family income is less than the applicable social minimum, a supplementary allowance may be paid.

Benefit adjustment: Benefits are adjusted twice a year according to changes in the net minimum wage.

Wage-related disability benefit: The benefit consists initially of a wage-related payment equal to 70% of the (maximum) daily wage and is paid for a limited period,

depending on the individual's employment history (the benefit payment period varies from a minimum of 6 months for less than 5 years of employment to a maximum of 5 years for 40 years of employment).

After the initial benefit payment period is exhausted, unemployed partially disabled people are entitled to a benefit equal to 70% of the legal minimum wage, according to the assessed degree of disability.

After the initial benefit payment period is exhausted, partially disabled employees who are earning a wage-related income equal to at least 50% of their assessed residual earning capacity can apply for a wage supplement. The wage supplement is equal to 70% of the difference between the employee's (maximum) daily wage and his or her work-related income or the assessed residual earning capacity (in case this is higher than the work-related income). Partially disabled persons who do not meet this condition are entitled to a follow-up allowance, which is equal to 70% of the legal minimum wage multiplied by the assessed percentage of disability.

The maximum benefit is €172.48 a day.

Constant-attendance allowance: 30% of the full pension is paid.

Supplementary allowance (means-tested): If family income is less than the applicable social minimum, a supplementary allowance may be paid.

Benefit adjustment: Benefits are adjusted twice a year according to changes in the net minimum wage.

Disability pension (self-employed workers): The 1998 act for self-employed persons was revoked as of August 1, 2004. Self-employed persons disabled before this date or already receiving a disability pension continue to receive the benefit for as long as the entitlement conditions are met.

Disability pension (young persons and students): Up to 70% of the gross minimum (youth) wage of €1,335.00 is paid a month for a loss of earning capacity of at least 80%; 21% to 50.75% of the minimum wage is paid for a loss of earning capacity of 25% to 79% after a waiting period of 52 weeks. There is no limit to duration.

Constant-attendance allowance: 30% of the full pension is paid.

Supplementary allowance (means-tested): If family income is less than the applicable social minimum, a supplementary allowance may be paid.

Benefit adjustment: Benefits are adjusted twice a year according to changes in the net minimum wage.

Survivor Benefits

Survivor pension: €1,042.88 a month is paid to a widow(er) or an eligible unmarried partner. The benefit is reduced by the amount of the survivor's income.

The survivor benefit ceases on marriage, registered partnership, or cohabitation.

Income test: Income from employment up to 50% of the minimum wage (€667.50 a month) plus 1/3 of all earnings in excess of this amount is disregarded. No benefit is paid if monthly income is €2,232.83 or more. Income from employment (including unemployment benefits, disability benefits, and sickness benefits) is subtracted in full from the survivor pension.

The survivor pension ceases at age 65 and may be replaced by the old-age pension.

Dependent child's allowance: An allowance of €240.23 is paid for one child per household until the youngest child in the household reaches age 18. There is no income test.

Orphan's pension: Each full orphan younger than age 10 receives €333.72 a month; €500.58 if aged 10 to 15; or €667.44 if aged 16 to 18 (age 21 if a student).

Benefit adjustment: Benefits are adjusted twice a year for changes in the net minimum wage.

Death benefit: A lump sum equal to 100% of monthly earnings (up to a daily maximum of €172.48) is paid for the death of an employed worker; up to the minimum wage (€1,335 a month) for unemployed workers. A lump sum equal to 1 month's benefit is paid for the death of a beneficiary of sickness benefits or disability benefits. For the death of an old-age pensioner, the deceased's partner receives a lump sum equal to 100% of the monthly old-age pension; for the death of a survivor pension beneficiary, 100% of the monthly survivor pension is paid to dependent children.

Administrative Organization

Inspection Service for Work and Income (<http://www.iwiweb.nl>) provides general supervision of contributions and cash benefits.

Social Insurance Bank (<http://www.svb.nl>) administers old-age pensions and survivor pensions.

Employers pay disability benefits to employees assessed as disabled for the first 2 years.

Institute for Employee Benefits (<http://www.uwv.nl>) administers disability benefits.

National Revenue Department of the Tax and Custom Administration (<http://www.belastingdienst.nl>) collects contributions on behalf of employed workers for disability benefits.

National Revenue Department (<http://www.minfin.nl>) collects contributions for old-age pensions 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 (sickness and maternity benefits); 1968 (exceptional medical expenses); 1998 (maternity benefits for unemployed workers), implemented in 2001; and 2005 (health insurance).

Type of program: Social insurance system.

Coverage

Cash sickness and maternity benefits: Coverage is mostly through private providers. (Under the Civil Code, employers must pay 70% of wages during sick leave periods for a maximum of 104 weeks.)

The social security program covers employees who do not or no longer have an employer (and, in a few special circumstances, wage earners and salaried employees), including employees who have lost their jobs in the first 2 years of incapacity, incapacitated unemployed persons, temporary workers on sick leave without a permanent contract, the voluntarily insured, apprentices, organ donors, vocationally rehabilitated persons, and women whose incapacity is the result of pregnancy or childbirth.

Medical benefits: All persons residing in the Netherlands and persons who reside outside the Netherlands but conduct their professional activities in the Netherlands.

Exceptional medical expenses: All persons residing in the Netherlands and persons who reside outside the Netherlands but conduct their professional activities in the Netherlands.

Source of Funds

Insured person: A flat-rate contribution set by the private insurer; 7.2% of the old-age pension is paid by the pensioner; 5.1% of other pension income is paid by the pensioner for medical benefits exceeding €31,231 (7.2% of the disability pension is paid by the pension institution on behalf of disability pensioners for medical benefits); and 12.15% of earnings up to €31,589 is paid for exceptional medical expenses insurance.

The maximum earnings for contribution purposes are €113 a day (medical benefits), €31,589 a year (exceptional medical expenses), and €38,117 a year (cash sickness benefits and maternity benefits for unemployed workers).

The contribution for sickness and maternity benefits is included in the contribution for unemployment benefits, below.

Self-employed person: A flat-rate contribution set by the private insurer, plus 4.4% of taxable income up to €31,231 for medical benefits and 12.15% of income up to €31,589 for exceptional medical expenses insurance.

The maximum earnings for contribution purposes are €113 a day (medical benefits) and €31,589 a year (exceptional medical expenses).

Employer: 7.2% of covered payroll for medical benefits.

The contribution for sickness and maternity benefits is included in the contribution for unemployment benefits, below.

The maximum earnings for contribution purposes are €113 a day (medical benefits), €31,231 a year (exceptional medical expenses), and €38,117 a year (cash sickness benefits and maternity benefits for unemployed workers).

Government: An annually determined contribution for medical benefits.

Qualifying Conditions

Cash sickness benefits: The insured must be incapable of performing normal work.

Cash maternity benefits: The insured must be employed.

Medical benefits: Covered by an insurance policy with a private insurer.

Sickness and Maternity Benefits

Sickness benefit: The benefit is equal to 70% of earnings, up to the daily maximum earnings of €177.03. The benefit is paid for up to 104 weeks; may be extended to 156 weeks.

Maternity benefit: The benefit is equal to 100% of earnings, up to the daily maximum of €177.03. The benefit is paid for up to 16 weeks.

Death benefit: The benefit is equal to 100% of earnings, up to the daily maximum of €177.03. The benefit is paid for a maximum of 1 month.

Workers' Medical Benefits

Depending on the contract between the health care insurer and the insured, service benefits are provided by doctors, hospitals, and pharmacists under contract with the insurer. The insurer reimburses the insured for medical costs. Benefits include general and specialist care, hospitalization, laboratory services, medicines, limited dental care, maternity care, appliances, rehabilitation, and transportation.

Cost sharing: There are specific cost-sharing arrangements for long-term hospitalization, artificial limbs, and transportation.

There is no limit on duration (except for physiotherapy).

Exceptional medical expenses insurance finances the cost of hospitalization from the 366th day.

Dependents' Medical Benefits

All individuals are insured in their own right.

Administrative Organization

Inspection Service for Work and Income (<http://www.iwiweb.nl>) provides general supervision of cash benefits.

Institute for Employee Benefits collects contributions for medical benefits and administers cash benefits for sickness and maternity.

Dutch Health Care Authority (<http://www.nza.nl>) provides general supervision of medical benefits and exceptional medical expenses benefits.

National Revenue Department (<http://www.minfin.nl>) collects contributions for cash benefits for maternity on behalf of unemployed workers and for exceptional medical expenses insurance.

Work Injury

Regulatory Framework

First law: 1901.

Note: Beginning in 1967, there is no specific work injury program. The provisions of the 1966 and 1968 legislation under the sickness and maternity benefits and disability pensions programs (see above) apply to all incapacities, whether work related or not.

Unemployment

Regulatory Framework

First law: 1949.

Current law: 1987.

Type of program: Social insurance and social assistance system.

Coverage

Employed persons.

Source of Funds

Insured person: Variable contribution rates are paid to the general unemployment fund, according to industry. The average contribution is 3.5% of covered earnings. None for the redundancy payment fund.

The maximum monthly earnings for contribution purposes are €3,850.40.

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

Self-employed person: Not applicable.

Employer: 4.75% of covered payroll for the general unemployment fund. Variable contribution rates are paid to the redundancy payment fund. The average contribution is 1.02% of covered payroll.

The maximum monthly earnings for contribution purposes are €3,850.40.

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

Government: None.

Qualifying Conditions

Unemployment benefits: There must be a minimum loss of 5 working hours a week (or half the working hours a week when employed for less than 10 hours a week). The insured must be registered at the public labor exchange, be capable of, and available for work, and must not refuse suitable employment.

Salary-related benefit: The insured must have been in paid employment for at least 26 of the last 36 weeks and have had at least 52 days of paid employment in at least 4 of the last 5 years.

Follow-up benefit: If unemployment continues after entitlement to the salary-related benefit is exhausted, a follow-up benefit may be paid. (The follow-up benefit was abolished for new claims for persons becoming unemployed after August 11, 2003.)

Supplementary allowance (means-tested): If unemployment benefits are less than the social minimum, a means-tested supplement may be paid.

Unemployment Benefits

Unemployment benefits

Salary-related benefit: The benefit is equal to 75% of the last salary, up to the daily maximum earnings of €177.04. The benefit is paid for 3 months if the insured was in paid employment for at least 26 of the last 36 weeks. If the insured was employed for at least 52 days each year before the year in which he or she became unemployed, the insured receives one month's benefit for each year he or she was employed, up to a maximum of 38 months.

Follow-up benefit: The benefit is equal to 70% of the statutory minimum wage (or 70% of the daily wage if this is less than the statutory minimum wage). A person who was aged 57.5 or older when unemployment began can receive the benefit until age 65. (The follow-up benefit was abolished for persons becoming unemployed after August 11, 2003.)

Supplementary allowance (means-tested): A means-tested supplement is paid.

Administrative Organization

Inspection Service for Work and Income (<http://www.iwiweb.nl>) provides general supervision.

National Revenue Department of the Tax and Customs Administration (<http://www.belastingdienst.nl>) collects contributions.

Institute for Employee Benefits (<http://www.uwv.nl>) implements the different programs.

Social security agencies deliver benefits on a contractual basis.

Family Allowances

Regulatory Framework

First law: 1939.

Current law: 1963 (child benefits), with amendments.

Type of program: Universal system.

Coverage

All covered persons with one or more children.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Family allowances

Children younger than 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 be paid under certain conditions.

Benefits are payable abroad if residing in a European Union country; otherwise, under reciprocal agreement.

Children aged 16 or 17: Children attending school 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 qualify 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 paid for children who receive a student grant or loan under the Dutch Student Financing Act.

No benefit is paid if the child spends more than 19 hours a week in employment or receives an unemployment benefit. (Unemployed children must be seeking work for at least 19 hours a week and be registered at a Work and Income Center.)

Children who are disabled must have a reduced earning capacity equal to 55% or less of the normal earning capacity of healthy children in the same age group.

Benefits are payable abroad if residing in a European Union country; otherwise, under reciprocal agreement.

Family Allowance Benefits

Family allowances: Depending on the composition of the family, the benefit for children born before 1995 ranges from €271.70 to €366.40 per child per quarter. For children

born after January 1, 1995, €190.19 is paid for children up to age 6; €230.95 if aged 7 to 12; €271.70 if aged 13 to 18.

Benefit adjustment: Benefits are adjusted twice a year according to changes in the price index.

Administrative Organization

Inspection Service for Work and Income (<http://www.iwiweb.nl>) provides general supervision.

Social Insurance Bank (<http://www.svb.nl>) administers child allowances.

Norway

Exchange rate: US\$1.00 equals 5.51 kroner.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1936.

Current law: 1997 (national insurance), with amendments.

Type of program: Universal and social insurance system.

Coverage

Universal pension: All persons residing or working as employees in Norway or on permanent or moveable installations on the Norwegian Continental Shelf, including noncitizen seamen serving on Norwegian ships outside territorial waters; citizens from European Economic Area (EEA) countries who pursue an activity as a self-employed person in Norway. Citizens from EEA countries working on Norwegian ships, except hotel and restaurant staff on cruise ships registered in the Norwegian international ship register; and certain categories of Norwegian citizens working abroad.

Earnings-related pension: All employed and self-employed persons with earnings greater than the base amount of 66,812 kroner (January 1, 2008).

Special systems for seamen, fishermen, railway employees, and public-sector employees.

Source of Funds

Insured person: 7.8% of gross income, including payments in kind; pensioners and persons younger than age 17 contribute 3% of gross income.

There are no maximum earnings for contribution purposes for insured persons.

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

Self-employed person: 10.7% of calculated personal income.

The minimum earnings for contribution purposes are equal to the base amount of 66,812 kroner (January 1, 2008). The base amount varies automatically with changes in general price and income levels and is adjusted once or twice a year.

Contributions are calculated on the basis of pensionable income (gross wage income including cash sickness, maternity, and unemployment benefits) in excess of 29,600 kroner a year. The maximum contribution must not exceed 25% of annual income greater than 29,600 kroner.

There are no maximum earnings for contribution purposes for self-employed persons.

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

Employer: 14.1% of gross payroll. Contributions are waived in certain geographic areas, except for enterprises in certain sectors, and for employees aged 62 or older.

The minimum earnings for contribution purposes are equal to the base amount of 66,812 kroner (January 1, 2008). The base amount varies automatically with changes in general price and income levels and is adjusted once or twice a year.

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

Government: National government meets any deficit.

Qualifying Conditions

Old-age pension

Universal old-age pension: Age 67 with at least 3 years' residence between ages 16 and 66.

Retirement from employment is not required.

The pension is payable abroad under special conditions.

Earnings test: If the insured continues to work at age 67, there is no reduction in the old-age pension until the insured reaches age 68. From age 68, an earnings test is applied to the old-age 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. The base amount is 66,812 kroner as of January 1, 2008.

Dependent's supplement (income-tested): Paid for a dependent spouse and children younger than age 18.

Special supplement: A supplement is provided to persons with limited work histories, low income, or who receive a small or no earnings-related old-age pension.

Earnings-related old-age pension: Age 67 with at least 3 years' earnings above the base amount. The base amount is 66,812 kroner as of January 1, 2008.

Retirement from employment is not required.

The pension is payable abroad.

Earnings test: If the insured continues to work at age 67, there is no reduction in the old age pension until the insured reaches age 68. From age 68, an earnings test is applied to the earnings-related old-age 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. The base amount is 66,812 kroner as of January 1, 2008.

Disability pension

Universal disability pension: Paid to insured persons aged 18 to 66 with an assessed reduction in earning capacity of at least 50%. The insured must have at least 3 years' coverage

(1 year in certain cases) immediately before the date of the claim.

The degree of disability is assessed by the National Insurance Administration.

Dependent's supplement (income-tested): Paid for a dependent spouse and children younger than age 18.

The pension is payable abroad under special conditions.

Earnings-related disability pension: Paid to insured persons aged 18 to 66 with an assessed reduction in earning capacity of at least 50%. The insured must have at least 3 years' earnings above the base amount. The base amount is 66,812 kroner as of January 1, 2008.

The degree of disability is assessed by the National Insurance Administration.

The pension is payable abroad.

Temporary disability benefit: Paid instead of the earnings-related disability pension for an assessed reduction in earning capacity of at least 50% (30% or 40% in selected counties) if an improvement in the insured's working capacity is likely. The insured must have 3 years' coverage (1 year in certain cases) immediately before the disability began.

The degree of disability is assessed by the National Insurance Administration.

Survivor pension

Universal survivor pension: The deceased had at least 3 years' coverage immediately before the date of death or was receiving a pension from the National Insurance Administration. The surviving spouse was married to the deceased for at least 5 years or provides care for at least one dependent child.

Universal orphan's pension: The deceased had at least 3 years' coverage immediately before the date of death or was receiving a pension from the National Insurance Administration. Orphans must be younger than age 18 (age 20 if a full orphan and a student).

Special supplement: A supplement is provided if the survivor is ineligible for an earnings-related survivor pension.

Child care benefit: Paid if the survivor or parent is a full-time student or works outside the home.

The universal survivor pension is payable in another country if either the survivor or the deceased had resided in that country for at least 20 years.

Earnings-related survivor pension: The deceased had at least 3 years' earnings above the base amount. The base amount is 66,812 kroner as of January 1, 2008.

Transitional benefit: A surviving spouse who is not eligible for an earnings-related survivor pension may be eligible for a transitional benefit, subject to conditions.

Earnings-related orphan's pension: The deceased had 3 years' earnings above the base amount. The base amount

is 66,812 kroner as of January 1, 2008. Orphans must be younger than age 18 (age 20 if a full orphan and a student).

Earnings-related survivor pensions are payable abroad.

Old-Age Benefits

Old-age pension

Universal old-age pension: Up to 100% of the base amount is paid for a single pensioner; 170% for a couple if the spouse or cohabitant receives a pension or has annual income exceeding twice the base amount. The full pension is paid with 40 years' coverage.

Earnings test: If the insured continues to work at age 67, there is no reduction in the old-age pension until the insured reaches age 68. From age 68, an earnings test is applied to the old-age 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. The base amount is 66,812 kroner as of January 1, 2008.

Partial pension: A proportionately reduced pension is paid for a coverage period shorter than 40 years. There is no guaranteed minimum pension.

Dependent's supplement (income-tested): 50% of the insured's pension is paid for a dependent spouse who is not receiving an old-age pension in his or her own right; 40% of the base amount is paid for each dependent child younger than age 18.

Income test: The supplement is reduced by 50% of income in excess of an exemption amount.

Special supplement: 79.33% of the base amount is paid for a single pensioner. The rate varies according to age. Benefits are adjusted when there is also entitlement to an earnings-related old-age pension. A proportionately reduced supplement is paid for a coverage period shorter than 40 years.

Benefit adjustment: Benefits are adjusted automatically for changes in general price and income levels, corresponding to adjustments made to the base amount.

Earnings-related old-age pension: The pension is equal to 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. If the insured has less than 20 years' coverage, the average of all pension points is used. The number of pension points in a year equals the difference between the insured's pensionable earnings plus the year's base amount divided by the base amount.

Earnings test: If the insured continues to work at age 67, there is no reduction in the old-age pension until the insured reaches age 68. From age 68, an earnings test is applied to the old-age 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. The base amount is 66,812 kroner as of January 1, 2008.

The maximum earnings for benefit calculation purposes are 6 times the base amount plus 1/3 of income between 6 times

and 12 times the base amount. The maximum number of pension points for benefit calculation purposes is 7 per year.

Earnings adjustment: Recorded earnings and wage limits are adjusted automatically for changes in general price and income levels, corresponding to adjustments made to the base amount.

The full earnings-related pension is paid with 20 years' coverage for persons born before 1917; the coverage requirement increases for persons born in 1917 or later, up to a maximum of 40 years.

Partial earnings-related pension: A proportionately reduced pension is paid for an incomplete coverage period.

Benefit adjustment: Benefits are adjusted automatically for changes in general price and income levels, corresponding with adjustments made to the base amount.

Permanent Disability Benefits

Disability pension

Universal disability pension: If the insured is assessed as totally disabled, the pension is equal to up to 100% of the base amount. The insured must have 40 years of coverage for a full pension. The insured is credited with years of coverage as if he or she had worked to age 67.

The base amount is 66,812 kroner as of January 1, 2008.

Partial pension: A proportionately reduced pension is paid according to the assessed loss of earning capacity.

The minimum disability pension is equal to 50% of the insured's projected universal old-age pension.

Dependent's supplement (income-tested): 50% of the pension is paid for a spouse aged 60 or older; 40% of the base amount is paid for each child younger than age 18.

Income test: The supplement is reduced by 50% of income in excess of an exemption amount.

Special supplement: 79.33% of the base amount is paid for a single pensioner. The rate varies according to age. Benefits are adjusted when there is also entitlement to an earnings-related disability pension. A proportionately reduced supplement is paid for a coverage period shorter than 40 years.

Other supplements: 585 kroner to 2,931 kroner a month is paid to help meet certain costs incurred as a result of the disability.

Attendance benefit: Four different rates are payable depending on the insured's assessed need for special attention or nursing. The annual rates are 12,600 kroner, 25,200 kroner, 50,400 kroner, or 75,600 kroner. The three highest rates are payable only to persons younger than age 18.

Benefit adjustment: Benefits are adjusted automatically for changes in general price and income levels, corresponding to adjustments made to the base amount.

Earnings-related disability pension: The pension is equal to 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 insured's pensionable earnings plus the year's base amount divided by the base amount. Years of coverage are credited as if the insured had worked to age 67.

The base amount is 66,812 kroner as of January 1, 2008.

The maximum earnings for benefit calculation purposes are 6 times the base amount plus 1/3 of income between 6 times and 12 times the base amount. The maximum number of pension points for benefit calculation purposes is 7 per year.

Earnings adjustment: Recorded earnings and wage limits are adjusted automatically for changes in general price and income levels, corresponding to adjustments made to the base amount.

Partial pension: A proportionately reduced pension is paid for persons with shorter periods of coverage.

Attendance benefit: Four different rates are payable, depending on the insured's assessed need for special attention or nursing. The annual rates are 12,600 kroner, 25,200 kroner, 50,400 kroner, or 75,600 kroner. The three highest rates are payable only to persons younger than age 18.

Benefit adjustment: Benefits are adjusted automatically for changes in general price and income levels, corresponding to adjustments made to the base amount.

Temporary disability benefit: The benefit is equal to 66% of earnings up to six times the base amount in the year before the disability began or 66% of average earnings in the last 3 years before the disability began, whichever is greater. The benefit is paid for 1 to 4 years; may be extended if a return to work is likely.

The base amount is 66,812 kroner as of January 1, 2008.

The minimum benefit is 1.8 times the base amount (2.4 times the base amount if the disability began before age 26), plus a supplement of 40% of the base amount for each dependent child.

Income test: The supplement is reduced by 50% of income in excess of an exemption amount.

Attendance benefit: Four different rates are payable, depending on the insured's assessed need for special attention or nursing. The annual rates are 12,600 kroner, 25,200 kroner, 50,400 kroner, or 75,600 kroner. The three highest rates are payable only to persons younger than age 18.

Benefit adjustment: Benefits are adjusted automatically for changes in general price and income levels, corresponding to adjustments made to the base amount.

Survivor Benefits

Survivor pension

Universal survivor pension: Up to 100% of the base amount is paid to the surviving spouse. The full pension is paid if

the deceased had 40 years of coverage, with coverage projected as if the deceased had worked to age 66.

The base amount is 66,812 kroner as of January 1, 2008.

There is no minimum survivor pension.

Income test: If the surviving spouse's income exceeds 1/2 of the base amount, the pension equals the difference between the full pension and 40% of the excess of the spouse's income above 1/2 of the base amount.

Special supplement: 79.33% of the base amount is paid if the deceased was not eligible for the earnings-related pension; a proportionately reduced supplement is paid if the deceased had less than 40 years of coverage.

Child care benefit: The benefit paid depends on the survivor's annual income, child care expenses, and number of children.

The universal survivor pension ceases on remarriage.

Universal orphan's pension: 40% of the base amount is paid for the first child, 25% for each additional child younger than age 18. Full orphans younger than age 18 (age 20 if a student) receive the full survivor pension (the basic pension plus the earnings-related pension) of the parent who was entitled to the highest amount; 40% of the base amount is paid for the second child and 25% for each additional child. The pension is split equally if there are two or more children.

The base amount is 66,812 kroner as of January 1, 2008.

Benefit adjustment: Benefits are adjusted automatically for changes in general price and income levels, corresponding to adjustments made to the base amount.

Earnings-related survivor pension: The pension is equal to 55% of the deceased's earnings-related pension, with coverage projected as if the deceased had worked to age 67.

The earnings-related survivor pension ceases on remarriage.

Transitional benefit (income-tested): The benefit is equal to the value of the universal survivor pension plus the earnings-related survivor pension; if the insured was not eligible for an earnings-related pension, the benefit is equal to the value of the universal survivor pension plus the special supplement.

Income test: If the surviving spouse's income exceeds 1/2 of the base amount, the pension equals the difference between the full pension and 40% of the excess of the spouse's income above 1/2 of the base amount.

Earnings-related orphan's pension: 40% of the base amount is paid for the first child, 25% for each additional child younger than age 18. Full orphans younger than age 18 (age 20 if a student) receive the full survivor pension (the basic pension plus the earnings-related pension) of the parent who was entitled to the highest amount; 40% of the base amount is paid for the second child and 25% for each additional child. The pension is split equally if there are two or more children.

The base amount is 66,812 kroner as of January 1, 2008.

Funeral grant: An income-tested lump sum of up to 17,952 kroner is paid. There is no income test if the deceased was younger than age 18.

Benefit adjustment: Benefits are adjusted automatically for changes in general price and income levels, corresponding to adjustments made to the base amount.

Administrative Organization

Ministry of Health and Care Services (<http://www.regjeringen.no/nb/dep/hod>), Ministry of Children and Equality (<http://www.regjeringen.no/nb/dep/bld>), and Ministry of Labor and Social Inclusion (<http://www.regjeringen.no/nb/dep/aid>) provide general supervision.

Norwegian Labour and Welfare Administration (NAV) (<http://www.nav.no>) administers the program nationally.

NAV Local Services administer the program locally.

Contributions, including employers' contributions, are normally collected through the local tax office in each municipality.

Sickness and Maternity

Regulatory Framework

First law: 1909.

Current law: 1997 (national insurance), with amendments.

Type of program: Universal and social insurance system.

Coverage

Cash sickness and maternity benefits: Employed and self-employed persons with income at least equal to 1/2 of the base amount. (The income limit does not affect the employer's obligation to pay cash sickness benefits for the first 16 calendar days for all employees.)

The base amount is 66,812 kroner as of January 1, 2008, and varies automatically with changes in general price and income levels, subject to adjustment once or twice a year.

Special cash benefit provisions for fishermen, casual workers, and the temporarily unemployed.

Medical benefits: All persons residing in Norway, including noncitizen seamen serving on Norwegian ships.

Special medical benefit provisions for seamen and military personnel.

Source of Funds

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

Self-employed person: See source of funds under Old Age, Disability, and Survivors, above.

Employer: See source of funds under Old Age, Disability, and Survivors, above. In addition, the employer pays the total cost of cash sickness benefits for the first 16 days.

Government: National government meets any deficit.

Qualifying Conditions

Cash sickness benefits: The insured must have at least 28 days (4 weeks) of employment or self-employment.

Parental care leave: Paid to parents to care for a sick child younger than age 12 (age 18 if the child is disabled or chronically or seriously ill).

Cash maternity benefits: The insured must have at least 6 months of employment or self-employment in the last 10 months. The qualifying condition may be met by the mother, father, or both parents.

Maternity grant: Paid to insured mothers who are not entitled to cash maternity benefits.

Additional grant: Paid to widowed, divorced, separated, or unwed mothers with 3 years of coverage immediately before the claim.

Sickness and Maternity Benefits

Sickness benefit: The benefit is equal to 100% of covered earnings and is paid from the first full day of incapacity for up to 52 weeks; thereafter, the insured may receive a temporary disability benefit or disability pension.

The maximum earnings for benefit calculation purposes are six times the base amount. The base amount is 66,812 kroner as of January 1, 2008.

Self-employed persons receive 65% of assessed covered earnings after a 16-day waiting period for up to 248 days (may voluntarily insure for 100% of earnings, a shorter waiting period, or both).

Parental care leave: The mother and father are each entitled to 10 days per year (single parent, 20 days); for more than two children, 15 days each (single parent, 30 days); for a disabled or chronically ill child younger than age 18, 20 days each (single parent, 40 days); for a sick child younger than age 18 and if the illness is potentially life-threatening, as long as it is necessary for the treatment of the child.

The cash sickness benefit is reduced from the 2nd month of institutional care.

Maternity benefit: 100% of covered earnings (self-employed person, 65% of assessed earnings) is paid to the mother for 44 weeks; alternatively, 80% of covered earnings is paid to the insured parents (mother or father) for 54 weeks. The mother must take 3 weeks of the benefit period before the expected date of childbirth and at least 6 weeks immediately after giving birth; 6 weeks of the total 44-week benefit period are reserved for the father as the “father quota.”

Reduced weekly working hours may count as a partial maternity benefit. The partial benefit is paid under the same qualifying conditions and is equal to 100% of covered earnings for 41 weeks; 80% for 51 weeks for the adoption of a child.

Part of the benefit may be postponed, but must be taken within 3 years of the birth or adoption.

Maternity grant: 33,584 kroner is paid if the insured is not receiving a maternity benefit (also paid for the adoption of a child); 1,765 kroner is paid for giving birth at home.

Additional grant: An additional benefit is paid to widowed, divorced, separated, or unwed mothers.

Workers' Medical Benefits

Cash refunds of part or all of medical expenses; or service benefits furnished by providers under contract with insurance funds. Benefits include part of doctors' fees (patients pay 130 kroner per consultation with a general practitioner; 280 kroner with a specialist) and free care in a public hospital. Patients pay 36% of expenses for listed essential medicines (up to 510 kroner per prescription), laboratory services, and transportation costs in excess of 120 kroner or 400 kroner for each required trip to hospital. The insured is free to choose the hospital, after a referral from a doctor.

Patient's own expenses, with certain exemptions for special diseases, are limited to a ceiling of 1,740 kroner; the ceiling for expenses for some higher-cost health services is 2,500 kroner. The ceilings are set annually by parliament. When the ceiling is reached, the patient is entitled to free treatment for the remainder of the year.

There is no limit to duration.

Dependents' Medical Benefits

Dependents are insured in their own right. Coverage is based on residency.

Cash refunds of part or all of medical expenses; or service benefits furnished by providers under contract with insurance funds. Benefits include part of doctors' fees (patients pay 130 kroner per consultation with a general practitioner; 280 kroner with a specialist) and free care in a public hospital. Patients pay 36% of expenses for listed essential medicines (up to 510 kroner per prescription), laboratory services, and transportation costs in excess of 120 kroner or 400 kroner for each required trip to hospital. The insured is free to choose the hospital, after a referral from a doctor.

Patient's own expenses, including those for children aged 7 to 16, with certain exemptions for special diseases, are limited to 1,740 kroner; the ceiling for expenses for some higher-cost health services is 2,500 kroner. The ceilings are set annually by parliament. When the ceiling is reached, the patient is entitled to free treatment for the remainder of the year.

There are no copayments for benefits for children aged 6 or younger.

There is no limit to duration.

Administrative Organization

Ministry of Health and Care Services (<http://www.regjeringen.no/nb/dep/hod>), Ministry of Children and Equality (<http://www.regjeringen.no/nb/dep/bld>), and Ministry of Labor and Social Inclusion (<http://www.regjeringen.no/nb/dep/aid>) provide general supervision.

Norwegian Labour and Welfare Administration (NAV) (<http://www.nav.no>) administers the program nationally.

NAV Local Services administer the program locally.

Contributions, including employers' contributions, are normally collected through the local tax office in each municipality.

Work Injury

Regulatory Framework

First law: 1894.

Current law: 1997 (national insurance), with amendments.

Type of program: Universal and social insurance system.

Coverage

Employed persons, including personnel on Norwegian ships, fishing vessels, and permanent or movable installations on the Norwegian continental shelf (including noncitizens); students; and military personnel.

Voluntary coverage for self-employed persons.

Source of Funds

Insured person: None.

Self-employed person: Voluntary contributions equal to 0.4% of income, as assessed for national tax purposes.

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

Government: National government meets any deficit.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period. Accidents that occur while commuting to and from work are covered if the employer arranged the transportation.

Temporary Disability Benefits

The benefit is equal to 100% of covered earnings and is paid from the first full day of incapacity for up to 50 weeks; thereafter, the insured may receive a temporary disability benefit or disability pension.

The maximum earnings for benefit calculation purposes are six times the base amount. The base amount is 66,812 kroner as of January 1, 2008.

Self-employed persons receive 65% of assessed covered earnings after a 16-day waiting period for up to 248 days (may voluntarily insure for 100% of earnings, a shorter waiting period, or both).

Permanent Disability Benefits

Permanent disability pension

Universal permanent disability pension: If the insured is assessed as totally disabled, the pension is equal to up to 100% of the base amount. (The pension is not reduced for a coverage period shorter than 40 years.)

The degree of disability is assessed by the National Insurance Administration.

The base amount is 66,812 kroner as of January 1, 2008.

Dependent's supplement (income-tested): 50% of the pension is paid for a spouse aged 60 or older; 40% of the base amount is paid for each child younger than age 18.

Income test: The supplement is reduced by 50% of income in excess of the minimum pension for couples plus 25% of the base amount.

Other supplements: 585 kroner to 2,931 kroner a month is paid for substantially increased expenses.

Attendance benefit: Four different rates are payable, depending on the insured's assessed need for special attention or nursing. The annual rates are 12,600 kroner, 25,200 kroner, 50,400 kroner, or 75,600 kroner. The three highest rates are payable only to persons younger than age 18.

Benefit adjustment: Benefits are adjusted automatically for changes in general price and income levels, corresponding to adjustments made to the base amount.

Earnings-related disability pension: The insured must be assessed with at least a 30% loss in earning capacity. The pension is equal to 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 insured's earnings and the year's base amount divided by the base amount. Years of coverage are credited as if the insured had worked to age 67.

The degree of disability is assessed by the National Insurance Administration.

The base amount is 66,812 kroner as of January 1, 2008.

The maximum earnings for benefit calculation purposes are 6 times the base amount plus 1/3 of income between 6 times and 12 times the base amount. The maximum number of pension points for benefit calculation purposes is 7 per year.

Earnings adjustment: Recorded earnings and wage limits are adjusted automatically for changes in general price and

income levels, corresponding to adjustments made to the base amount.

The full pension is paid with 20 years' coverage for persons born before 1917; the coverage requirement increases for persons born in 1917 or later, up to a maximum of 40 years.

Partial earnings-related pension: A proportionately reduced pension is paid for an incomplete coverage period.

Attendance benefit: Four different rates are payable, depending on the insured's assessed need for special attention or nursing. The annual rates are 12,600 kroner, 25,200 kroner, 50,400 kroner, or 75,600 kroner. The three highest rates are payable only to persons younger than age 18.

Benefit adjustment: Benefits are adjusted automatically for changes in general price and income levels, corresponding to adjustments made to the base amount.

Temporary disability benefit: The benefit is equal to 66% of earnings up to six times the base amount in the year before the disability began or 66% of average earnings in the last 3 years before the disability began, whichever is greater. The benefit is paid for 1 to 4 years; may be extended if a return to work is likely.

The base amount is 66,812 kroner as of January 1, 2008.

The minimum benefit is 1.8 times the base amount (2.4 times the base amount if the disability began before age 26), plus a supplement of 17 kroner per day for each dependent child.

Attendance benefit: Four different rates are payable, depending on the insured's assessed need for special attention or nursing. The annual rates are 12,600 kroner, 25,200 kroner, 50,400 kroner, or 75,600 kroner. The three highest rates are payable only to persons younger than age 18.

Benefit adjustment: Benefits are adjusted automatically for changes in general price and income levels, corresponding to adjustments made to the base amount.

Workers' Medical Benefits

Comprehensive care is provided, including appliances.

There is no cost sharing.

There is no limit to duration.

Survivor Benefits

Survivor pension: Up to 100% of the base amount is paid to the surviving spouse. The full pension is paid if the deceased had 40 years of coverage, with coverage projected to age 66.

The base amount is 66,812 kroner as of January 1, 2008.

Income test: If the surviving spouse's income exceeds 1/2 of the base amount, the pension equals the difference between the full pension and 40% of the excess of the spouse's income above 1/2 of the base amount.

Special supplement: 79.33% of the base amount is paid if the deceased was not eligible for the earnings-related pension. The supplement is reduced proportionately if the deceased had less than 40 years of coverage.

Child care benefit: The benefit paid depends on the survivor's annual income, child care expenses, and number of children.

Benefit adjustment: Benefits are adjusted automatically for changes in general price and income levels, corresponding with adjustments made to the base amount.

Orphan's pension: 40% of the base amount is paid for the first child, 25% for each additional child younger than age 18. Full orphans younger than age 18 (age 20 if a student) receive the full survivor pension (the basic pension plus the earnings-related pension) of the parent who was entitled to the highest amount; 40% of the base amount is paid for the second child and 25% for each additional child. The pension is split equally if there are two or more children.

The base amount is 66,812 kroner as of January 1, 2008.

Benefit adjustment: Benefits are adjusted automatically for changes in general price and income levels, corresponding with adjustments made to the base amount.

Funeral grant: An income-tested lump sum of up to 17,952 kroner is paid. There is no income test if the deceased was younger than age 18.

Administrative Organization

Ministry of Health and Care Services (<http://www.regjeringen.no/nb/dep/hod>), Ministry of Children and Equality (<http://www.regjeringen.no/nb/dep/bld>), and Ministry of Labor and Social Inclusion (<http://www.regjeringen.no/nb/dep/aid>) provide general supervision.

Norwegian Labour and Welfare Administration (NAV) (<http://www.nav.no>) administers the program nationally.

NAV Local Services administer the program locally.

Contributions, including employers' contributions, are normally collected through the local tax office in each municipality.

Unemployment

Regulatory Framework

First law: 1906.

Current law: 1997 (national insurance), with amendments.

Type of program: Social insurance system.

Coverage

Employed persons, including public-sector employees and seamen; self-employed persons aged 64 or older are covered under special circumstances.

Source of Funds

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

Self-employed person: See source of funds under Old Age, Disability, and Survivors, above.

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

Government: National government meets any deficit.

Qualifying Conditions

Unemployment benefit: Annual earnings in the last year before unemployment equal to at least 1.5 times the base amount at the time of making a claim to the benefit, or 3 times the base amount in the last 3 years before unemployment at the time of making a claim to the benefit. The insured must be registered at a public employment office and be able and willing to work. Unemployment is not due to voluntary leaving, discharge for misconduct, participation in a labor dispute, or the refusal of a suitable offer or retraining (disqualification for at least 4 weeks).

The base amount is 66,812 kroner as of January 1, 2008.

Unemployment Benefits

The benefit is equal to 0.24% of annual income a day, up to six times the base amount. The benefit is paid after a 3-day waiting period for up to 52 weeks if annual income before unemployment was less than 133,624 kroner; 104 weeks if income was 133,624 kroner or more.

The base amount is 66,812 kroner as of January 1, 2008.

Child's supplement: 17 kroner a day is paid for each dependent child younger than age 18.

The maximum daily benefit is 962 kroner, plus child supplements.

Administrative Organization

Ministry of Health and Care Services (<http://www.regjeringen.no/nb/dep/hod>), Ministry of Children and Equality (<http://www.regjeringen.no/nb/dep/bld>), and Ministry of Labor and Social Inclusion (<http://www.regjeringen.no/nb/dep/aid>) provide general supervision.

Norwegian Labour and Welfare Administration (NAV) (<http://www.nav.no>) administers the program nationally.

NAV Local Services administer the program locally.

Contributions, including employers' contributions, are normally collected through the local tax office in each municipality.

Family Allowances

Regulatory Framework

First law: 1946.

Current law: 2002 (child insurance).

Type of program: Universal system.

Coverage

All children residing in Norway.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Family allowances: The child must be younger than age 18.

Family Allowance Benefits

Family allowances: 11,640 kroner a year is paid for each child. Family allowances are paid monthly.

Single parents receive extended child benefits for one child more than is actually supported. Single parents of children younger than age 3 who are entitled to extended child benefits and a full transitional benefit (see Old Age, Disability, and Survivors, above) may also receive an extra infant supplement of 7,920 kroner a year.

Beneficiaries living in the Arctic region receive an annual supplement of 3,840 kroner per child.

Cash benefit for families with young children: The monthly allowance is paid for children between ages 1 and 3 and adopted children who have not started school. The benefit may be granted for up to 23 months. To receive the full benefit (39,636 kroner per year per child), the child must not attend a day care center that receives a state grant. If the child, according to agreement, attends a day care center less than 33 hours a week, the family may be entitled to a reduced cash benefit.

Administrative Organization

Ministry of Health and Care Services (<http://www.regjeringen.no/nb/dep/hod>), Ministry of Children and Equality (<http://www.regjeringen.no/nb/dep/bld>), and Ministry of Labor and Social Inclusion (<http://www.regjeringen.no/nb/dep/aid>) provide general supervision.

Norwegian Labour and Welfare Administration (NAV) (<http://www.nav.no>) administers the program nationally.

NAV Local Services administer the program locally.

Contributions, including employers' contributions, are normally collected through the local tax office in each municipality.

Poland

Exchange rate: US\$1.00 equals 2.45 zlotys.

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1927 (salaried employees) and 1933 (wage earners).

Current laws: 1990 (farmers); 1997 (pension funds); 1998 (social insurance system), implemented in 1999; 1998 (social insurance fund); 2003 (social pension); and 2004 (individual pension accounts).

Type of program: Notional defined contribution (NDC) social insurance and mandatory individual account system for old-age benefits; social insurance system for disability and survivor benefits.

Note: A system consisting of a modified social insurance first pillar (notional defined contributions) plus a second pillar of mandatory individual accounts was implemented in April 1999. Persons born after December 31, 1968, joined the new system; those born after December 31, 1948, could choose to join the new system. Those born before January 1, 1949, remain in the old social insurance system.

Coverage

All economically active persons.

Voluntary coverage for students, Polish citizens working abroad, persons providing care for a family member, and persons previously covered on a mandatory basis.

Special systems for individual farmers, military personnel, public prosecutors, judges, and police personnel.

Source of Funds

Insured person: 2.46% of covered earnings for the first pillar old-age pension and 7.3% of covered earnings for the second pillar old-age pension (participants in the old system contribute 9.76% of covered earnings for old-age pensions) and 1.5% of covered earnings for disability and survivor pensions.

In addition, pension fund administrators may charge up to a maximum of 7% of contributions, up to 0.54% of assets, and up to an additional 0.06% of assets (depending on fund performance) for annual administrative fees.

The maximum annual earnings for contribution purposes are 30 times the average national monthly earnings set by the budget law (90,981 zlotys in 2008).

Self-employed person: 12.22% of covered earnings for the first pillar old-age pension and 7.3% of covered earnings

second pillar old-age pension (participants in the old system contribute 19.52% of covered earnings for old-age pensions) and 1.5% of covered earnings for disability and survivor pensions.

In addition, pension fund administrators may charge up to a maximum of 7% of contributions, up to 0.54% of assets, and up to an additional 0.06% of assets (depending on fund performance) for annual administrative fees.

The minimum income for contribution purposes is equal to 60% of the average national monthly earnings set by the budget law.

The maximum annual income for contribution purposes is equal to 30 times the average national monthly earnings set by the budget law (90,981 zlotys in 2008).

Employer: 9.76% of covered payroll for the first pillar old-age pension and 0% of covered payroll second pillar old-age pension (9.76% of covered payroll on behalf of participants in the old system for old-age pensions) and 6.5% of covered earnings for disability and survivor pensions.

The maximum annual earnings for contribution purposes are equal to 30 times the average national monthly earnings set by the budget law (90,981 zlotys in 2008).

Government: The total cost of the guaranteed minimum pension; pays pension contributions on behalf of insured persons taking child care leave or receiving maternity allowances, for persons receiving unemployment benefits, and for unemployed graduates.

Qualifying Conditions

Old-age pension (old system): Age 65 with at least 25 years of coverage (men) or age 60 with at least 20 years of coverage (women). Noncontributory years must not exceed 1/3 of contributory years. The age requirement is reduced for dancers, acrobats, miners, and persons in underground or unhealthy work, teaching, aviation, or maritime employment.

The pensionable age is reduced by 5 years for women with at least 30 years of coverage, for war veterans, and for persons assessed as disabled.

Partial pension: A partial pension is paid if the insured does not have the required number of years of coverage at retirement age.

Nursing allowance: Paid to persons aged 75 or older.

Old-age benefits are payable abroad under reciprocal agreement.

Old-age pension (new system): Age 65 with at least 25 years of coverage (men) or age 60 with at least 20 years of coverage (women).

Guaranteed minimum pension: Paid if the total amount of the first- and second-pillar pensions (old-age pension and the annuity from the individual account) is below the legal minimum old-age pension.

Old-age benefits are payable abroad under reciprocal agreement.

Disability pension: Paid for a total disability (incapacity for any work) or partial disability (greatly impaired earning capacity or total incapacity for usual work) with at least 5 years of coverage (1 to 4 years if younger than age 30) during the last 10 years. Noncontributory years must not exceed 1/3 of contributory years. The disability began during the coverage period or within 18 months of the cessation of contributions.

Nursing allowance: Paid to persons certified as disabled.

Training pension: Paid to a person who is no longer capable of work in his or her usual job and is undergoing vocational retraining. The pension is paid for 6 months; may be paid for up to 30 months in certain cases.

Survivor pension: The deceased was a pensioner or had the required number of years of coverage for a disability or old-age pension at the time of death.

Eligible survivors are dependent children younger than age 16 (age 25 if a student, no limit if disabled and the disability began before age 16 or before age 25 if a student); a widow(er) aged 50 at the time of the insured's death, incapable of work, rearing a child younger than age 16 (age 18 if a student), or caring for a disabled child whose disability began before age 16 or before age 25 if a student (a divorced spouse must be entitled to alimony and meet the qualifying requirements applied to a widow(er)); and parents if they were dependent on the deceased and fulfill the requirements applied to a widow(er).

Funeral grant: The grant is equal to the cost of the funeral for the death of the insured, a pensioner, or a member of his or her family.

Old-Age Benefits

Old-age pension

Old-age pension (old system): The pension is equal to 24% of national average earnings, plus 1.3% of the insured's earnings times the number of contribution years, and 0.7% of the insured's earnings times the number of noncontributory years (for example, for years spent rearing children). Noncontributory years must not exceed 1/3 of contributory years.

The insured's earnings for pension calculation purposes are equal to average monthly earnings in 10 consecutive calendar years chosen by the insured from the 20 years before the year of the claim or in 20 years selected from the total coverage period. Previous earnings are adjusted for inflation.

The maximum monthly earnings for benefit calculation purposes for each contributory year are equal to 250% of the average national monthly earnings in the previous calendar year minus social security contributions. The average national monthly earnings (minus social security contributions) are 2,381.40 zlotys.

The minimum monthly old-age pension is 636.29 zlotys.

Nursing allowance: 163.15 zlotys a month is paid.

Earnings test: The monthly pension is reduced if the insured is younger than the statutory retirement age, is gainfully employed, and receives income that is higher than 70% but lower than 130% of the average national monthly earnings. If the income received exceeds 130% of the average national monthly earnings, the pension is suspended. There is no earnings test after reaching the statutory retirement age.

The average national monthly earnings are 3,032.70 zlotys.

Benefit adjustment: Benefits are adjusted automatically according to price increases when the aggregate growth of the consumer price index exceeds 5%.

Old-age first-pillar pension (new system): The pension is based on the total value of contributions paid to the old-age insurance program (subject to adjustment) divided by average life expectancy at the age of retirement.

Mandatory individual account (new system): An annuity is purchased with the funds from the individual account.

Guaranteed minimum pension: Paid if the total amount of the first- and second-pillar pensions (old-age pension and the annuity from the individual account) is less than the legal minimum old-age pension.

Permanent Disability Benefits

Disability pension (old and new systems): If the insured is totally disabled, the pension is calculated as 24% of national average earnings, plus 1.3% of the insured's earnings times the number of contribution years, 0.7% of the insured's earnings times the number of noncontributory years, and 0.7% of the insured's earnings times the number of projected years needed to give a maximum of 25 years of coverage from the day of the claim up to age 60. Noncontributory years must not exceed 1/3 of contributory years.

The insured's earnings for pension calculation purposes are equal to average monthly earnings in 10 consecutive calendar years chosen by the insured from the 20 years before the year of the claim or in 20 years selected from the total coverage period. Previous earnings are adjusted for inflation.

The maximum monthly earnings for benefit calculation purposes for each contributory year are equal to 250% of the average national monthly earnings. The average national monthly earnings are 3,032.70 zlotys.

Earnings test: The pension is reduced if the insured is younger than the statutory retirement age, is gainfully employed, and receives income that is higher than 70% but lower than 130% of the average national monthly earnings. If the income received exceeds 130% of the average national monthly earnings, the pension is suspended. There is no earnings test after reaching the statutory retirement age.

The monthly minimum pension for a total disability is 636.29 zlotys.

Partial disability pension: The pension is equal to 75% of the benefit paid for a total disability.

The monthly minimum pension for a partial disability is 489.44 zlotys.

Nursing allowance: 163.15 zlotys a month is paid.

Training pension: The pension is calculated on the basis of 75% of the earnings used for calculating the insured's disability pension.

The minimum monthly training pension is equal to 100% of the minimum monthly pension for a partial disability.

Benefits are payable abroad under reciprocal agreement.

Benefit adjustment: Benefits are adjusted automatically according to price increases when the aggregate growth of the consumer price index exceeds 5%.

Survivor Benefits

Survivor pension (old and new systems): The pension varies according to the number of survivors: one survivor receives 85% of the insured's old-age pension; two survivors, 90%; three or more survivors, 95%. If the deceased was not eligible for the old-age pension, the survivor pension is calculated on the basis of the disability pension.

Earnings test: The pension is reduced if the survivor is younger than the statutory retirement age, is gainfully employed, and receives income that is higher than 70% but lower than 130% of average national monthly earnings. If the income received exceeds 130% of average national monthly earnings, the pension is suspended. There is no earnings test after reaching the statutory retirement age.

Full orphan's supplement: 306.65 zlotys a month is paid.

The minimum monthly survivor pension is 639.29 zlotys.

Benefit adjustment: Benefits are adjusted automatically according to price increases when the aggregate growth of the consumer price index exceeds 5%.

Funeral grant: A lump sum equal to twice the average national earnings in force on the day of the insured's death is paid. The grant is 5,799.66 zlotys.

Administrative Organization

Old system: Ministry of Labor and Social Policy (<http://www.mps.gov.pl>) provides general supervision.

Social Insurance Institute (<http://www.zus.pl>), with 42 branch offices, administers the program.

New system: Social Insurance Institute administers the program.

Pension Fund Supervision Office controls mandatory individual account providers.

Sickness and Maternity

Regulatory Framework

First law: 1920.

Current laws: 1997 (rehabilitation), 1999 (sickness and maternity), 2003 (health fund), and 2004 (health benefits).

Type of program: Social insurance system.

Coverage

Cash sickness and maternity benefits: All employees.

Voluntary coverage for self-employed persons, artists, and authors.

Medical benefits: All employees, self-employed persons, artists, authors, pensioners, unemployment allowance beneficiaries, persons undergoing professional rehabilitation, students, and the insured's dependent family members.

Voluntary coverage is possible.

Special systems for individual farmers, military personnel, and police personnel.

Source of Funds

Insured person

Cash benefits: 2.45% of gross earnings.

Medical benefits: 8.75% of gross earnings.

There are no maximum earnings for contribution purposes.

Self-employed person

Cash benefits: 2.45% of gross earnings.

Medical benefits: 8.75% of gross earnings.

The minimum earnings for contribution purposes are equal to 60% of the average national monthly earnings set by the budget law.

There are no maximum earnings for contribution purposes.

Employer: None.

Government: Subsidies for medical benefits.

Qualifying Conditions

Cash sickness and maternity benefits: Currently in insured employment with at least 30 days of continuous coverage; 180 days of continuous coverage for the voluntarily insured.

Accidents that occur while commuting to and from work are covered under sickness insurance.

Medical benefits: Must be currently insured or receiving social benefits, including persons in full-time education and unemployed persons.

Sickness and Maternity Benefits

Sickness benefit: The benefit is equal to 80% of average insured earnings (70% in the case of hospitalization) in the 6 months before the incapacity began and is paid for 90 days; thereafter, 100% of earnings. The benefit is equal to 100% of earnings from the first day of incapacity if the incapacity begins during pregnancy or is the result of an accident while commuting to or from work.

The benefit is paid from the first day of incapacity for up to 26 weeks (may be extended to 39 weeks if recovery is likely or in the case of tuberculosis). The employer pays the benefit for the first 33 days.

Rehabilitation allowance: If recovery is likely, entitlement to the sickness benefit may be followed by entitlement to the rehabilitation benefit. The benefit is equal to 75% of average insured earnings and is paid for up to 12 months.

Compensatory allowance: Paid to employees to compensate for lost earnings resulting from a loss in working capacity. The insured must undergo vocational rehabilitation for a period of up to 24 months. The benefit is equal to the difference between the insured's average earnings during the last 3 months and the earnings received during vocational rehabilitation.

Maternity benefit: The benefit is equal to 100% of average insured earnings in the last 6 months and is paid for 16 weeks for the birth of the first child; 18 weeks for all subsequent births. For multiple births, the benefit is paid for 26 weeks.

Care allowance: The benefit is equal to 80% of average insured earnings in the last 6 months and is paid for a maximum of 60 days per calendar year if the insured takes leave from work to care for a healthy child younger than age 8 or a sick child younger than age 14. A care allowance may be paid for a maximum of 14 days to care for any other sick family member. The total period of receiving the care allowance must not exceed 60 days in a calendar year.

Workers' Medical Benefits

Medical services are provided directly to patients by private health care providers under contract to the National Health Fund. Benefits include general and specialist care; hospitalization; surgeries specified by the Ministry of Health; laboratory services; dental care, including dental prostheses; ophthalmology and optician services; functional and vocational rehabilitation; free transportation; and basic prescription drugs.

Patients may choose the doctor and hospital.

There is no limit to duration if employed; if employment ceases, coverage continues for 26 weeks (may be extended to 39 weeks).

Cost sharing: There is no cost sharing for basic health care. Government provides a partial subsidy for basic prescription drugs.

Dependents' Medical Benefits

Medical services are provided directly to patients by private health care providers under contract to the National Health Fund. Benefits include general and specialist care; hospitalization; surgeries specified by the Ministry of Health; laboratory services; dental care, including dental prostheses; ophthalmology and optician services; functional and vocational rehabilitation; free transportation; and basic prescription drugs.

Patients may choose the doctor and hospital.

There is no limit to duration if employed; if employment ceases, coverage continues for 26 weeks (may be extended to 39 weeks).

Cost sharing: There is no cost sharing for basic health care. Government provides a partial subsidy for basic prescription drugs.

Administrative Organization

Ministry of Labor and Social Policy (<http://www.mps.gov.pl>) supervises cash benefits.

Social Insurance Institute (<http://www.zus.pl>) administers cash benefits.

Ministry of Health (<http://www.mz.gov.pl>) supervises medical benefits.

National Health Fund (<http://www.nfz.gov.pl>) administers public health funds and contracts medical services.

Work Injury

Regulatory Framework

First law: 1984.

Current laws: 2002 (cash benefits) and 2004 (health care benefits).

Type of program: Social insurance system.

Coverage

All economically active persons, including self-employed persons.

Special systems for individual farmers, public prosecutors, judges, military personnel, and police personnel.

Source of Funds

Insured person: None.

Self-employed person: 1.93% of earnings.

The minimum earnings for contribution purposes are equal to 60% of the average national monthly earnings set by the budget law.

Employer: From 0.90% to 3.60% of payroll, according to the assessed degree of risk and the number of employees.

Government: The cost of specialized procedures and public health promotion.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

Temporary disability benefit: The benefit is equal to 100% of average earnings in the 6 months before the disability began and is paid from the first day for up to 26 weeks (may be extended to 39 weeks).

Rehabilitation allowance: If recovery is likely, entitlement to the temporary disability benefit may be followed by entitlement to the rehabilitation allowance. The allowance is equal to 100% of earnings and is paid for up to 12 months.

Permanent Disability Benefits

Permanent disability benefit: If the insured is totally disabled, the benefit is calculated as 24% of the national average earnings, plus 1.3% of the insured's earnings times the number of contribution years, 0.7% of the insured's earnings times the number of noncontributory years, and 0.7% of the insured's earnings times the number of projected years needed to give a maximum of 25 years of coverage from the day of the claim up to age 60. Noncontributory years must not exceed 1/3 of contributory years.

The insured's earnings for benefit calculation purposes are equal to average monthly earnings in 10 consecutive calendar years chosen by the insured from the 20 years before the year of the claim or in 20 years selected from the total coverage period. Previous earnings are adjusted.

The maximum earnings for benefit calculation purposes are equal to 250% of the average national monthly earnings. The average national monthly earnings are 3,032.70 zlotys.

The minimum benefit must not be lower than 120% of the minimum monthly old-age pension. The minimum monthly old-age pension is 636.29 zlotys.

Earnings test: The benefit is reduced if the insured is younger than the statutory retirement age, is gainfully employed, and receives income that is higher than 70% but lower than 130% of average national monthly earnings. If the income received exceeds 130% of average national monthly earnings, the pension is suspended. There is no earnings test after reaching the statutory retirement age.

Nursing allowance: 163.15 zlotys a month is paid.

Partial disability benefit: The benefit must be equal to at least 60% of the insured's earnings.

The minimum partial disability benefit must not be less than 120% of the minimum monthly old-age pension. The minimum monthly old-age pension is 636.29 zlotys.

Training benefit: The benefit is equal to 100% of the earnings used for calculating the disability benefit and is paid to a person who is no longer capable of work in his or her usual job and is undergoing vocational retraining. The pension is paid for 6 months; may be paid for up to 30 months in certain cases.

The minimum training benefit must not be less than 120% of the minimum monthly old-age pension. The monthly minimum old-age pension is 636.29 zlotys.

Lump-sum benefit: Paid for permanent or long-term health damage as the result of a work injury or an occupational disease. The benefit is equal to 20% of average monthly earnings for each percentage of assessed permanent or long-term health damage. The lump sum is increased by 3.5 times average monthly earnings if the insured person needs the constant attendance of another person.

Workers' Medical Benefits

Medical benefits: All necessary medical care is provided.

The total cost of medical services is met by the National Health Fund.

There is no limit to duration.

Survivor Benefits

Survivor pension: The pension varies according to the number of survivors: one survivor receives 85% of the insured's old-age pension; two survivors, 90%; three or more survivors, 95%.

The minimum benefit must not be less than 120% of the minimum monthly survivor pension paid under Old Age, Disability, and Survivors, above (472.57 zlotys a month).

Eligible survivors are dependent children younger than age 16 (age 25 if a student, no limit if disabled and the disability began before age 16 or before age 25 if a student); a widow(er) aged 50 at the time of the insured's death, incapable of work, rearing a child younger than age 16 (age 18 if a student), or caring for a disabled child whose disability began before age 16 or before age 25 if a student (a divorced spouse must be entitled to alimony and meet the qualifying requirements applied to a widow(er)); and parents if they were dependent on the deceased and fulfill the requirements applied to a widow(er).

Lump-sum benefit for family members: The benefit is equal to 18 times the deceased's average monthly earnings for a surviving spouse or the first child, plus 3.5 times the deceased's average monthly earnings for the second and each subsequent survivor; 9 times the deceased's average monthly earnings if there is no surviving spouse or child, plus 3.5 times the deceased's average monthly earnings for the second and each subsequent survivor.

Administrative Organization

Ministry of Labor and Social Policy (<http://www.mps.gov.pl>) provides general supervision of cash benefits.

Social Insurance Institute (<http://www.zus.pl>) administers cash benefits.

Ministry of Health (<http://www.mz.gov.pl>) provides general supervision of medical benefits.

Unemployment

Regulatory Framework

First law: 1924.

Current laws: 2004 (employment promotion) and 2004 (early retirement).

Type of program: Social insurance system.

Coverage

Employed persons.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: 2.45% of gross payroll.

There are no maximum earnings for contribution purposes.

Government: Any deficit is met from the state budget.

Qualifying Conditions

Unemployment benefit: The insured must be older than age 18, registered with the employment bureau, able and ready to work, and involuntarily unemployed and must not have received any redundancy pay or compensation. The insured's earnings must have been at least equal to the minimum wage during at least 365 days in the 18-month period before unemployment (periods of military service, parental leave, and receipt of allowances are credited toward the 365-day period).

Preretirement benefit: The insured is unemployed, eligible to receive the unemployment benefit, and aged 63 with at least 25 years of coverage (men) or aged 58 with at least 20 years of coverage (women); involuntarily unemployed and aged 60 with at least 25 years of coverage (men) or aged 55 with at least 20 years of coverage (women); or any age and involuntarily unemployed with at least 40 contributory or noncontributory years of coverage (men) or at least 35 contributory or noncontributory years of coverage (women).

Unemployment Benefits

Unemployment benefit: The benefit is a flat-rate base amount (538.30 zlotys) for those with between 5 and

20 years of employment; 80% of the base amount is paid with less than 5 years; 120% of the base amount is paid with more than 20 years. The benefit is paid for 6 to 18 months, depending on the unemployment rate in the region.

Preretirement benefit: The benefit is equal to 90% of the old-age pension paid at age 65 (men) or age 60 (women).

Administrative Organization

Ministry of Labor and Social Policy (<http://www.mps.gov.pl>) provides general supervision.

Voivodships (provinces) and local labor bureaus keep registry of unemployed persons and work possibilities and pay benefits.

Social Insurance Institute (<http://www.zus.pl>) collects payroll contributions from enterprises.

Family Allowances

Regulatory Framework

First law: 1947.

Current law: 2003.

Type of program: Universal system.

Coverage

All persons residing in Poland.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Family allowances (means-tested): The child must be younger than age 18 (age 21 if a full-time student, age 24 with a learning disability). The family's per capita average monthly income must not have exceeded 504 zlotys in the previous calendar year (583 zlotys for families with a disabled child). The allowance is paid to a mother, father, or guardian.

Childbirth supplement (means-tested): The family must be eligible for family allowances. The supplement is paid to a mother, father, or guardian for each child born after April 30, 2004.

Parental leave supplement (means-tested): The family must be eligible for family allowances. The leave period is to provide care for a child younger than age 4 (age 18 if disabled). The supplement is paid to a mother, father, or guardian entitled to child care leave.

Single parent's young child supplement (means-tested): Paid to a single parent who is eligible for family allowances but not for the unemployment benefit. The child must be younger than age 7. The supplement is paid to a mother, father, or guardian for a maximum of 3 years.

Single parent's child supplement (means-tested): Paid to a single parent who is eligible for family allowances and meets the income test (alimony is excluded). The child must be younger than age 18 (age 21 if a student, age 24 with a learning disability). The supplement is paid to a mother, father, or guardian.

Education and rehabilitation supplement (means-tested): Paid for up to 12 months to cover part of the cost of the rehabilitation or education of a disabled child younger than age 16 (age 24 if moderately or severely disabled). The supplement is paid to a mother, father, or guardian.

Beginning of school year supplement (means-tested): Paid in September each year for children entitled to family allowances. The supplement is paid to a mother, father, or guardian.

School travel and board supplement (means-tested): Paid for 10 months (from September to June) for children entitled to family allowances. When the school is distant from the child's home, the supplement covers part of the travel or boarding costs necessary to attend school. The supplement is paid to a mother, father, or guardian.

Nursing allowance (means-tested): Paid to persons incapable of living independently, disabled children younger than age 16 (age 16 or older if severely disabled), adults with a moderate degree of disability whose disability began before age 21, and persons aged 75 or older.

Nursing benefit (means-tested): Paid to persons who cease work to care for a disabled child younger than age 16 or an older, severely disabled person. The supplement is paid to a mother, father, or guardian.

Family Allowance Benefits

Family allowances (means-tested): The amount paid depends on the child's age.

Childbirth supplement (means-tested): A lump sum of 1,000 zlotys is paid for each child.

Parental leave supplement (means-tested): 400 zlotys is paid a month for up to 24 months for one child; 36 months for multiple births; 72 months for a disabled child.

Single parent's young child supplement (means-tested): 400 zlotys a month is paid.

Single parent's child supplement (means-tested): 170 zlotys a month is paid for each child (250 zlotys a month for each disabled child), up to a maximum of 750 zlotys per family.

Education and rehabilitation supplement (means-tested): 60 zlotys a month is paid for a child younger than age 5; 80 zlotys for a child aged 5 to 24.

Beginning of school year supplement (means-tested): A lump sum of 100 zlotys is paid.

School travel and board supplement (means-tested): 90 zlotys a month (50 zlotys for children who commute) is paid.

Nursing allowance (means-tested): A lump sum of 153 zlotys is paid.

Nursing benefit (means-tested): 420 zlotys a month is paid.

Administrative Organization

Ministry of Labor and Social Policy (<http://www.mps.gov.pl>) provides general supervision.

Social Insurance Institute (<http://www.zus.pl>) and the Agricultural Social Security Fund (<http://www.krus.gov.pl>) administer the program through 51 branch offices.

Portugal

Exchange rate: US\$1.00 equals 0.68 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1935 (1919 legislation not implemented).

Current laws: 1980 (noncontributory scheme), 2007 (general scheme), and 2007 (social security).

Type of program: Social insurance and social assistance system.

Coverage

Social insurance: Employed persons and self-employed persons with gross annual income greater than six times the social benefit rate (The social benefit rate is €407.41).

Voluntary coverage for self-employed persons with gross annual income up to six times the value of the social benefit rate (The social benefit rate is €407.41) and for persons not covered by the contributory program.

Special systems for miners, longshoremen, fishermen, merchant seamen, civil aviation workers, air traffic controllers, and dancers. (Special systems are being gradually unified with the general system.)

Social assistance: Persons not covered under a contributory program.

Source of Funds

Insured person: 11% of gross earnings.

Of the total 34.75% of gross earnings contributed by the insured person and employer, 16.01% finances old-age benefits, 3.42% finances disability benefits, and 3.67% finances survivor benefits.

The insured's contributions also finance sickness and maternity, occupational disease, unemployment, and family benefits.

Self-employed person: 25.4% of reference income for mandatory coverage or 32% for voluntary coverage.

The reference income for contribution purposes is chosen by the self-employed person from a range of 1.5 to 12 times the social benefit rate. The social benefit rate is €407.41.

The self-employed person's contributions also finance sickness and maternity, occupational disease, and family benefits.

Employer: 23.75% of payroll.

Of the total 34.75% of payroll contributed by the insured person and employer, 16.01% finances old-age benefits, 3.42% finances disability benefits, 3.67% finances survivor benefits.

The employer's contributions also finance sickness and maternity, occupational disease, unemployment, and family benefits.

Government: Subsidizes the social pension; 2% of the value-added tax is allocated (until December 31, 2009) to the social security system.

Qualifying Conditions

Old-age pension: Age 65 (men and women) with at least 15 calendar years of contributions.

A total of 120 days of registered pay are needed for a qualifying calendar year. Calendar years with less than 120 days of registered pay may be aggregated to complete a single qualifying calendar year. Coverage periods completed under other domestic or foreign social security programs may be taken into account provided that the insured has at least 1 calendar year of registered earnings under the general system.

Age 50 for miners; age 55 for longshoremen, fishermen, and merchant seamen; age 60 for aircraft flight crew; age 55 for air traffic controllers; or age 55 for dancers (age 45 with a reduced pension).

The pension is paid to unemployed persons at age 62 if they are no longer entitled to receive unemployment benefits; at age 57 (with at least 22 years of contributions) with a reduced pension.

Early pension: From age 55 if the insured has at least 30 years of contributions.

Deferred pension: A deferred pension is possible from age 65. Retirement from covered employment is necessary at age 70.

Social pension (means-tested): Aged 65 or older and with no coverage under any contributory social security program.

Means test: Monthly income must not exceed 30% of the social benefit rate for a single person; 50% for a couple. The social benefit rate is €407.41.

Solidarity supplement for the elderly (means-tested):

Paid to pensioners aged 65 or older and to recipients of the lifelong allowance (see Family Allowances) and to elderly persons not eligible for the social pension. The insured must have resided in Portugal for at least 6 years before claiming for the benefit.

Means test: The beneficiary's annual income must be less than €4,800; €8,400 for a couple.

Disability pension: Paid for a total permanent disability with at least 3 years of contributions. Paid for a partial disability (an assessed loss of at least 2/3 of earning capacity)

with at least 5 years of contributions. At least 120 days of registered pay are required for a qualifying year.

Social pension (means-tested): Aged 18 or older, disabled, and with no coverage under any contributory program.

Means test: Monthly income must not exceed 30% of the social benefit rate for a single person; 50% for a couple. The social benefit rate is €407.41.

Survivor pension: The deceased met the contribution conditions for an old-age pension or a disability pension or was a pensioner at the time of death.

Eligible survivors are the deceased's spouse and children younger than age 18 (age 27 if a student, no limit if disabled).

Old-Age Benefits

Old-age pension: The monthly pension is equal to 2% of the average adjusted lifetime monthly salary for each qualifying calendar year (2% to 2.3% according to the insured's reference earnings for those with 21 or more qualifying calendar years), up to a maximum of 40 years.

Reference earnings are calculated as the average monthly earnings for all years of coverage, up to a maximum of 40 years.

For a transitional period (until 2017), pensions may be calculated according to the former method (2% of average annual earnings for the best 10 calendar years out of the last 15 years multiplied by the total number of qualifying calendar years) or the current method (above), or a combination of the two, whichever is greater.

The minimum pension is either 30% of the reference earnings used for calculating the pension or a monthly amount fixed according to the length of the insured's career (ranging from €236.47 for a career of no more than 15 years to €363.81 for a career of at least 31 years), whichever is greater.

The maximum pension is equal to 92% of the reference earnings used for calculating the pension.

Early pension: The pension is reduced by 0.5% for each month the pension is received before age 65. (For each 3-year period of contributions greater than 30 years, 12 months of reductions are waived.)

Deferred pension: The pension is increased for each additional year of contributions completed between age 65 and age 70 (from 0.33% per year with a contribution record of 15 to 24 years to 1% per year with a contribution record greater than 40 years). Additionally the pension is increased by 0.65% for each month of contributions greater than 30 years made before age 65.

Long-term care supplement: €90.96 is paid for a first-degree dependence (the insured requires the attendance of another person to perform ordinary daily activities) or €163.72 for a second-degree dependence (in addition to the first-degree

dependence condition, the insured is bedridden or suffers from a severe mental illness).

Dependent spouse's supplement: €35.33 a month is paid (only payable to pensioners who first received a pension after December 31, 1993).

The old-age pension can be combined with earnings from gainful activity.

Benefits are payable abroad.

Schedule of payments: Benefits are paid monthly, with an additional payment in July and at Christmas.

Benefit adjustment: Benefits are adjusted annually according to changes in the GDP growth rate.

Social pension (means-tested): €181.91 a month is paid.

Solidarity extra supplement: To supplement the social pension, €16.83 is paid for persons up to age 69; €33.65 if aged 70 or older.

Long-term care supplement: €81.86 is paid for a first-degree dependence (the insured requires the attendance of another person to perform ordinary daily activities) or €154.62 for a second-degree dependence (in addition to the first-degree dependence condition, the insured is bedridden or suffers from a severe mental illness).

Benefits are payable abroad under reciprocal agreement.

Solidarity supplement for the elderly (means-tested): The annual supplement is equal to the difference between the insured's annual income and €4,800 or €8,400 for a couple.

Permanent Disability Benefits

Disability pension: The monthly pension is equal to 2% of the average adjusted lifetime monthly salary for each qualifying calendar year (2% to 2.35% according to the insured's reference earnings for those with 21 or more qualifying calendar years), up to a maximum of 40 years.

Reference earnings are calculated as the average monthly earnings for all years of coverage, up to a maximum of 40 years.

For a transitional period (until 2017), pensions may be calculated according to the former method (2% of average annual earnings for the best 10 calendar years out of the last 15 years multiplied by the total number of qualifying calendar years) or the current method (above), or a combination of the two, whichever is greater.

The minimum pension is either 30% of the reference earnings used for calculating the pension or a monthly amount fixed according to the length of the insured's career (ranging from €236.47 for a career of no more than 15 years to €363.81 for a career of at least 31 years), whichever is greater.

The maximum pension is equal to 92% of the reference earnings used for calculating the pension.

Long-term care supplement: €90.96 is paid for a first-degree dependence (the insured requires the attendance of another person to perform ordinary daily activities) or €163.72 for a second-degree dependence (in addition to the first-degree dependence condition, the insured is bedridden or suffers from a severe mental illness).

Schedule of payments: Benefits are paid monthly, with an additional payment in July and at Christmas.

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

Social pension (income-tested): €181.91 a month is paid.

Solidarity extra supplement: To supplement the social pension, €16.83 is paid for persons up to age 69; €33.65 if aged 70 or older.

Long-term care supplement: €81.86 is paid in case of a first-degree dependence (the insured requires the attendance of another person to perform ordinary daily activities) or €154.62 in case of a second-degree dependence (in addition to the first-degree dependence condition, the insured is bedridden or suffer from a severe mental illness).

Survivor Benefits

Survivor pension: The monthly widow(er)'s pension is equal to 60% of the deceased's pension (70% if the spouse and a divorced spouse are both eligible). The pension is limited to 5 years unless the widow(er) is older than age 35, disabled, or caring for a child.

Orphan's pension: The monthly pension is equal to 20% of the deceased's pension for one orphan, 30% for two orphans, or 40% for three or more orphans younger than age 18 (age 27 if a student, no limit if disabled); for full orphans the pension is 40%, 60%, or 80% for one, two, or three or more beneficiaries, respectively.

Other eligible survivors (in the absence of the above): Parents and grandparents receive 30%, 50%, or 80% of the deceased's pension, for one, two, or three or more beneficiaries, respectively.

All survivor benefits combined must not exceed 100% of the deceased's pension.

Schedule of payments: Benefits are paid monthly, with an additional payment in July and at Christmas.

Death grant: The grant is equal to six times the deceased's average monthly earnings in the best 2 of the last 5 years.

Widow(er)'s social pension (income-tested): The monthly pension is €109.15 (equal to 60% of the social pension).

Orphan's social pension (income-tested): The monthly pension is €36.38, €54.57, or €72.76 (equal to 20%, 30%, or 40% of the social pension, respectively) for one, two, or three or more orphans, respectively.

Administrative Organization

Ministry of Labor and Social Solidarity (<http://195.245.197.214/english.asp>) provides general supervision through the State Secretariat for Solidarity and Social Security.

Social Security Institute (<http://www.seg-social.pt>) administers the program through the National Pension Center.

Sickness and Maternity

Regulatory Framework

First law: 1935 (1919 legislation not implemented).

Current laws: 1998 (maternity and paternity), with amendments; 2004 (sickness); 2005 (sickness); and 2007 (social security).

Type of program: Social insurance (cash benefits) and universal (medical benefits) system.

Coverage

Cash sickness benefits: Employed persons.

Voluntary coverage for self-employed persons and certain categories of persons not covered by any other contributory program.

Cash maternity, paternity, and adoption benefits: Employed and self-employed persons.

Voluntary coverage for certain categories of persons not covered by any other contributory program.

Medical benefits: All Portuguese citizens; foreign citizens residing in Portugal whose country has a reciprocal agreement with Portugal.

Source of Funds

Insured person: Of the total 34.75% of gross earnings contributed by the insured person and the employer under Old Age, Disability, and Survivors, 3.05% of gross earnings finances sickness benefits and 0.73% finances maternity benefits.

Self-employed person: See source of funds under Old Age, Disability, and Survivors.

Employer: Of the total 34.75% of payroll contributed by the insured person and the employer under Old Age, Disability, and Survivors, 3.05% finances sickness benefits and 0.73% finances maternity benefits.

Government: Subsidizes medical benefits.

Qualifying Conditions

Cash sickness benefit: The insured must have at least 6 months of coverage, including 12 days of paid or credited (for paid sick leave occurring within 60 days after the end of a previous illness; paid maternity, paternity, or adop-

tion leave; or compulsory military or community service) contributions in the 4 months before the month in which the incapacity began.

Maternity, paternity, and adoption benefits: The insured must have at least 6 months of coverage.

Sickness and Maternity Benefits

Sickness benefit: 65% of the insured's average daily earnings are paid for the first 90 days and 70% from the 91st up to the 365th day; thereafter, 75%. For cases of tuberculosis, 80% of the insured's average daily earnings are paid if the insured has at least two dependents; 100% if there are three or more dependents. The benefit is paid after a 3-day waiting period (30 days for self-employed persons); the waiting period is waived in cases of hospitalization or tuberculosis or during the postpartum period.

The benefit is paid for a maximum of 1,095 days (365 days for self-employed persons); no limit for cases of tuberculosis.

Average daily earnings are based on the insured's earnings in the 6 months before the last 2 months before the month the incapacity began.

The minimum sickness benefit is equal to either 30% of the social benefit rate or the average daily earnings used for calculating the cash sickness benefit, whichever is less. The social benefit rate is €407.41.

The maximum sickness benefit is equal to the insured's net reference salary used for calculating the cash sickness benefit (after the deduction of value-added tax and the insured's part of the social security contribution).

Maternity benefit: The benefit is equal to 100% of the insured's average daily earnings. The benefit is paid for 120 days, including 90 days after childbirth. The beneficiary can opt for a 150-day leave period paid at 80% of the insured's daily earnings (the 30 additional days must be taken after childbirth). The additional leave period can be awarded to the father or shared between the two parents under certain conditions. In the event of the medical certification of a miscarriage, 14 to 30 days of benefits are paid. A 30-day additional period is paid for each child in the event of multiple births.

Average daily earnings are based on the insured's earnings in the 6 months before the last 2 months before childbirth.

The minimum maternity benefit is 50% of the social benefit rate. The social benefit rate is €407.41.

Special maternity allowance: The benefit is equal to 65% of the insured's average daily earnings. The allowance is paid to pregnant women, to women who have recently given birth, or to women who are breastfeeding an infant and who are exposed to health and safety risks in the workplace or work at night.

Average daily earnings are based on the insured's earnings in the 6 months before the last 2 months before ceasing work.

Paternity benefit: The benefit is equal to 100% of the insured's average daily earnings. The benefit is paid for 5 days or for the same period awarded to the mother after childbirth in the event of medical complications arising from childbirth, the death of the mother (in which case the paternity leave must not be less than 30 days), or a joint decision made by both parents (after a 6-week maternity leave period) to cease the maternity benefit. If the parents opt for a 150-day leave period, the benefit is equal to 80% of the insured's average daily earnings.

Average daily earnings are based on the insured's earnings in the 6 months before the last 2 months before childbirth.

The paternity benefit is not paid to self-employed persons.

The minimum paternity benefit is equal to 50% of the social benefit rate. The social benefit rate is €407.41.

Adoption benefit: The benefit is equal to 100% of the insured's average daily earnings and is paid for the first 100 days following the adoption of a child younger than age 15. If there are two adopting persons, they can share the period of leave. A 30-day additional period is paid for each of the second and subsequent children in case of multiple adoptions.

Average daily earnings are based on earnings in the 6 months before the last 2 months before the adoption.

The minimum adoption benefit is equal to 50% of the social benefit rate. The social benefit rate is €407.41.

Parental leave benefit: The benefit is equal to 100% of the insured's average daily earnings and is paid to the father for 15 days but only if preceded by paternity or maternity leave. The parental leave period is credited when calculating the disability pension or old-age pension.

Average daily earnings are based on the insured's earnings in the 6 months before the last 2 months before the parental leave period.

Parental leave benefit is not paid to self-employed persons.

Special leave benefit for grandparents: The benefit is equal to 100% of the insured's average daily earnings. The benefit is paid for 30 days following the birth of a grandchild if the parent of the newborn child is younger than age 16 and living in the family home.

Average daily earnings are based on the insured's earnings in the 6 months before the last 2 months before childbirth.

Special leave benefit for grandparents is not paid to self-employed persons.

Disabled or sick child allowance: The benefit is equal to 65% of the insured's average daily earnings and is paid for a maximum of 30 days per year to each sick or injured child (or stepchild) younger than age 10 in need of care

and living with the insured; no limit for a disabled child. For a child younger than age 12 with a serious disability or chronic illness, the allowance is paid for between 6 months and 4 years, up to a monthly maximum equal to the social benefit rate. The social benefit rate is €407.41.

Average daily earnings are based on the insured's earnings in the 6 months before the last 2 months before the month the incapacity began.

Disabled or sick child allowance is not paid to self-employed persons.

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, listed medicines and long-term care.

There is some cost sharing.

There is no limit to duration.

Dependents' Medical Benefits

Medical services are provided directly to patients by health centers and hospitals. Benefits include general and specialist care, maternity care, hospitalization, surgery, listed medicines and long-term care.

There is some cost sharing.

There is no limit to duration.

Administrative Organization

Ministry of Labor and Social Solidarity (<http://195.245.197.214/english.asp>) provides general supervision through the State Secretariat for Solidarity and Social Security.

Social Security Institute (<http://www.seg-social.pt>) administers cash benefits.

Regional health administrations administer medical benefits.

Work Injury

Regulatory Framework

First law: 1913.

Current law: 1997 (work injury).

Type of program: Employer-liability (work injury) and social insurance (occupational diseases) system.

Coverage

Employed and self-employed persons.

Source of Funds

Insured person: None.

Self-employed person: For contributions for occupational diseases only, see source of funds under Old Age, Disability, and Survivors.

Employer: Employers must purchase liability insurance for work injury with a private carrier. Premiums vary according to the assessed degree of risk (work injury), plus 0.5% of payroll (occupational diseases) taken from the 23.75% contribution made under Old Age, Disability, and Survivors.

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

The benefit is equal to 70% of reference earnings during the first 12 months; thereafter, 75%. The benefit is paid until full recovery or certification of permanent total disability.

Reference earnings are based on the insured's average daily wage.

Partial disability: The benefit is equal to 70% of the insured's lost earning capacity.

Permanent Disability Benefits

Permanent disability pension: For a total incapacity for work in the usual profession, the pension is between 50% and 70% of reference earnings, according to the insured's residual earning capacity. For a total incapacity for all work, the pension is equal to 80% of reference earnings plus 10% for each dependent, up to a maximum of 100%.

Reference earnings are based on the insured's annual wage (work injury) or the average monthly wage (occupational diseases).

Partial disability: 70% of the insured's lost earning capacity is paid if the assessed degree of disability is greater than 30%; if the assessed degree of disability is less than 30%, a lump sum corresponding to 70% of the insured's lost earning capacity is paid.

Survivor Benefits

Survivor pension: The surviving spouse, divorced spouse, or partner receives 30% of the deceased's reference earnings; 40% if the beneficiary is aged 65 or older or disabled.

Reference earnings are based on the deceased's annual wage (work injury) or the average monthly wage (occupational diseases).

Orphan's pension: 20% of the deceased's reference earnings are paid for one orphan younger than age 18 (age 22 or 25 if a student); 40% for two orphans or 50% for three or more orphans. Full orphans receive double benefits, up to a maximum equal to 80% of the deceased's earnings.

Reference earnings are based on the deceased's annual wage (work injury) or the average monthly wage (occupational diseases).

Parent's pension: Each surviving parent receives 10% of the deceased's reference earnings, up to a maximum of 30%.

Reference earnings are based on the deceased's annual wage (work injury) or the average monthly wage (occupational diseases).

Funeral grant: The cost of the funeral is paid, up to a maximum of four times the social benefit rate; the grant is doubled if transportation costs are necessary. The social benefit rate is €407.41.

Death allowance: A lump sum equal to 12 times the social benefit rate is provided, with 50% paid to the spouse and 50% to the children; 100% is paid if there is only one dependent survivor. The social benefit rate is €407.41.

Certain other allowances are provided in the event of a serious disability, the need for constant attendance, vocational training, and so forth.

Administrative Organization

Ministry of Finance provides general supervision of the work injury program through the Portuguese Insurance Institute.

Insurance companies manage work accident insurance policies.

Portuguese Insurance Institute supervises insurance companies.

Ministry of Labor and Social Solidarity (<http://195.245.197.214/english.asp>) provides general supervision of the occupational disease program.

National Occupational Disease Insurance Fund administers the occupational disease program.

Unemployment

Regulatory Framework

First law: 1975.

Current law: 2006 (unemployment).

Type of program: Social insurance and social assistance system.

Coverage

Employed persons, cooperative workers not covered under the self-employed persons program, and previously disabled persons reassessed as capable of work.

Exclusions: Self-employed persons.

Source of Funds

Insured person: Of the total 34.75% of gross earnings contributed by the insured person and the employer under Old Age, Disability, and Survivors, 5.22% finances unemployment benefits.

Self-employed person: Not applicable.

Employer: Of the total 34.75% of payroll contributed by the insured person and the employer under Old Age, Disability, and Survivors, 5.22% finances unemployment benefits.

Government: None.

Qualifying Conditions

Unemployment benefit: The insured must have at least 450 days of contributions in the last 24 months before unemployment, must register at an employment office, and be capable of, and available for, work. Unemployment must be involuntary.

Unemployment social benefit (means-tested): The insured must have at least 180 days of contributions in the last 12 months before unemployment. The insured is not eligible or has exhausted entitlement for unemployment benefits. The insured must register at an employment office and must be capable of, and available for, work. Unemployment must be involuntary.

Means test: Individual monthly income must not exceed 80% of the social benefit rate. The social benefit rate is €407.41.

Part-time unemployment benefit: The insured person must be receiving unemployment benefits and have accepted a part-time labor contract (the number of hours of part-time work must be greater than 20% and less than 75% of normal weekly working time) under which earnings are lower than the unemployment benefit.

Unemployment Benefits

Unemployment benefit: The benefit is equal to 65% of the insured's average earnings.

Average earnings are based on the insured's earnings in the 12 months before the 2 months before the month in which unemployment began.

The minimum benefit is equal to the social benefit rate. The social benefit rate is €407.41.

The maximum benefit is equal to three times the social benefit rate. The social benefit rate is €407.41.

The duration of entitlement is calculated according to the insured's age and the number of contributions made. For insured persons up to age 30, 24 months; if aged 31 to 40, 48 months; if aged 41 to 45, 60 months; if older than age 45, 72 months plus 2 months for each 5-year contribution period in the last 20 years.

For insured persons aged 57 or older, the unemployment benefit is paid until age 62, when it is replaced by the old-age pension. An unemployed person can also claim an old-age pension at age 57 under certain conditions and with a benefit reduction.

Social assistance unemployment benefit: The benefit for a single person is equal to 80% of the social benefit rate; 100% if the claimant has dependents. The social benefit rate is €407.41.

The duration of entitlement is calculated according to the insured's age. For claimants up to age 30, 270 days (with the minimum contribution period) or 360 days (with contributions over the minimum requirement); if aged 31 to 40, 360 days (with the minimum contribution period) or 540 days (with contributions over the minimum requirement); if aged 41 to 45, 540 days (with the minimum contribution period) or 720 days (with contributions over the minimum requirement); if older than age 45, 720 days (with the minimum contribution period) or 900 days (with contributions over the minimum requirement); plus 30 days for each 5-year contribution period in the last 20 years and 60 days if older than age 45.

Part-time unemployment benefit: The benefit is equal to the difference between 1.25 times the unemployment benefit and the value of earnings from part-time work.

The duration of entitlement is calculated in the same way as the unemployment benefit.

For insured persons aged 57 or older, the unemployment benefit is paid until age 60, when it is replaced by the old-age pension. An unemployed person can also claim an old-age pension at age 57 (subject to conditions) with a benefit reduction.

Administrative Organization

Ministry of Labor and Social Solidarity (<http://195.245.197.214/english.asp>) provides general supervision through the State Secretariat for Solidarity and Social Security.

Social Security Institute (<http://www.seg-social.pt>) administers the program.

Employment centers review claimants' eligibility.

Family Allowances

Regulatory Framework

First law: 1942.

Current laws: 1997; 2003 (family benefits), with 2006 and 2007 amendments; and 2007 (social security).

Type of program: Universal system.

Coverage

Children of Portuguese citizens, foreign citizens, refugees, and noncitizens residing in Portugal (or deemed as such).

Source of Funds

Insured person: Of the total 34.75% of gross earnings contributed by the insured person and the employer under Old Age, Disability, and Survivors, 2.15% finances family benefits.

Self-employed person: See source of funds under Old Age, Disability, and Survivors.

Employer: Of the total 34.75% of payroll contributed by the insured person and the employer under Old Age, Disability, and Survivors, 2.15% finances family benefits.

Government: Subsidizes the program.

Qualifying Conditions

Family allowances (income-tested): The child must be younger than age 16 (age 24 if a student), without gainful activity (waived if the child is disabled and earns less than 40% of the social benefit rate. The social benefit rate is €407.41).

Means test: The household's income must not be greater than 5 times the social benefit rate. The social benefit rate is €407.41. The means test is waived if the insured person is a pensioner or is assessed as 50% disabled and receiving a work injury benefit. The child must not be covered by a compulsory social security program in his or her own right.

Disabled child special supplement: A monthly supplement paid in addition to the family allowance to disabled children younger than age 24.

Constant attendance supplement: Paid to children receiving the disabled child special supplement or persons receiving a lifelong allowance (below) in need of constant attendance.

Prenatal family allowance: Paid to a pregnant mother from the 13th week of the pregnancy. The pregnancy must be certified. Household income must not be greater than five times the social benefit rate. The social benefit rate is €407.41.

Increased family allowance: Paid for the birth or adoption of a second, third, or subsequent child.

Lifelong allowance: Paid to financially dependent family members aged 24 or older with an assessed physical or mental disability.

Solidarity supplement: A monthly supplement is paid in addition to the lifelong allowance.

Special education allowance: Paid to disabled children younger than age 24 attending special education establishments, regular private school, kindergarten, or receiving support from a specialized institution.

Funeral grant: The insured must have registered earnings in the 12-month period before the last 2 months before the death of the family member.

Family Allowance Benefits

Family allowances (income-tested): The allowance is calculated based on the reference family income and the child's age. The reference family income is determined by dividing the total income of all working family members by the number of eligible children plus one. The allowance is paid for reference family income up to five times the social benefit rate.

The social benefit rate is €407.41.

If the reference family income is not greater than half the social benefit rate, €135.84 per month is paid to each child up to 12 months of age and €33.96 per month to each child older than 12 months. Eligible children between ages 6 and 16 receive an additional payment each September toward education fees.

If the reference family income is greater than half of the social benefit rate, but not greater than the full value of the social benefit rate, €112.66 per month is paid to each child up to 12 months of age and €28.17 per month to each child older than 12 months.

If the reference family income is greater than the social benefit rate, but not greater than 150% of the social benefit rate, €89.69 per month is paid to each child up to 12 months of age and €25.79 per month to each child older than 12 months.

If the reference family income is greater than 150% of the social benefit rate, but not greater than 250% of the social benefit rate, €55.13 per month is paid to each child up to

12 months of age and €22.06 per month to each child older than 12 months.

If the reference family income is greater than 250% of the social benefit rate, but not greater than 500% of the social benefit rate, €33.09 per month is paid to each child up to 12 months of age and €11.03 per month to each child older than 12 months.

Disabled child special supplement: €57.80 a month is paid for a child younger than age 14; €84.18 if between ages 14 and 18; €112.69 if between ages 19 and 24.

Constant-attendance supplement: €85.88 a month is paid.

Prenatal family allowance: The allowance varies according to household income and the corresponding amount of the family allowance paid for each child younger than age 1 and other children aged 1 or older.

Increased family allowance: At the birth or adoption of a second child, the family allowance payable is doubled for each child aged between 12 and 36 months. At the birth or adoption of a third or subsequent child, the family allowance payable is tripled for each child aged between 12 and 36 months.

Lifelong allowance: €171.78 a month is paid.

Solidarity supplement: €16.83 is paid if the person is younger than age 70; €33.65 if aged 70 or older.

Constant-attendance supplement: €85.88 a month is paid.

Special education allowance: A variable amount is paid according to household income.

Funeral grant: €208.85 is paid to the person who paid for the funeral.

Administrative Organization

Ministry of Labor and Social Solidarity (<http://195.245.197.214/english.asp>) provides general supervision through the State Secretariat for Solidarity and Social Security.

Social Security Institute (<http://www.seg-social.pt>) administers the program.

Romania

Exchange rate: US\$1.00 equals 2.38 new lei.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1912.

Current laws: 2000 (social insurance), implemented in 2001; and 2004 (pensions), with 2005 and 2007 amendments.

Type of program: Social insurance and individual account system.

Note: A new system consisting of a social insurance first pillar plus a second pillar of individual accounts was implemented on January 1, 2008. Participation in the new system is mandatory for all employed and self-employed persons aged 35 or younger on January 1, 2008. Participation in the new system is voluntary if between ages 35 and 45. Those not participating in the new system remain in the old social insurance system.

Coverage

Employed persons with individual labor contracts; civil servants; judges; diplomatic personnel; certain officials within the executive, legislative, and judicial authorities; craft cooperative members; unemployment benefit recipients; and any worker (excluding farmers) with annual earnings equal to at least three times the national average wage.

Voluntary coverage for persons, including farmers, without compulsory coverage.

Special systems for lawyers and other professionals, military personnel, and the clergy.

Source of Funds

Insured person

Social insurance: 9.5% of gross earnings (social insurance only); voluntarily insured persons contribute 29% of insured income (social insurance only).

There are no minimum or maximum earnings for contribution purposes.

Individual account: 2% of gross earnings is taken from the 9.5% of gross earnings contributed to social insurance. (The contribution for the individual account will increase by 0.5% of gross earnings each year until it reaches 6% of gross earnings in 2016; likewise, the contribution to social insurance will decrease each year by 0.5% of gross earnings until it reaches 5.5% of gross earnings in 2016.)

In addition, pension fund administrators may charge up to a maximum of 2.5% of contributions and a maximum of 0.05% of net assets under management per month for administrative fees.

There are no minimum or maximum earnings for contribution purposes.

Self-employed person

Social insurance: 29% of insured income (social insurance only).

There are no minimum or maximum earnings for contribution purposes.

Individual account: 2% of gross earnings is taken from the 29% of gross earnings contributed to social insurance. (The contribution for the individual account will increase by 0.5% of gross earnings each year until it reaches 6% of gross earnings in 2016; likewise, the contribution to social insurance will decrease each year by 0.5% of gross earnings until it reaches 25% of gross earnings in 2016.)

In addition, pension fund administrators may charge up to a maximum of 2.5% of contributions and a maximum of 0.05% of net assets under management per month for administrative fees.

There are no minimum or maximum earnings for contribution purposes.

Employer

Social insurance: The contribution rate on behalf of employees varies depending on working conditions: 29% of gross earnings for normal conditions, 34% of gross earnings for arduous conditions, or 39% of gross earnings for very arduous conditions.

There are no minimum or maximum earnings for contribution purposes.

Individual account: None.

Government

Social insurance: Any deficit.

Individual account: None.

Qualifying Conditions

Old-age pension (social insurance): Age 63 and 3 months with at least 11 years of contributions (men) or age 58 and 3 months with at least 10 years and 9 months of contributions (women). The full pension is paid with 32 years of contributions (men) and 26 years and 9 months of contributions (women).

The pensionable age is rising gradually to age 65 (men and women) by December 2014 (women) and January 2015 (men). The minimum contribution period is also rising gradually to 15 years (men and women) by 2014 (women) and 2015 (men). The contribution period for the full pension

is rising gradually to 35 years by 2015 (men) or to 30 years by 2014 (women).

Coverage is credited for certain periods, including periods during which social insurance benefits are received and for periods of university study, military service, or imprisonment.

Lower age requirements apply to persons employed in arduous or dangerous work, persons who are disabled or visually impaired, persons who were imprisoned because of their political beliefs, teachers (under certain conditions), and women who have given birth to three or more children (under certain conditions and if eligible for the full pension).

Early pension: Paid from up to 5 years before the normal retirement age if the insured's number of paid contributions exceeds the number of contributions required for the full pension by at least 10 years.

Partial early pension: Paid from up to 5 years before the normal retirement age if the insured's number of paid contributions exceeds the number of contributions required for the full pension by less than 10 years.

Old-age pension (individual account): Age 63 and 3 months (men) or age 58 and 3 months (women). The pensionable age is rising gradually to age 65 (men and women) by December 2014 (women) or January 2015 (men).

Disability pension (social insurance): Paid for the loss of at least 50% of working capacity as the result of an accident (including work-related accidents), diseases (including occupational diseases), tuberculosis, or revolutionary events. For school pupils, apprentices, and students, only disabilities resulting from work are covered. For the victims of revolutionary events, coverage is provided only to those who have contributed to the program. Prior contribution conditions vary according to the insured's age when the disability began. Contribution conditions are waived if the disability is the result of a work accident, an occupational disease, tuberculosis, or military service.

Disability pension (individual account): Paid if assessed as permanently disabled and incapable of any work.

Survivor pension (social insurance): The insured was eligible for a pension or was a pensioner at the time of death.

Eligible survivors are a widow(er) who satisfies the age and marriage conditions or is disabled (waived if the death is caused by a work accident, an occupational disease, tuberculosis, or if the survivor has a dependent child younger than age 7) and children up to age 16 (age 26 if a student, depending on the duration of studies; no limit if disabled). A limited pension is paid for 6 months to a low-income uninsured spouse who does not satisfy the age and marriage conditions.

Funeral grant (social insurance): Paid for the death of the insured or the insured's dependent, subject to contribution conditions. The benefit is paid to an eligible survivor, to

the deceased's legal heir, or to the person who paid for the funeral.

Survivor pension (individual account): If the insured dies before receiving a benefit from the individual account, the value of his or her accumulated assets is split and transferred to the individual accounts of eligible survivors.

Old-Age Benefits

Old-age pension (social insurance): The pension is based on the insured's average lifetime accumulated number of pension points multiplied by the pension point value in force at the date of retirement. The number of pension points obtained during 1 year is equal to the insured's monthly average wage divided by the national monthly average wage. At retirement, the average number of pension points is calculated by dividing the insured's total lifetime accumulated number of pension points by the number of years of contributions.

The minimum pension point value must not be less than 37.5% of the national monthly average wage.

The minimum pension point value is 581.30 new lei.

Insured persons can resume gainful activity after the normal pensionable age.

Early pension: The early pension is calculated in the same way as the old-age pension. Credited covered periods are not taken into account for pension calculation purposes.

Partial early pension: A reduced pension is paid. Credited covered periods are not taken into account for pension calculation purposes.

Old-age benefits are payable abroad under bilateral agreement.

Benefit adjustment: Benefits are adjusted annually in December according to changes in the pension point value, which is linked to the expected inflation rate for the coming year.

Old-age pension (individual account): At the normal pensionable age, the insured receives a monthly pension for life based on the value of the accumulated capital minus fees. If the calculated monthly pension is lower than a prescribed monthly minimum, a lump sum may be paid or a limited pension paid for up to 5 years.

Permanent Disability Benefits

Disability pension (social insurance): The pension is based on the total (paid and credited) lifetime number of accumulated pension points. The number of pension points obtained during 1 year is equal to the insured's monthly average wage divided by the national monthly average wage. In addition, for each year that the disability began before the insured has the required number of contributions for the full pension, the insured is credited with 0.75 pension points for a 1st degree disability (incapacity for any work and requiring constant attendance), 0.6 pension

points for a 2nd degree disability (incapacity for any work but not requiring constant attendance), or 0.4 pension points for a 3rd degree disability (incapacity for usual work). The average lifetime number of pension points is calculated by dividing the insured's total lifetime number of accumulated pension points by the number of years of contributions. The pension is based on the insured's average lifetime number of pension points multiplied by the pension point value in force on the date the disability began.

The minimum pension point value must not be less than 37.5% of the national monthly average wage.

The minimum pension point value is 581.30 new lei.

Constant-attendance supplement: If the insured is assessed with a 1st degree disability, a lump sum of 310 new lei is paid.

At the pensionable age, the insured can opt for a disability pension or an old-age pension, whichever is greater. If the insured is assessed with a 1st degree disability, the constant-attendance allowance continues to be paid under either option.

Insured persons receiving a 3rd degree disability pension can combine the pension with earnings from gainful employment. There is no income test.

Disability benefits are payable abroad under bilateral agreement.

Benefit adjustment: Benefits are adjusted annually in December according to changes in the pension point value, which is linked to the expected inflation rate for the coming year.

Disability pension (individual account): The insured receives a monthly pension based on the value of the accumulated capital minus fees. If the calculated monthly pension is lower than a prescribed monthly minimum, a lump sum may be paid or a limited pension paid for up to 5 years.

Survivor Benefits

Survivor pension (social insurance): The pension is based on the old-age pension paid or payable to the deceased. If the deceased was not eligible for the old-age pension or was receiving a disability pension or an early old-age pension, the survivor pension is based on the 1st degree disability pension. The pension amount is calculated as a percentage of the average lifetime number of pension points accrued to the deceased. That percentage varies according to number of eligible survivors: for one survivor, 50%; for two survivors, 75%; or for 3 or more survivors, 100%.

If the survivor is also eligible for an old-age pension in his or her own right, the greater of the two benefits is paid. Full orphans receive a pension for each insured parent.

Survivor benefits are payable abroad under bilateral agreement.

Benefit adjustment: Benefits are adjusted annually in December according to changes in the pension point value, which is linked to the expected inflation rate for the coming year.

Funeral grant (social insurance): A lump sum of 1,550 new lei is paid for the insured's funeral; the grant is reduced by 50% for the funeral of the insured's dependent.

Survivor pension (individual account): If the insured dies before receiving a benefit from the individual account, the value of his or her accumulated assets is split and transferred to the individual accounts of eligible survivors.

Administrative Organization

Social insurance

Ministry of Labor, Family, and Equal Opportunities (<http://www.mmssf.ro>) is responsible for general supervision and policy development.

National Pension and Social Insurance Fund (<http://www.cnpas.org>), with regional pension funds, administers the program.

Individual account

Private Pension Supervision Commission (CSSPP) (<http://www.csspp.ro>) regulates and supervises pension funds.

Private pension fund administrators (PPFAs) administer individual capitalization accounts and calculate and pay pensions.

Sickness and Maternity

Regulatory Framework

First law: 1912.

Current laws: 2005 (benefits) and 2006 (social health insurance).

Type of program: Social insurance system.

Coverage

Cash sickness and maternity benefits: Employed persons with individual labor contracts; civil servants; judges; diplomatic and consular staff; certain officials within the executive, legislative, and judicial authorities; craft cooperative members; persons receiving unemployment benefits; and self-employed persons.

Parental leave: All persons residing legally in Romania with earned income.

Medical benefits: All persons residing in Romania, including foreign nationals permanently residing in the country.

Voluntary coverage for temporary residents and for diplomatic staff accredited in Romania.

Source of Funds

Insured person

Cash benefits: None.

Parental leave: None.

Medical benefits: 6.5% of earnings.

Self-employed person

Cash benefits: 0.85% of earnings.

Parental leave: None.

Medical benefits: 5.5% of earnings.

The self-employed person's contributions for medical benefits also finance work injury medical benefits.

Employer

Cash benefits: 0.85% of covered payroll.

Parental leave: None.

Medical benefits: 5.5% of covered payroll.

The employer's contributions for medical benefits also finance work injury medical benefits.

Government

Cash benefits: None.

Parental leave: The total cost.

Medical benefits: Subsidizes deficits. The National Agency for Employment, which administers the unemployment insurance program (below), pays 0.75% of its operational surplus to the National Health Insurance Fund.

Qualifying Conditions

Cash sickness benefits: The insured must have at least 6 months of contributions in the 12 calendar months before the incapacity began; no qualifying conditions apply for emergency surgery and in cases of tuberculosis, AIDS, or other contagious illnesses.

Coverage is credited for certain periods, including periods during which social insurance benefits are received and for periods of university study, military service, or imprisonment.

Illness prevention and rehabilitation for work benefit: Paid to a person undergoing temporary rehabilitation through placement in an alternative job.

Cash maternity benefits: The insured must have at least 1 month of contributions in the last 12 months.

Maternity risk benefit: Paid to a pregnant worker or to an employed mother to protect the health of the mother or her child.

Parental leave: Awarded to persons residing in Romania who have earned taxable income in the 12 months before the date of childbirth, contributed to the social insurance

program, or received an unemployment benefit or a social insurance benefit.

Child care allowance: Paid to provide care for a sick child younger than age 7 (age 18 if disabled).

Medical benefits: Must have at least 1 month of contributions in the last 12 months; no qualifying conditions apply for certain categories of residents, for emergency surgery, and in cases of tuberculosis, AIDS, or other contagious illnesses.

Sickness and Maternity Benefits

Sickness benefit: The benefit is equal to 75% of the insured's average monthly earnings (100% for emergency surgery, tuberculosis, AIDS, and other contagious illnesses). The benefit is paid for a maximum of 183 days a year for each illness; may be extended in some cases.

Average monthly earnings are equal to average earnings in the last 6 months before the incapacity began. The maximum monthly earnings for benefit calculation purposes are equal to 12 times the national gross minimum monthly wage.

Illness prevention and rehabilitation for work benefit:

The benefit comprises two elements: temporary rehabilitation through placement in an alternative job and a cash benefit to replace part of the earnings lost as a result of a reduction in working hours. The value of each benefit must not exceed 25% of the insured's average monthly earnings in the 6 months before the incapacity began. Benefits are paid for a maximum of 90 days a year. A benefit equal to 75% of the insured's average monthly earnings in the 6 months before the incapacity began is awarded to persons in quarantine.

Average monthly earnings are equal to average earnings in the last 6 months before the incapacity began. The maximum monthly earnings for benefit calculation purposes are equal to 12 times the national gross minimum monthly wage.

Maternity benefit: The benefit is equal to 85% of the insured's average monthly earnings in the 6 months before the expected date of childbirth. The benefit is paid for a maximum of 120 days.

Average monthly earnings are equal to average earnings in the last 6 months before the incapacity began. The maximum monthly earnings for benefit calculation purposes are equal to 12 times the national gross minimum monthly wage.

Maternity risk benefit: 75% of the insured's average monthly earnings is paid for up to 120 days.

Average monthly earnings are equal to average earnings in the last 6 months. The maximum monthly earnings for benefit calculation purposes are equal to 12 times the national gross minimum monthly wage.

Parental leave: 600 new lei a month is paid until the child is age 2 (age 3 if disabled).

If the insured parent resumes gainful activity, the benefit is suspended and is replaced by an income supplement of 100 new lei a month.

Child care allowance: The allowance is equal to 85% of the insured's average monthly earnings in the 6 months before the claim. The benefit is paid for a maximum of 45 days per calendar year (may be extended subject to conditions) for a child younger than age 7; age 18 if disabled.

Average monthly earnings are equal to average earnings in the last 6 months before the incapacity began. The maximum monthly earnings for benefit calculation purposes are equal to 12 times the national gross minimum monthly wage.

Workers' Medical Benefits

Medical services are provided directly to patients by local health insurance funds. Medical benefits include general and specialist care, outpatient care, hospitalization, medicines, appliances, rehabilitation, preventive medical assistance, maternity care, transportation, 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, outpatient care, hospitalization, medicines, appliances, rehabilitation, preventive medical assistance, maternity care, transportation, and other services.

Administrative Organization

National Health Insurance Fund (<http://www.cnas.ro>) administers the program.

Ministry of Labor, Family, and Equal Opportunities (<http://www.mmssf.ro>) administers the parental leave benefit.

Work Injury

Regulatory Framework

First law: 1912.

Current laws: 2000 (social insurance), implemented in 2001; and 2002 (work injury), with 2005 amendment.

Type of program: Social insurance system.

Coverage

Employed persons, public employees (including those in executive, legislative and judiciary branches), members of cooperatives, persons receiving unemployment benefits, children in full-time education, apprentices, students undergoing occupational training, and military conscripts.

Voluntary coverage is possible for self-employed persons and agricultural workers.

Source of Funds

Insured person: None; voluntary contributors pay 1% of the average monthly income.

Self-employed person: Voluntary contributions of 1% of the average monthly income.

Employer: Between 0.4% and 2% of average gross monthly income, according to the assessed degree of risk.

Government: Provides subsidies.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period. The insured must have at least a 50% loss in working capacity as the result of a work injury or an occupational disease.

Temporary Disability Benefits

The benefit is equal to 80% of the insured's mean wage in the 6 calendar months before the disability began and is paid from the first day of disability for up to 180 days a year. If the insured has to undergo emergency medical treatment, the benefit is equal to 100% of the insured's mean wage. The benefit is paid by the employer until recovery or the certification of permanent disability.

Permanent Disability Benefits

Permanent disability pension: The pension is based on the total (paid and credited) lifetime number of accumulated pension points. The number of pension points obtained during 1 year is equal to the average insured monthly wage divided by the legal monthly national average wage. In addition, for each year that disability began before the insured has the required number of contributions for the full pension, the insured is credited with 0.75 pension points for a 1st degree disability (incapacity for any work and requiring constant attendance), 0.6 pension points for a 2nd degree disability (incapacity for any work but not requiring constant attendance), or 0.4 pension points for a 3rd degree disability (incapacity for usual work). The average lifetime number of pension points is calculated by dividing the total lifetime number of accumulated pension points by the number of years of contributions. The pension is based on the average lifetime number of pension points multiplied by the pension point value in force on the date the disability began.

The minimum pension point value must not be less than 37.5% of national monthly average wage.

The minimum pension point value is 581.30 new lei.

Constant-attendance supplement: If the insured is assessed with a 1st degree disability, a lump sum of 310 new lei is paid.

At the pensionable age, the insured can opt to receive the permanent disability pension or the old-age pension, whichever is greater. If the insured is assessed with a 1st degree

disability, the constant-attendance allowance continues to be paid under either option.

Insured persons receiving a 3rd degree disability pension can combine the pension with earnings from gainful employment. There is no income test.

Benefits are payable abroad under bilateral agreement.

Benefit adjustment: Benefits are adjusted annually in December according to changes in the pension point value, which is linked to the expected inflation rate for the coming year.

Workers' Medical Benefits

Medical services are provided directly to patients by local health insurance funds. Medical benefits include general and specialist care, outpatient care, hospitalization, medicines, appliances, rehabilitation, transportation, and other services.

Survivor Benefits

Survivor pension: The pension is based on the old-age pension payable to the deceased. If the deceased was not eligible for the old-age pension or was receiving a disability pension or an early old-age pension, the survivor pension is based on the 1st degree disability pension. The pension amount is calculated as a percentage of the average lifetime number of pension points accrued to the deceased. That percentage varies according to number of eligible survivors: for one survivor, 50%; for two survivors, 75%; or for 3 or more survivors, 100%.

If the survivor is also eligible for an old-age pension in his or her own right, the greater of the two benefits is paid. Full orphans receive a pension for each insured parent.

Benefits are payable abroad under bilateral agreement.

Benefit adjustment: Benefits are adjusted annually in December according to changes in the pension point value, which is linked to the expected inflation rate for the coming year.

Funeral grant: A lump sum of 1,550 new lei is paid for the insured's funeral; the grant is reduced by 50% for the funeral of the insured's dependent.

Administrative Organization

Ministry of Labor, Family, and Equal Opportunities (<http://www.mmssf.ro>) provides general supervision and develops policy.

National Pension and Social Insurance Fund (<http://www.cnpas.org>), with regional pension funds, administers the program.

Unemployment

Regulatory Framework

First law: 1991.

Current law: 2002 (unemployment insurance).

Type of program: Social insurance system.

Coverage

Employed persons with individual labor contracts; civil servants; military personnel; certain officials within the executive, legislative, and judicial authorities; craft cooperative members; young graduates; and any worker (excluding farmers) with annual earnings equal to at least nine times the national average wage (9,693 new lei).

Voluntary coverage for self-employed persons, family labor, Romanian citizens working abroad, and any worker without compulsory coverage.

Source of Funds

Insured person: 0.5% of covered salary.

The maximum earnings for contribution purposes are equal to five times the national monthly average wage (5,385 new lei).

The national monthly average wage is 1,077 new lei.

Self-employed person: 1.5% of declared covered income.

The maximum earnings for contribution purposes are equal to five times the national monthly average wage (5,385 new lei).

The monthly national average wage is 1,077 new lei.

Employer: 1% of covered payroll.

The maximum earnings for contribution purposes are equal to five times the national monthly average wage (5,385 new lei).

The national monthly average wage is 1,077 new lei.

Government: Any deficit.

Qualifying Conditions

Unemployment benefits: The insured must have at least 12 months of contributions in the last 24 months before unemployment and be involuntarily unemployed, registered at the local labor office, and actively seeking work.

First-time jobseekers older than age 18 with no independent income who have not found employment 60 days after the end of their school or university studies (30 days after the end of military service) are also eligible.

Unemployment Benefits

The benefit is equal to 75% of the national monthly minimum wage and is paid for 3 months if the insured has at least 5 years of contributions; 9 months with more than 5 years; 12 months with more than 10 years.

A supplement is paid with at least 3 years of contributions. The maximum supplement is paid for 20 years of more of contributions.

Graduate first-time jobseekers receive 50% of the national monthly minimum wage for up to 6 months.

An unemployed person who resumes full-time employment before the awarded benefit period ends receives 30% of the benefit entitlement during the remaining period.

If the new workplace is located more than 50 kilometers from the insured's home, a lump sum equal to twice the national monthly minimum wage is paid. If the new employment requires the insured to relocate, the lump sum is equal to seven times the national monthly minimum wage.

Certain other incentives in the form of subsidies, exemption from contribution payments, or access to loans under favorable conditions are awarded to certain employers to enhance job creation and encourage the recruitment of unemployed persons.

Administrative Organization

National Agency for Employment provides general supervision. Local offices administer the program.

Family Allowances

Regulatory Framework

First law: 1944.

Current laws: 1993 (family allowances); 2001 (minimum guarantee); 2002 (HIV/AIDS); 2003 (family and single-parent allowances), implemented in 2004; and 2006 (social assistance).

Type of program: Universal system.

Coverage

All children residing in Romania.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Family allowances: Paid for children younger than age 18 (aged 18 or older if in full-time education or training, no limit for a person with a 1st or 2nd degree disability that began before age 18).

Income supplement (income-tested): Paid if average per capita family income is 184 new lei or less.

Single-parent allowance (income-tested): Paid to single parents if average per capita family income is 184 new lei or less.

Birth grant: Paid to a mother for the birth of each child, for up to a maximum of four children.

Benefits for persons diagnosed with HIV/AIDS: Paid to all persons diagnosed with HIV/AIDS.

Benefits for the blind: Paid to persons assessed as blind, according to three categories of disability.

Family Allowance Benefits

Family allowances: 200 new lei a month is paid for each child up to age 2 (age 3 if disabled); 40 new lei a month (March 2008) for each child aged 3 or older (80 new lei if disabled).

Income supplement (income-tested): 38 new lei is paid for one child; 44 new lei for two; 49 new lei for three; or 54 new lei for four or more children.

Single-parent allowance (income-tested): 54 new lei a month is paid for one child, 65 new lei a month for two children, 73 new lei a month for three children, or 83 new lei a month for four or more children.

Birth grant: A lump sum of 213 new lei is paid for each live birth.

Benefits for persons diagnosed with HIV/AIDS: A child receives 9 new lei per day; an adult receives 11.20 new lei per day.

Benefits for the blind: Benefits are paid according to three degrees of assessed disability: 340 new lei for an adult with total blindness; 187 new lei for a significant reduction in eyesight; and 154 new lei for a partial reduction in eyesight.

Single persons and households with per capita income less than a fixed amount may receive cash and in-kind benefits to help toward the cost of domestic heating, subject to conditions.

Emergency assistance may be paid to persons, including refugees, assessed as needy.

Administrative Organization

Ministry of Labor, Family, and Equal Opportunities (<http://www.mmssf.ro>) provides general supervision.

Local offices, local councils, and other institutions administer the benefits.

Russia

Exchange rate: US\$1.00 equals 24.45 rubles.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1922.

Current laws: 1995 (disability), with amendments; 1996 (mandatory pension insurance); 1998 (nonstate pension funds), with 2003 amendment; 2001 (public pensions); 2001 (labor pensions); 2001 (mandatory pension insurance); 2002 (early labor pension); 2002 (insurance period); 2002 (investments), with amendments; and 2004 (tax code), implemented in 2005.

Type of program: Social insurance and notional and individual accounts system.

Note: The individual account covers persons born in 1967 or later.

Coverage

Employed citizens, self-employed persons, and independent farmers.

Special systems for civil servants, military personnel, police officers, war veterans, and other specified groups.

Source of Funds

Insured person: None.

Self-employed person: The total contribution is equal to 10% of earnings if annual earnings are less than or equal to 280,000 rubles. If earnings are greater than 280,000 rubles but no more than 600,000 rubles, the total contribution is equal to 28,000 rubles plus 3.6% of the earnings exceeding 280,000 rubles. If earnings are greater than 600,000 rubles, the total contribution is equal to 39,520 rubles plus 2% of earnings exceeding 600,000 rubles.

Different contribution rates apply for certain specified categories of self-employed person.

The total contribution (Single Social Tax) also finances sickness and maternity benefits, medical benefits, and family allowances.

Employer: 20% of payroll if the employee's annual earnings are less than or equal to 280,000 rubles. The contribution is taken from the total contribution (Single Social Tax) of 26% of payroll.

If each employee's annual earnings are greater than 280,000 rubles up to 600,000 rubles, the contribution is equal to 72,800 rubles plus 10% of annual earnings exceeding 280,000 rubles; if each employee's annual

earnings exceed 600,000 rubles, the contribution is equal to 104,800 rubles plus 2% of annual earnings exceeding 600,000 rubles. The employer's total contribution also finances sickness and maternity benefits, medical benefits, and family allowances.

Employers may finance supplementary benefits out of their own budgets.

Government: The total cost of social pensions and special pensions for specified groups. Republics and local governments may finance supplementary benefits out of their own budgets.

Qualifying Conditions

Old-age pension

Old-age labor pension: Age 60 (men) or age 55 (women) with at least 5 years of coverage.

The qualifying conditions are reduced for persons who have worked in the far-north region or in hazardous or dangerous work, for mothers who have five or more children or disabled children, and for some specified professional categories.

Unemployed workers aged 58 or 59 (men) or aged 53 or 54 (women) with no possibility of finding work, subject to the approval of the Employment Agency.

Age 50 with at least 20 years of work (men) or age 45 with at least 15 years of work (women), including 10 years (men) or 7.5 years (women) working in an unhealthy environment, underground, or in hot workshops.

Age 55 with at least 25 years of work (men) or age 50 with at least 20 years of work (women), including 12.5 years (men) or 10 years (women) in an unhealthy working environment. (The required number of years of work in an unhealthy working environment may vary according to circumstances and profession.)

There is no lower age limit for teachers who have worked with children for 25 years and for medical workers employed in health care institutions in cities for 30 years or in villages for 25 years.

Deferred pension: The pension may be deferred. The maximum deferral period depends on the year of retirement.

The old-age labor pension is payable abroad in accordance with national legislation and reciprocal agreements.

State length-of-service pension: A supplement to the old-age labor pension paid to state employees, military personnel, and police officers with at least 15 years of service.

The length-of-service pension is payable abroad in accordance with national legislation and reciprocal agreements.

Retirement is not necessary. There is no income test for a working pensioner.

State social pension: Citizens aged 65 or older (men) or aged 60 or older (women).

The state social pension is not payable abroad.

Retirement is not necessary. There is no income test for a working pensioner.

Disability pension

Disability labor pension: The insured must have been previously employed. The pension is calculated according to three assessed degrees of disability: Group III, 100% incapable of work and requiring constant attendance; Group II, 100% incapable of work but not in need of constant attendance; Group I, 50% incapable of work and not in need of constant attendance.

State disability pension: There is no minimum qualifying period for persons younger than age 20 whose disability is due to a general illness or for any disability resulting from a severe work injury, an occupational disease, or military service.

The state disability pension is payable abroad in accordance with national legislation and reciprocal agreements.

Survivor pension

Survivor labor pension: The deceased's length-of-service period and coverage period are not considered.

Eligible survivors are widows older than age 55 (widowers older than age 60) or unemployed and caring for children younger than age 14 or disabled; children up to age 18 (age 23 if a student, no limit if disabled before age 18); brothers and sisters up to age 18; and grandfathers aged 61 or older and grandmothers aged 56 or older.

The survivor labor pension is payable abroad in accordance with national legislation and reciprocal agreements.

Social survivor pension: Paid if the deceased was not eligible for a contributory pension.

The social survivor pension is not payable abroad.

Old-Age Benefits

Old-age pension

Old-age labor pension: The benefit is calculated as the sum of three components: a basic flat-rate benefit according to different categories of beneficiaries, a benefit based on the notional account, and a benefit based on the value of the individual account (contributions plus interest) to be paid beginning in 2013.

The basic monthly flat-rate benefit for a pensioner (August 2008) with no dependents is 1,794 rubles; 2,392 rubles with one dependent; 2,990 rubles with two dependents; 3,588 rubles with three or more dependents.

The basic monthly flat-rate benefit for a pensioner aged 80 or older with no dependents is 3,588 rubles; 4,186 rubles with one dependent; 4,784 rubles with two dependents; 5,382 rubles with three or more dependents.

There is no officially stated minimum or maximum monthly pension.

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

State length-of-service pension: The benefit is calculated according 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 flat-rate component of the labor pension.

Benefit adjustment: Benefits are adjusted according to the rate of inflation and increases in the average wage.

Permanent Disability Benefits

Disability pension

Disability labor pension: The benefit is calculated according to three assessed degrees of disability: Group III, 100% incapable of work and requiring constant attendance; Group II, 100% incapable of work but not in need of constant attendance; Group I, 50% incapable of work and not in need of constant attendance. The benefit is calculated as the sum of three components: a basic flat-rate benefit according to different categories of beneficiaries (and increased according to the number of dependents), a benefit based on the notional account, and a benefit based on the value of the individual account (contributions plus interest) to be paid beginning in 2013.

State disability pension: Benefits are set by the government according to categories of beneficiaries (and increased according to the number of dependents).

The basic monthly flat-rate benefit for a pensioner (August 2008) with disability Group III is 3,588 rubles; Group II, 1,794 rubles; Group I, 897 rubles.

For a pensioner with disability Group III, with one dependent, 4,186 rubles is paid; 4,784 with two dependents, 5,382 rubles with three or more dependents.

For a pensioner with disability Group II, with one dependent, 2,392 rubles is paid; 2,990 rubles with two dependents; 3,588 rubles with three or more dependents.

For a pensioner with disability Group I, with one dependent, 1,495 rubles is paid; 2,093 rubles with two dependents; 2,691 rubles with three or more dependents.

Benefit adjustment: Benefits are adjusted according to the rate of inflation and increases in the average wage.

Survivor Benefits

Survivor pension

Survivor labor pension: The benefit is calculated as the sum of two components: a basic flat-rate benefit according to different categories of survivor, and a benefit based on the notional account and on the number of eligible survivors.

The basic monthly flat-rate benefit for full orphans (August 2008) is 1,794 rubles for each child; for other

eligible members of the family of the deceased breadwinner, 897 rubles.

The pension is split equally among all eligible survivors. The pension does not cease on the remarriage of a widow.

Social survivor pension: The pension is set by the government according to different categories of beneficiaries. The pension is split equally among all eligible survivors.

Benefit adjustment: Benefits are adjusted according to the rate of inflation and increases in the average wage.

Administrative Organization

Pension Fund of the Russian Federation (<http://www.pfrf.ru>) and its regional bodies administer benefits.

Ministry of Health and Social Development (<http://www.mzsrff.ru>) is responsible for policy development.

Sickness and Maternity

Regulatory Framework

First law: 1912.

Current laws: 1984 (benefits); 1991 (medical insurance), with amendments; 1993 (health care), with amendments; 1995 (child benefits), with amendments; 1998 (mandatory medical insurance); 1999 (mandatory social insurance); and 2001 (labor code).

Type of program: Social insurance (cash benefits) and universal (medical benefits) system.

Coverage

Cash benefits: Employed citizens.

Medical benefits: All citizens and refugees.

Source of Funds

Insured person

Cash benefits: None.

Medical benefits: None. (The insured may contribute to voluntary supplementary medical and maternity insurance. The contribution rates for voluntary supplementary medical insurance vary by plan.)

Self-employed person

Cash benefits: Not applicable.

Medical benefits: None. (The insured may contribute to voluntary supplementary medical insurance. The contribution rates for voluntary supplementary medical insurance vary by plan.)

Employer

Cash benefits: 2.9% of payroll is taken from the total contribution paid under Old Age, Disability, and Survivors, above.

Medical benefits: 2.8 % of payroll is taken from the total contribution paid under Old Age, Disability, and Survivors, above.

Government: Federal and local governments provide partial funding for medical benefits.

Qualifying Conditions

Cash and medical benefits: There is no minimum qualifying period. For the childbirth grant, the claimant must register with a medical establishment at the beginning of the pregnancy.

Sickness and Maternity Benefits

Sickness benefit: The benefit varies according to the length of the coverage period: 60% of current earnings is paid with less than 5 years of coverage; 80% with 5 to 8 years; 100% with more than 8 years (or if the insured has three or more dependent children).

To provide care for a sick child younger than age 7, the benefit is provided for the total period of sickness, but not more than for 60 days per calendar year; for a child younger than age 15, for 15 calendar days, but not more than for 45 days per calendar year; for a family member older than age 15, for 7 calendar days, but not more than 30 days per calendar year.

The minimum benefit is equal to 100% of the minimum wage.

The maximum benefit is 16,125 rubles.

The minimum wage is 2,300 rubles (September 2007).

Funeral grant: A lump sum of between 1,000 rubles and 2,000 rubles is paid, depending on local government financial resources.

Maternity benefit: 100% of the insured's gross earnings in the last 12 months is paid for 70 days before the expected date of childbirth and 70 days after childbirth; may be extended by an additional 14 or 40 days in certain cases.

The maximum benefit is 23,400 rubles.

Childbirth grant: A lump sum of 8,000 rubles is paid, plus an additional sum paid by local government.

Pregnancy registration supplement: 300 rubles is paid when the pregnancy is registered.

Adoption grant: The benefit must not exceed 23,400 rubles (September 2007).

Child care leave benefit (monthly): The benefit is paid until the child is aged 18 months to insured or unemployed parents. The benefit is equal to 40% of the insured's average wage in the last 12 months, but must not be less than 1,500 rubles to provide care for the first child or 3,000 rubles to care for the second and all subsequent children

For nonworking citizens, 1,500 rubles is paid to provide care for the first child; 3,000 rubles to care for the second and all subsequent children.

The maximum monthly benefit is 6,000 rubles.

Parents of a disabled child also receive benefits for 4 vacation days per month.

Workers' Medical Benefits

Compulsory medical insurance covers medical services provided directly to patients by public and private health providers. Benefits include general, preventive, and emergency care; hospitalization; laboratory services; dental care; maternity care; vaccination; and transportation.

Cost sharing: Medicines prescribed during hospitalization are provided free or at reduced rates to persons with certain categories of illness, the disabled, and war veterans.

Voluntary medical insurance covers specialized care, expensive medicines, and appliances.

In accordance with legislative reform where special in-kind social benefits were replaced by cash compensation, some categories of the population, including the elderly, persons with disabilities, and war veterans, may receive cash compensation for some medicines.

Dependents' Medical Benefits

Compulsory medical insurance covers medical services provided directly to patients by public and private health providers. Benefits include general, preventive, and emergency care; hospitalization; laboratory services; dental care; maternity care; vaccination; and transportation.

Cost sharing: Medicines prescribed during hospitalization are provided free or at reduced rates to persons with certain categories of illness, the disabled, and war veterans.

Voluntary medical insurance covers specialized care, expensive medicines, and appliances.

In accordance with legislative reform where special in-kind social benefits were replaced by cash compensation, some categories of the population, including the elderly, persons with disabilities, and war veterans, may receive cash compensation for some medicines.

Administrative Organization

Cash benefits: Social Insurance Fund of the Russian Federation (<http://www.fss.ru>) and regional social insurance funds administer cash sickness and maternity benefits.

Enterprises and employers administer and pay benefits to their own employees.

Regional departments of social protection administer maternity benefits for the unemployed and other nonworking citizens.

Medical benefits: Ministry of Health and Social Development (<http://www.mzsrff.ru>) and regional health depart-

ments implement state health care policy and develop health care programs.

Federal Compulsory Medical Insurance Fund implements health care policy within the state social insurance system and administers the financing of medical insurance programs.

Medical services are provided through clinics, hospitals, maternity homes, and other medical facilities, including private health care providers.

Regional government administers medical insurance.

Work Injury

Regulatory Framework

First law: 1903.

Current laws: 1998 (work injury and occupational diseases), implemented in 2000; 1999 (risk classification); 2001 (labor code); 2004 (cash compensation); 2004; and 2005 (contributions).

Type of program: Social insurance system.

Coverage

Employed citizens, employed convicted persons, and persons employed under an agreement that requires the employer to pay contributions to the Social Insurance Fund for work injury and occupational disease benefits.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: Varying contributions (between 0.2% and 8.5% of payroll) according to 32 classes of professional risk related to 22 categories of industry. Employers may finance supplementary benefits out of their own budgets.

Government: None. Republics and local governments may finance supplementary benefits out of their own budgets.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

Temporary disability benefit: The benefit is equal to 100% of average gross earnings and is paid from the first day of incapacity until the insured is fully rehabilitated.

Average gross earnings are based on earnings immediately before the certification of the degree of disability.

The Medical and Social Assessment Office assesses the degree of disability at least once a year.

Lump-sum compensation: A lump sum of up to 46,900 rubles (2007) is also paid to insured workers. The lump sum is calculated in proportion to the percentage of lost working capacity.

A monthly benefit based on the average wage in the last 12 months and the assessed loss in working capacity is paid for a sustained loss in working capacity.

Permanent Disability Benefits

Permanent disability pension: The pension is calculated according to three assessed degrees of disability: Group I pensioners receive 30% of average gross earnings, and Groups II and III pensioners receive 75% of average gross earnings.

The minimum level of assessed disability for entitlement to benefits varies from 10% to 30%.

The maximum benefit is set annually by the Social Insurance Fund (36,000 rubles a month in 2007).

The Medical and Social Assessment Office assesses the degree of disability at least once a year.

Constant-attendance allowance: Twice the minimum wage per month is paid to those requiring outpatient special medical care; 50% of the minimum wage for daily attendance.

The minimum wage is 2,300 rubles (September 2007).

Workers' Medical Benefits

Compulsory medical insurance covers medical services provided directly to patients by public and private health care providers. Benefits include general, preventive, and emergency care; hospitalization; laboratory services; dental care; transportation; free appliances and medicines; and the cost of professional rehabilitation.

Specialized care may be provided under voluntary supplementary insurance coverage offered by the employer.

Survivor Benefits

Survivor pension: Paid on the death of the insured as the result of a work injury or an occupational disease. The benefit is calculated as the sum of two components: basic flat-rate benefit according to different categories of survivor, and a benefit based on the notional account and on the number of eligible survivors.

Lump-sum compensation: In addition to the pension, a lump sum of 46,900 rubles (2007) is paid and split equally among all entitled survivors.

Death grant: A lump sum of up to 1,000 rubles is paid. (The employer may pay an additional benefit.)

Administrative Organization

Temporary disability benefits are administered by the Social Insurance Fund of the Russian Federation ([.fss.ru\) and regional funds. Enterprises and employers pay benefits to employees.](http://www</p></div><div data-bbox=)

Pension Fund of the Russian Federation (<http://www.pfrf.ru>) administers permanent disability pensions.

Ministry of Health and Social Development (<http://www.mzsrff.ru>) administers 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 regional health departments.

Regional employment services administer and finance the program.

Unemployment

Regulatory Framework

First law: 1921.

Current laws: 1991 (employment), with amendments; 1997 (registration); 2001 (labor code); 2004 (cash compensation); and 2006 (benefits).

Type of program: Social insurance and social assistance system.

Coverage

Citizens between ages 16 and 59 (men) or ages 16 and 54 (women).

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: Financed from federal and local government budgets. Republic and local governments may finance supplementary benefits for unemployed persons and their dependents out of their own budgets.

Qualifying Conditions

Unemployment benefits: Must be registered at an employment office, have 26 weeks of full-time employment in the last 12 months (or the 26-week equivalent for part-time employment), and be able and willing 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 job placement or vocational training, or filing a fraudulent claim.

Unemployed persons who do not meet the prior work conditions or persons who have never worked may be eligible for reduced benefits.

Unemployment Benefits

Unemployment benefit: Benefits are calculated as a percentage of previous average wages and are paid for up to 12 months. The benefits decrease over time: 75% of the previous average monthly wage is paid for the first 3 months; 60% for the next 4 months; and 45% for the last 5 months.

For a second 12-month period, the monthly benefit is equal to 30% of the local minimum subsistence level.

The minimum monthly benefit is 781 rubles (March 2008).

The maximum monthly benefit is 3,128 rubles (March 2008).

For unemployed persons who do not meet the prior work conditions or for persons who have never worked, the benefit is 30% of the regional minimum subsistence level for the first 6 months and 20% of the regional minimum subsistence level for the next 6 months, but not less than 100 rubles per month.

Dependent's supplement: The benefit is increased by 10% of the regional minimum subsistence level, up to a maximum of 30%. If both parents are unemployed, both are entitled to claim a supplement for the same dependent.

Supplement for victims of radiation: The benefit is increased by 10% of the regional minimum subsistence level, but not less 50 rubles.

Supplement for persons living in radiation-contaminated zones: The benefit is increased by 10% of the regional minimum subsistence level, but not less than 100 rubles.

Early pension: Paid to unemployed older workers between ages 58 and 59 (men) or ages 53 and 54 (women). (The benefit is the same as the old-age labor pension under Old Age, Disability, and Survivors, above.)

Administrative Organization

Ministry of Health and Social Development (<http://www.mzsrff.ru>) provides general supervision.

Regional employment services administer the program.

Local employment services pay benefits.

Family Allowances

Regulatory Framework

First law: 1944.

Current laws: 1995 (child benefits), with amendments; 2004 (cash compensation); 2005 (social insurance fund); and 2006 (families with children).

Type of program: Social insurance and social assistance system.

Coverage

Children younger than age 16 (up to age 18 if a full-time student).

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: See source of funds under Old Age, Disability, and Survivors, above. Employers may finance supplementary benefits out of their own budgets.

Government: Federal and local government budgets subsidize the cost of benefits. Republics and local governments may finance supplementary benefits out of their own budgets.

Qualifying Conditions

Child allowances: Paid to families with income below the locally determined minimum subsistence level. The child must reside in the household.

Family (maternity capital) grant: Provided for the second born or adopted child and is paid 3 years after the birth or adoption.

Family Allowance Benefits

Child allowances: The allowance varies according to geographic region. The allowance is paid for each child from age 18 months to age 16 (up to age 18 if a full-time student).

Supplements are paid if a parent fails to pay alimony.

Single parents receive twice the child allowance.

A parent caring for a sick child receives 60% to 100% of wages for the first 7 days of illness; thereafter, 30% of wages (50% for single mothers) until the child's full recovery.

Family (maternity capital) grant: 271,250 rubles (June 2008) is paid for the second born or adopted child.

Administrative Organization

Ministry of Health and Social Development (<http://www.mzsrff.ru>) provides general oversight of the program.

Regional and local departments of social protection pay benefits.

Pension Fund of the Russian Federation (<http://www.pfrf.ru>) and its regional bodies administer family (maternity) grants.

San Marino

Exchange rate: US\$1.00 equals 0.68 euros (€).

Note: This information dates from 2004.

Old Age, Disability, and Survivors

Regulatory Framework

First and current laws: 1955 (social security system) and 1983 (pension reform).

Type of program: Social insurance system.

Coverage

Employed and self-employed persons.

Source of Funds

Insured person: 1.9% of gross earnings.

The insured's contributions also finance work injury benefits.

Self-employed person: Contribution rates vary between 10% and 19.5% of earnings, according to the category of self-employment.

The self-employed person's contributions also finance work injury benefits.

Employer: 10% of payroll.

The employer's contributions also finance work injury benefits.

Government: Contributes an amount equal to 10% of total contributions (higher contributions are made on behalf of agricultural workers); may rise to 25% to cover any deficit. Government contributions also finance work injury benefits.

Qualifying Conditions

Old-age pension: Age 65 (men and women) with at least 20 years of contributions (4,320 days of contributions); age 60 (men and women) with at least 40 years of contributions. For insured persons who entered the labor force before January 1, 2002, transitional provisions apply.

Partial pension: A reduced pension is paid at age 60 if the insured has at least 35 years, but less than 40 years of contributions.

Deferred pension: A deferred pension is possible.

Disability pension: Paid for a loss of working capacity of at least 66% with at least 2 years of contributions in the last 4 years before the disability began.

Survivor pension: The deceased had at least 2 years of contributions in the last 4 years before death.

Eligible survivors are a widow, a disabled or unemployed widower, and children younger than age 18 or disabled. The widow(er) must have been married to, and living with, the deceased at the time of death.

Funeral allowance: The deceased had at least 3 months of contributions in the last 6 months before death.

Old-Age Benefits

Old-age pension: The pension is based on 2% of half a legally fixed amount for each year of coverage plus 1.5% of the portion of reference earnings that exceeds the legally fixed amount.

Reference earnings for benefit calculation purposes are equal to the average daily earnings of the last 10 calendar years before retirement, multiplied by 16.615. Earnings used for benefit calculations are adjusted according to changes in the cost-of-living index.

A means-tested minimum pension is paid.

The pension must not exceed a legally set percentage of the insured's last monthly earnings before retirement.

Transitional provisions apply to persons with at least 216 days of contributions before January 1, 2005.

Partial pension: If aged 60 with at least 35 years of contributions, the pension is reduced by 4% for each year of contributions less than 40 years.

Deferred pension: The pension is increased by 3% for each year of deferral after the normal retirement age.

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

Permanent Disability Benefits

Disability pension: If assessed as totally disabled, the annual pension is equal to 60% of the insured's annual earnings in the last year before the disability began.

Annual earnings correspond to 300 working days.

Partial disability: A percentage of the disability pension is paid according to the assessed degree of disability.

Constant-attendance supplement: The disability pension is raised to 100% of annual earnings.

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

Survivor Benefits

Survivor pension: 50% of the deceased's disability pension is paid to the surviving spouse.

The pension ceases on remarriage.

Orphan's pension: Each child younger than age 18 (no limit if disabled) receives 20% of the deceased's disability pension; 40% for a full orphan.

All survivor benefits combined must not exceed 90% of the deceased's disability pension.

Funeral allowance: A lump sum is paid to the person who pays for the insured's funeral.

Administrative Organization

National Social Security Institute administers the program.

Sickness and Maternity

Regulatory Framework

First and current laws: 1955 (medical benefits), 1965 (welfare), 1967 (cash benefits), and 1968 (self-employed).

Type of program: Social insurance (cash benefits) and universal (medical benefits) system.

Coverage

Cash sickness and maternity benefits: Employed and self-employed persons.

Medical benefits: All persons residing in San Marino.

Source of Funds

Insured person: 3.5% of gross earnings.

Self-employed person: Variable contributions.

Employer: 5% of payroll.

Government: None (cash benefits); 50% of direct taxes collected by the state (medical benefits).

Qualifying Conditions

Cash sickness and maternity benefits: There is no qualifying period.

Medical benefits: There is no qualifying period.

Sickness and Maternity Benefits

Sickness benefit: The benefit is equal to 86% of the insured's monthly earnings for the first 15 days, 100% until the end of the 6th month, and 86% until the end of the 12th month. The benefit is paid for up to 365 days for workers with permanent employment contracts; to the end of the employment contract for workers with short-term employment contracts.

Maternity benefit: The benefit is equal to 100% of the insured's earnings and is paid for 5 months (2 months before and 3 months after the expected date of childbirth); thereafter, mothers can remain on leave and receive a benefit equal to 30% of earnings for 7 months and 20% of earnings for

the next 6 months or they can return to work and take up to 2 hours of leave a day on full pay for 13 months.

Workers' Medical Benefits

Medical services are 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 treatment (dental services are free for children up to age 14 and for pensioners).

There is no cost sharing.

There is no limit to duration.

Dependents' Medical Benefits

Medical services are 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 treatment (dental services are free for children up to age 14 and for pensioners).

There is no cost sharing.

There is no limit to duration.

Administrative Organization

National Social Security Institute administers the program.

Work Injury

Regulatory Framework

First and current law: 1983 (pensions).

Type of program: Social insurance system.

Coverage

Employed and self-employed persons.

Source of Funds

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

Self-employed person: See source of funds under Old Age, Disability, and Survivors.

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

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

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

The benefit is equal to 100% of the insured's earnings.

Permanent Disability Benefits

Permanent disability benefit: If assessed as totally disabled, the annual pension is equal to 60% of the insured's annual earnings in the last year before the disability began.

Annual earnings correspond to 300 working days.

Partial disability: A percentage of the disability pension is paid according to the assessed degree of disability. There is no entitlement if the assessed degree of disability is less than 20%.

Constant-attendance supplement: The disability pension is raised to 100% of annual earnings.

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

Workers' Medical Benefits

All necessary medical services and benefits are provided free of charge.

Survivor Benefits

Survivor pension: 50% of the deceased's disability pension is paid to the surviving spouse.

The pension ceases on remarriage.

Orphan's pension: Each child younger than age 18 (no limit if disabled) receives 20% of the deceased's disability pension; 40% for a full orphan.

All survivor benefits combined must not exceed 90% of the deceased's disability pension.

Funeral allowance: A lump sum is paid to the person who pays for the insured's funeral.

Administrative Organization

National Social Security Institute administers the program.

State hospitals, or government-approved establishments, deliver medical services.

Unemployment

Regulatory Framework

First and current laws: 1967 (unemployment), 1977 (temporary unemployment), and 1980 (special economic benefit).

Type of program: Social insurance system.

Coverage

Unemployment benefit: Salaried employees.

Exclusions: Civil servants and self-employed persons.

Temporary unemployment benefit: Industrial and business employees and craftsmen.

Source of Funds

Unemployment benefits

Insured person: 0.5% of gross earnings.

Self-employed person: Not applicable.

Employer: 1.5% of payroll.

Government: None.

Temporary unemployment benefits

Insured person: None.

Self-employed person: Not applicable.

Employer: 2% or 4% of payroll.

Government: None.

Qualifying Conditions

Unemployment benefit: Paid to unemployed insured employees.

Special economic benefit: Paid in the event of mass unemployment or the closure of the place of employment.

Temporary unemployment benefit: Paid for temporary unemployment that results from unforeseen circumstances, restructuring, or a short-term market downturn.

Unemployment Benefits

Unemployment benefit: The benefit is equal to 50% of the insured's average earnings in the 3 months before unemployment and is paid for up to 100 days a year for permanent contract workers; 25% of average earnings for up to 50 days for temporary contract workers.

Special economic benefit: The benefit is equal to 75% of the insured's earnings and is paid for up to 6 months; thereafter, 65% of earnings for up to 6 months.

Temporary unemployment benefit: The benefit is equal to 86% of the insured's earnings and is paid for up to 9 months.

Administrative Organization

National Social Security Institute administers the program.

Family Allowances

Regulatory Framework

Under a 1946 law, family benefits are provided through an employment-related program.

Serbia

Exchange rate: US\$1.00 equals 57.44 dinars.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1922, implemented in 1937.

Current laws: 2003 (pension and disability insurance), with amendments; and 2004 (social insurance), with amendment.

Type of program: Social insurance system.

Note: Social assistance benefits are provided to all individuals and families with monthly income lower than a set minimum level.

Coverage

Employed persons; self-employed persons, including members of handicraft and fishery cooperatives, artists, and persons performing a gainful economic activity under some kind of contract; and farmers.

Voluntary coverage is possible.

Special system for armed forces personnel.

Source of Funds

Insured person: 11% of covered earnings; voluntary contributors pay 22% of chosen earnings, according to 13 income brackets.

The minimum monthly earnings for contribution purposes are equal to 35% of the national monthly average wage. The national monthly average wage is 39,331 dinars (January 2008).

The maximum monthly earnings for contribution purposes are equal to five times the national monthly average wage. The national monthly average wage is 39,331 dinars (January 2008).

The insured's contributions also finance benefits for work injuries and occupational diseases and medical benefits for pensioners.

Self-employed person: 22% of covered income.

The minimum monthly income for contribution purposes is equal to 35% of the national monthly average wage. The national monthly average wage is 39,331 dinars (January 2008).

The maximum monthly income for contribution purposes is equal to five times the national monthly average wage. The national monthly average wage is 39,331 dinars (January 2008).

The self-employed person's contributions also finance benefits for work injuries and occupational diseases and medical benefits for pensioners.

Employer: 11% of covered payroll. (Reduced-rate contributions are paid for up to 2 years on behalf of newly hired older workers.)

The minimum monthly earnings for contribution purposes are equal to 35% of the national monthly average wage. The national monthly average wage is 39,331 dinars (January 2008).

The maximum monthly earnings for contribution purposes are equal to five times the national monthly average wage.

The employer's contributions also finance benefits for work injuries and occupational diseases and medical benefits for pensioners. The national monthly average wage is 39,331 dinars (January 2008).

Government: Contributes as an employer. Guarantees cash benefits; covers any eventual deficit.

Qualifying Conditions

Old-age pension: Age 63.5 (men) or age 58.5 (women) with at least 19 years of coverage; age 53 with at least 40 years of coverage (men) or age 53 with at least 35 years of coverage (women); at any age with at least 45 years of coverage (men and women).

Between 2008 and 2011, the retirement age is being increased gradually by 6 months a year to age 65 (men) or age 60 (women) with at least 15 years of coverage.

An old-age pensioner can begin new employment after retiring.

Deferred pension: A deferred pension is possible. There is no maximum deferral period.

Benefits are payable abroad under reciprocal agreement.

Disability pension: The insured must be younger than the pensionable age and assessed as incapable of all work (total disability). The required contribution period increases with age: 1 year of coverage if the disability began before age 20; 2 years if before age 25; 3 years if aged 25 to 29; or at least 5 years if aged 30 or older.

There is no minimum qualifying period for a disability resulting from a work injury or an occupational disease.

To receive cash benefits for a work injury or an occupational disease, the insured must have an assessed degree of disability of at least 30%. There are eight categories of assessed disability, ranging from 30% to 100%. The degree of disability is assessed by the Occupational Medicine Commission. The disability may be reviewed every 3 years.

Survivor pension: The deceased was a pensioner or had at least 5 years of coverage or was eligible for a disability pension.

Eligible survivors include a widow aged 48.5 or older (a widower aged 53 or older), or disabled, or caring for a child younger than age 15 (age 26 if a student, no limit if disabled); a dependent mother aged 58.5 or older or disabled; a dependent father aged 63.5 or older or disabled; children younger than age 15 (age 26 if a student, age 27 if in military service, no limit if unemployed and disabled); and dependent grandchildren, brothers, or sisters.

Between 2008 and 2011, the age requirement for survivors is being increased gradually to age 50 for a widow, age 60 for a dependent mother, and age 65 for a dependent father.

Benefits are payable abroad under reciprocal agreement.

Old-Age Benefits

Old-age pension: The pension is calculated as the product of the value of personal points (a personal coefficient multiplied by the number of years of service) and the value of the general point.

The personal coefficient is equal to the sum of annual personal coefficients divided by the period for which they are calculated. The maximum personal coefficient is 4. The annual personal coefficient is the ratio between an individual's wage and the average wage in Serbia for the same calendar year. The maximum annual personal coefficient is 5.

The value of the general point is 495.16 dinars (January 2008). The general point is adjusted every 6 months in April and October.

The minimum monthly pension is 9,082.40 dinars (January 2008).

Schedule of payments: Pensions are paid twice a month; pensioners who were previously self-employed are paid monthly.

Benefit adjustment: Benefits are adjusted every 6 months, in April and October, according to changes in the cost of living and average net wages.

Permanent Disability Benefits

Disability pension: The pension is calculated as the product of the value of personal points (a personal coefficient multiplied by the number of years of service) and the value of the general point.

The personal coefficient is equal to the sum of annual personal coefficients divided by the period for which they are calculated. The annual personal coefficient is the ratio between an individual's wage and the average wage in Serbia for the same calendar year.

The value of the general point is 495.16 dinars (January 2008). The general point is adjusted every 6 months in April and October.

Projected years of service are calculated as 2/3 of the period between the date the disability began and age 53 and 1/2 of the period between ages 53 and 58 (women) or ages 53 and 63 (men).

The full permanent disability pension is paid with a 100% disability.

Schedule of payments: Pensions are paid twice a month; pensioners who were previously self-employed are paid monthly.

Benefit adjustment: Benefits are adjusted every 6 months, in April and October, according to changes in the cost of living and average net wages.

Survivor Benefits

Survivor pension: 70% of the pension paid or payable to the deceased is paid for one survivor; 80% for two survivors; 90% for three survivors; or 100% for four or more survivors. Full orphans receive a pension for both deceased parents.

The minimum survivor pension is equal to the old-age pension calculated on the basis of 20 years of coverage.

The maximum survivor pension must not exceed the maximum disability pension.

The widow(er) pension does not cease on remarriage.

The survivor pension is suspended during any period for which the survivor is engaged in insured employment.

If a survivor receives a pension in his or her own right, the survivor must choose to receive only one pension.

Benefit adjustment: Benefits are adjusted every 6 months, in April and October, according to changes in the cost of living and average net wages.

Funeral grant: For the death of a pensioner, the cost of the funeral is paid to the person who paid for the funeral, up to a maximum of 150% of the average pension paid in the last quarter before the pensioner's death.

Administrative Organization

Pension and Disability Insurances Fund administers the program.

Sickness and Maternity

Regulatory Framework

First law: 1922.

Current laws: 2002 (families with children), with amendment; 2004 (social insurance), with amendment; 2005 (health insurance), with amendment; and 2005 (labor), with amendment.

Type of program: Social insurance system.

Coverage

Cash sickness and maternity benefits: Employed and self-employed persons.

Medical benefits: Employed and self-employed persons, civilians employed in the armed forces, farmers, pensioners, registered unemployed persons, persons older than age 65, all women during pregnancy and for up to 12 months after giving birth, mentally and physically disabled persons, social assistance beneficiaries, children younger than age 15 (age 26 if a full-time student), and some categories of foreign citizens working in Serbia (if covered by a reciprocal agreement).

Voluntarily coverage for medical benefits is possible.

Special system for armed forces personnel.

Source of Funds

Insured person: 6.15% of covered earnings; 12.3% of the pension is paid by the Pension and Disability Insurances Fund on behalf of pensioners; voluntary contributors pay 12.3% of covered declared earnings for medical benefits.

The minimum monthly earnings for contribution purposes are equal to 35% of the national monthly average wage. The national monthly average wage is 39,331 dinars (January 2008).

The maximum monthly earnings for contribution purposes are equal to five times the national monthly average wage. The national monthly average wage is 39,331 dinars (January 2008).

Self-employed person: 12.3% of covered income.

The minimum monthly income for contribution purposes is equal to 35% of the national monthly average wage. The national monthly average wage is 39,331 dinars (January 2008).

The maximum monthly income for contribution purposes is equal to five times the national monthly average wage. The national monthly average wage is 39,331 dinars (January 2008).

Employer: 6.15% of covered payroll. (Reduced-rate contributions are paid for up to 2 years on behalf of newly hired older workers.)

The minimum monthly earnings for contribution purposes are equal to 35% of the national monthly average wage. The national monthly average wage is 39,331 dinars (January 2008).

The maximum monthly earnings for contribution purposes are equal to five times the national monthly average wage. The national monthly average wage is 39,331 dinars (January 2008).

Government: None; contributes as an employer.

Qualifying Conditions

Cash sickness benefits: Must be covered for at least 3 continuous months or 6 months with interruptions in the last 18 months. There is no minimum coverage period required for an incapacity resulting from a work injury or an

occupational disease. The benefit is also paid for providing care for a sick family member or if the insured provides a tissue or organ donation (but not a blood donation).

If the insured receives benefits for more than 6 continuous months or for longer than 12 months within an 18-month period and is still incapable of work, a disability pension may be paid.

Cash maternity benefits: Paid to the child's parent (including the father) or custodian.

A foster parent is also entitled to benefits for the adoption of a child.

Medical benefits: There is no minimum qualifying period.

Sickness and Maternity Benefits

Sickness benefit: The monthly benefit is paid from the first day of incapacity until recovery or the award of a disability pension. (The employer pays benefits for the first 30 days.) The insured receives 65% of the calculation base; 100% for a work injury or an occupational disease; 100% for a tissue or organ donation.

The calculation base for an insured person is the insured's average wage in the last 3 months, up to a maximum of five times the national monthly average wage. The national monthly average wage is 39,331 dinars (January 2008).

The calculation base for a self-employed person is average covered income in the last 3 months.

If the beneficiary receives the benefit for more than 2 months, the calculation base is adjusted each month according to changes in the average wage in his or her place of employment.

Maternity benefit: 100% of earnings are paid with 6 months of continuous coverage; 60% with more than 3 but less than 6 months; 30% with at least 3 months. The benefit is paid monthly.

Earnings for benefit calculation purposes are earnings in the last month before the maternity leave period began, up to a maximum of five times the national monthly average wage. The national monthly average wage is 39,331 dinars (January 2008).

The minimum benefit is equal to the minimum monthly wage.

For a self-employed person, the benefit is equal to average covered income in the last 3 months.

The leave period for the first and second child begins 28 days before the expected date of childbirth and is paid for 365 days. The leave period for the third and each successive child is paid for 2 years.

Benefit adjustment: Benefits are adjusted monthly according to changes in the national average wage.

Maternity grant: The amount of the grant is determined by the Republic Health Insurance Fund.

Workers' Medical Benefits

Medical services are provided directly to patients through the facilities of the government health service based on contracts with local health insurance associations.

Services include measures for prevention and early detection of diseases, medicines, surgery, family planning and maternity care (for up to 12 months after childbirth), dental treatment, and prostheses.

Compulsory medical insurance funds finance from 65% to 100% of the cost of medical services and treatments, according to the schedule in law; 100% of the cost of medical services and treatments for work injuries and occupational diseases.

Copayments are reduced for benefits for military and civil war invalids, blind persons and permanently disabled persons, persons receiving financial compensation for providing care to another person, and for voluntary blood donors.

Dependents' Medical Benefits

Medical services are provided directly to patients through the facilities of the government health service based on contracts with local health insurance associations.

Services include measures for prevention and early detection of diseases, medicines, surgery, family planning and maternity care (for up to 12 months after childbirth), dental treatment, and prostheses.

Compulsory medical insurance funds finance from 65% to 100% of the cost of medical services and treatments, according to the schedule in law.

Copayments are reduced for benefits for military and civil war invalids, blind persons and permanently disabled persons, persons receiving financial compensation for providing care to another person, and for voluntary blood donors.

Administrative Organization

Ministry of Health supervises the Republic Health Insurance Fund.

Republic Health Insurance Fund (<http://www.rzzo.sr.gov.yu>) administers the program at the local level through regional bodies.

Work Injury

Regulatory Framework

There is no specific program for work injury. Cash and medical benefits for a work injury or an occupational disease are provided through the Old Age, Disability, and Survivors and Sickness and Maternity programs, above.

Unemployment

Regulatory Framework

First law: 1927.

Current laws: 1996 (citizens employed abroad), with amendment; 2003 (unemployment insurance), with amendment; and 2003 (vocational rehabilitation), with amendment.

Type of program: Social insurance system.

Coverage

Employed and self-employed persons (entrepreneurs, founders, or members of commercial entities) and contract workers.

Voluntary coverage is possible.

Exclusions: Farmers, children and students in full-time education, and pensioners.

There are no special systems for any specified groups of employees.

Source of Funds

Insured person: 0.75% of covered earnings.

The minimum monthly earnings for contribution purposes are equal to 35% of the national monthly average wage. The national monthly average wage is 39,331 dinars (January 2008).

The maximum monthly earnings for contribution purposes are equal to five times the national monthly average wage. The national monthly average wage is 39,331 dinars (January 2008).

Self-employed person: 1.5% of covered income.

The minimum monthly earnings for contribution purposes are equal to 35% of the national monthly average wage. The national monthly average wage is 39,331 dinars (January 2008).

The maximum monthly income for contribution purposes is equal to five times the national monthly average wage. The national monthly average wage is 39,331 dinars (January 2008).

Employer: 0.75% of covered payroll.

The minimum monthly earnings for contribution purposes are equal to 35% of the national monthly average wage. The national monthly average wage is 39,331 dinars (January 2008).

The maximum monthly earnings for contribution purposes are equal to five times the national monthly average wage. The national monthly average wage is 39,331 dinars (January 2008).

Government: None; contributes as an employer.

Qualifying Conditions

Unemployment benefit: Must be covered for at least 12 consecutive months or 12 months with interruptions in the last 18 months. An interruption in coverage must not last longer than 30 days.

Part-time work is permitted, but the income from work may reduce the benefit paid.

Unemployment Benefits

The monthly benefit is equal to 60% of the insured's average earnings in the last 6 months and is paid for up to 3 months; thereafter, the benefit is equal to 50% of the insured's average earnings. If the beneficiary is enrolled in an educational or vocational course, the benefit is increased by 10%.

The duration of the benefit depends on the length of the coverage period and the insured's age: the benefit is paid for up to 3 months with up to 5 years of coverage; up to 6 months with 5 to 15 years; up to 9 months with 15 to 20 years; up to 12 months with more than 20 years; or up to 24 months if insured for more than 20 years and at least age 61 (men) or age 56 (women), if insured for more than 38 years (men) or 33 years (women) and at least age 51, or if insured for more than 25 years and older than age 55.

The minimum benefit is equal to the national minimum wage for the month the benefit is paid.

The maximum benefit is equal to the national monthly average wage. The national monthly average wage is 39,331 dinars (January 2008).

Child's supplement: A supplement is paid.

Schedule of payments: The benefit is paid monthly or the total amount is paid as a lump sum to be used as start-up capital for a new business.

Benefit adjustment: Benefits are not adjusted, but the minimum benefit must equal the national minimum wage.

Administrative Organization

National Employment Service (<http://www.rztr.co.yu>) registers all employers and jobseekers, administers the program, and pays benefits.

Republic Council for Employment advises the government on employment policy and legislation.

Family Allowances

Regulatory Framework

First law: 1949.

Current law: 2002 (families with children), with amendment.

Type of program: Universal system.

Coverage

Serbian citizens residing in Serbia.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: Benefits are financed through the central governmental budget. Municipal governments may provide supplements or additional benefits.

Qualifying Conditions

Family allowances:

Parental allowance (means-tested): Paid to a mother for up to four children. The mother is a citizen of Serbia, resides in Serbia, and is covered for health insurance.

In the absence of the mother, the father may be eligible.

The parental allowance is not paid if the mother, or the family members with whom she lives, pays tax on property valued above 12,000,000 dinars.

Child allowance (income-tested): Paid to a parent, custodian, or foster parent rearing up to four children. The parent, custodian, or foster parent is a citizen of Serbia, resides in Serbia, and is covered for health insurance.

The child must be younger than age 19 (age 26 for children with special needs or full-time students).

Income test: Monthly per capita family income must not exceed 5,139 dinars (January 2008). (The level is increased by 20% to 6,167 dinars for a custodian, foster parent, single parent, or the parents of a disabled child). Per capita family income is adjusted monthly according to changes in the cost of living.

Family Allowance Benefits

Family allowances

Parental allowance (means-tested): A lump sum of 22,907 dinars is paid for the first child; 92,931 dinars is paid for the second child; 167,274 dinars for the third; and 223,028 dinars for the fourth (January 2008).

Benefit adjustment: Benefits are adjusted every 6 months in April and October according to changes in the cost of living.

Child allowance (income-tested): A custodian, foster parent, single parent, or the parent of a disabled child receives 2,082 dinars a month.

In addition, kindergarten costs for orphans, foster children, disabled children, and children living in low-income families are reimbursed. The child must be eligible for the child allowance.

Benefit adjustment: Benefits are adjusted every 6 months, in April and October, according to changes in the cost of living.

Administrative Organization

Municipal governments award entitlements. In the event of an appeal, the Ministry of Labor and Social Policy reviews the decision.

Slovak Republic

Exchange rate: US\$1.00 equals 22.60 koruna.

Old Age, Disability, and Survivors

Regulatory Framework

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

Current laws: 1998 (social assistance); 2003 (social insurance), implemented in 2004, with amendments; 2003 (employment services), implemented in 2004, with amendments; and 2004 (individual accounts), implemented in 2005.

Type of program: Social insurance and individual account system.

Note: A new system consisting of a social insurance first pillar plus a second pillar of individual accounts was implemented on January 1, 2005. All new entrants to the workforce are required to join the new two-pillar system. Workers covered before January 1, 2005, had the option to decide before June 30, 2006, whether to participate in the new system. Those not participating in the new system remain in the old social insurance system.

Coverage

Employed persons; civil servants; parliamentarians; persons caring for a child, including foster care; self-employed persons; cooperative workers; persons working in prison workshops; and directors of national enterprises.

Voluntary coverage for persons older than age 16 and self-employed persons with annual earnings less than 12 times the minimum monthly wage of 8,100 koruna.

Special systems for Slovak Intelligence Service personnel, Bureau of National Security personnel, members of the police force and the railway police force, fire brigade personnel, prison service personnel, customs officers, and professional armed forces personnel.

Source of Funds

Insured person: 4% of covered monthly earnings. Insured persons who are covered mandatorily make no contributions to the individual account.

Voluntarily insured persons contribute 18% of covered earnings, of which 9% of covered earnings goes to the individual account.

Pension fund administrators may charge up to a maximum of 1% of the voluntarily insured person's monthly contribution to the individual account and 0.07% of the average monthly net value of assets for monthly administrative fees.

(Insured persons covered mandatorily do not pay monthly administrative fees.)

The minimum earnings for contribution purposes are equal to the minimum monthly wage of 8,100 koruna; 75% of the minimum monthly wage for employees with an assessed loss of earning capacity from 40% to 70%; 50% of the minimum monthly wage for employees with an assessed loss of earning capacity greater than 70% or for disabled employees younger than age 18; 75% of the minimum monthly wage for voluntarily insured persons older than age 16; 50% of the minimum monthly wage for voluntarily insured persons up to age 16.

The maximum earnings for contribution purposes are equal to three times the average monthly wage of 18,761 koruna.

Self-employed person: 18% of monthly earnings, of which 9% goes to the individual account.

Pension fund administrators may charge up to a maximum of 1% of the self-employed person's monthly contribution to the individual account and 0.07% of the average monthly net value of assets for monthly administrative fees.

The minimum earnings for contribution purposes are equal to the minimum monthly wage of 8,100 koruna; 75% of the minimum monthly wage for insured persons older than age 16; 50% of the minimum monthly wage for insured persons up to age 16.

The maximum earnings for contribution purposes are equal to three times the average monthly wage of 18,761 koruna.

Employer: 14% of monthly payroll, of which 9% of payroll goes to the employee's individual account.

Pension fund administrators may charge up to a maximum of 1% of the employer's monthly contribution to the employee's individual account and 0.08% (0.07% from 2008) of the average monthly net value of assets for monthly administrative fees.

The minimum earnings for contribution purposes are equal to the minimum monthly wage of 8,100 koruna; 75% of the minimum monthly wage for employees with an assessed loss of earning capacity from 40% to 70%; 50% of the minimum monthly wage for employees with an assessed loss of earning capacity greater than 70% or for disabled employees younger than age 18.

The maximum earnings for contribution purposes are equal to three times the average monthly wage of 18,761 koruna.

Government: Any deficit; contributes 18% of 60% of the average monthly wage for old-age benefits on behalf of persons caring for children up to age 6 or for children with serious chronic health conditions up to age 18; 18% of 70% of the average monthly wage for old-age benefits on behalf of persons caring for sick children up to age 7; 6% of 60% of the average monthly wage for disability benefits on behalf of persons caring for children up to age 6; 6% of 70% of the average monthly wage for disability benefits on behalf of persons caring for sick children up to age 7.

The Social Insurance Agency contributes 18% of the reference salary on behalf of persons receiving disability benefits. The reference salary is a percentage of the minimum monthly wage that varies according to the assessed loss in the insured's earning capacity.

Qualifying Conditions

Old-age pension (social insurance and individual account): Age 62 (men) or age 56 and 9 months (women) with at least 10 years of coverage. (The retirement age for women is being raised gradually to age 62 by 2015.)

Old-age pensioners may continue to work.

Early pension (social insurance): Paid from 2 years before the normal pensionable age with at least 10 years of coverage. The monthly pension must be equal to at least 1.2 times the legal monthly subsistence minimum.

The legal subsistence minimum is the difference between specified sources of family income and actual income. The legal subsistence minimum is adjusted annually in July by the Ministry of Labor, Social Affairs, and Family.

Early pension (individual account): The monthly pension must be equal to at least 0.6 times the legal monthly subsistence minimum.

The legal subsistence minimum is the difference between specified sources of family income and actual income. The legal subsistence minimum is adjusted annually in July by the Ministry of Labor, Social Affairs, and Family.

Deferred pension (social insurance): There is no maximum deferral period.

Old-age benefits are payable abroad.

Disability pension (social insurance): The pension is paid with less than 1 year of coverage if aged 20 or younger; with at least 1 year of coverage if aged 21 or 22; with at least 2 years if aged 23 or 24; with at least 3 years if aged 25 or 26; with at least 4 years if aged 27 or 28; and with at least 5 years if older than age 28.

The pension is paid for a total disability (at least a 70% loss of earning capacity) or partial disability (at least a 40% loss of earning capacity).

Disability pensioners may continue to work.

A medical examiner of the Social Insurance Agency and a general practitioner assess the degree of disability.

Disability benefits are payable abroad.

Disability pension (individual account): No benefits are provided.

Survivor pension (social insurance and individual account): The deceased met the qualifying conditions for an old-age or disability pension or was a pensioner at the time of death.

Eligible survivors include a widow(er) who was married to the deceased and orphans.

Survivor benefits are payable abroad.

Old-Age Benefits

Old-age pension (social insurance): The monthly pension is equal to the product of the average personal wage point, the length of the coverage period, and the current pension value (195.31 koruna).

The average personal wage point is based on personal wage points earned during particular calendar years and the length of the coverage period. The maximum average personal wage point for pension calculation purposes is 3.

The personal wage point is based on a proportion of the insured's gross annual income in relation to the national average annual wage.

The insured's total covered earnings since 1994 are used for pension calculation purposes.

Early pension (social insurance): The old-age pension is reduced by 0.5% for each 30-day period the pension is received before the normal retirement age.

Deferred pension (social insurance): The old-age pension is increased by 0.5% for each 30-day period the pension is received after the normal retirement age.

There is no legal minimum monthly old-age pension.

There is no legal maximum monthly old-age pension.

Benefit adjustment: Benefits are adjusted annually in July according to changes in the consumer price index and the national average wage.

Old-age pension (individual account): The pension depends on the value of the insured's contributions plus accrued interest. At retirement, the accumulated capital can be used to provide an immediate life annuity or temporary programmed withdrawals with a deferred life annuity.

Early pension (individual account): The pension depends on the value of the insured's contributions plus accrued interest. At retirement, the accumulated capital can be used to provide an immediate life annuity or temporary programmed withdrawals with a deferred life annuity.

Deferred pension (individual account): The pension depends on the value of the insured's contributions plus accrued interest. At retirement, the accumulated capital can be used to provide an immediate life annuity or temporary programmed withdrawals with a deferred life annuity.

Permanent Disability Benefits

Disability pension (social insurance): The monthly pension is equal to the product of the average personal wage point, the length of the coverage period, and the current pension value (195.31 koruna).

The average personal wage point is based on personal wage points earned during particular calendar years and the length of the coverage period. The maximum average personal wage point for pension calculation purposes is 3.

The personal wage point is based on a proportion of the insured's gross annual income in relation to the national average annual wage.

The insured's total covered earnings since 1994 are used for pension calculation purposes.

Partial disability: The disability pension is reduced according to the assessed loss of earning capacity.

There is no legal minimum monthly disability pension.

There is no legal maximum monthly disability pension.

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

Benefit adjustment: Benefits are adjusted annually in July according to changes in the consumer price index and the national average wage.

Disability pension (individual account): No benefits are provided.

Survivor Benefits

Survivor pension (social insurance): The monthly pension is equal to 60% of the pension paid or payable to the deceased. The pension is paid for life if the survivor is disabled with an assessed loss in earning capacity of more than 70%, caring for a dependent child, or of pensionable age; otherwise, a limited pension is paid for up to 1 year (may be extended, subject to conditions).

There is no legal minimum monthly survivor pension.

The pension ceases on remarriage.

Orphan's pension (social insurance): Each orphan younger than the age at which they can leave school (age 26 if a full-time student or disabled) receives a monthly pension equal to 40% of the pension paid or payable to the deceased.

There is no legal minimum monthly orphan's pension.

All survivor benefits combined must not exceed 100% of the pension paid or payable to the deceased; otherwise, survivor pensions are reduced proportionately.

Benefit adjustment: Benefits are adjusted annually in July according to changes in the consumer price index and the national average wage.

Survivor pension (individual account): If the deceased was younger than the normal retirement age, the survivors receive the value of the balance in the deceased's individual account. If the deceased was an old-age pensioner, eligible survivors receive 60% of the annuity paid to the deceased, plus any remaining balance in the deceased's individual account.

Administrative Organization

Social insurance: Ministry of Labor, Social Affairs, and Family (<http://www.employment.gov.sk>) provides supervision.

Social Insurance Agency (<http://www.socpoist.sk>), consisting of headquarters and 38 branch offices, administers the program and collects contributions.

Individual account: National Bank of Slovakia (<http://www.nbs.sk>) is responsible for the licensing and supervision of pension funds.

Licensed pension funds manage individual accounts.

Social Insurance Agency collects contributions.

Sickness and Maternity

Regulatory Framework

First law: 1888.

Current laws: 1994 (health insurance); 1994 (health care), implemented in 1995; 1995 (treatments); 1998 (medical products and devices); 1998 (funeral grant), implemented in 1999; 1998 (childbirth allowance), implemented in 1999; 2003 (social insurance), implemented in 2004, with amendments; 2003 (income replacement), implemented in 2004; 2004 (health care and services); and 2004 (health insurance).

Type of program: Social insurance system.

Coverage

Cash sickness and maternity benefits: Employed and self-employed persons.

Voluntary coverage for persons older than age 16 and self-employed persons with annual earnings less than 12 times the minimum monthly wage of 8,100 koruna.

Special systems for Slovak Intelligence Service personnel, Bureau of National Security personnel, members of the police force and the railway police force, fire brigade personnel, prison service personnel, customs officers, and professional armed forces personnel.

Medical benefits: Universal coverage.

Exclusions: Persons insured abroad and non-Slovak citizens working in the Slovak Republic for employers with diplomatic privilege.

Source of Funds

Insured person

Cash benefits: 1.4% of covered monthly earnings; voluntarily insured persons contribute 4.4% of declared monthly earnings.

Medical benefits: 4% of covered monthly earnings.

The minimum earnings for contribution purposes are equal to the minimum monthly wage of 8,100 koruna; 75% of the minimum monthly wage for employees with an assessed loss of earning capacity from 40% to 70% and for juvenile employees older than age 16; 50% of the minimum monthly

wage for employees with an assessed loss of earning capacity greater than 70% or for disabled employees younger than age 18.

The maximum earnings for contribution purposes for cash benefits are 1.5 times the average monthly wage of 18,761 koruna.

The maximum earnings for contribution purposes for medical benefits are three times the average monthly wage of 18,761 koruna.

Self-employed person

Cash benefits: 4.4% of declared covered monthly earnings.

Medical benefits: 14% of declared covered monthly earnings.

Declared monthly earnings are equal to 50% of average monthly taxable income of the previous year.

The minimum earnings for contribution purposes are equal to the minimum monthly wage of 8,100 koruna; 75% of the minimum monthly wage for insured persons older than age 16; 50% of the minimum monthly wage for insured persons up to age 16.

The maximum earnings for contribution purposes for cash benefits are 1.5 times the average monthly wage of 18,761 koruna.

The maximum earnings for contribution purposes for medical benefits are three times the average monthly wage of 18,761 koruna.

Employer

Cash benefits: 1.4% of monthly covered payroll.

Medical benefits: 10% of monthly covered payroll.

The minimum earnings for contribution purposes are equal to the minimum monthly wage of 8,100 koruna; 75% of the minimum monthly wage for employees with an assessed loss of earning capacity from 40% to 70%; 50% of the minimum monthly wage for employees with an assessed loss of earning capacity greater than 70% or for disabled employees younger than age 18.

The maximum earnings for contribution purposes for cash benefits are 1.5 times the average monthly wage of 18,761 koruna.

The maximum earnings for contribution purposes for medical benefits are three times the average monthly wage of 18,761 koruna.

Government: Finances any deficit; contributes 4% of the average monthly wage on behalf of children, students, pensioners, registered unemployed persons, women on maternity leave, persons on parental leave, persons caring for disabled persons, social assistance beneficiaries, persons in basic military or civil service, prisoners, and persons granted political asylum.

Qualifying Conditions

Cash sickness benefits: Paid for a temporary incapacity for work; self-employed persons and voluntarily insured persons must also have at least 270 days of coverage in the 2 years before the incapacity began. The insured must not be receiving the maternity benefit or the parental allowance.

Cash maternity benefits: The insured must have 270 days of coverage in the 2 years before the expected date of childbirth. The benefit can also be paid to the child's father, the husband of the child's mother, and other persons subject to conditions.

Pregnancy compensation allowance: Paid to women who are exempt from some types of work while pregnant and who are redeployed by their employer to another job paying lower wages.

Medical benefits: There is no minimum qualifying period.

Sickness and Maternity Benefits

Sickness benefit: For the first 3 days, the benefit is equal to 25% of the daily assessment basis; thereafter, 55% of the daily assessment basis. The employer pays the benefit for the first 10 days. (The Social Insurance Agency pays benefits for self-employed persons and voluntarily insured persons from the first day of incapacity.) The benefit is paid for up to 52 weeks.

55% of the daily assessment basis is paid for up to 10 days to provide care for a family member.

The daily assessment basis is based on earnings in the last year before the incapacity began. The maximum assessment basis is equal to 1.5 times the average monthly wage (18,761 koruna).

A flat-rate benefit is also paid for chronic suffering, depending on the insured's assessed medical condition.

Maternity benefit: The benefit is paid from 6 to 8 weeks before the expected date of childbirth and is equal to 55% of the daily assessment basis. The benefit is paid for a total of 28 weeks; 37 weeks for a single mother and for multiple births; 22 weeks for a substitute carer; 31 weeks for a single parent or substitute carer rearing at least two newborn children; or for at least 14 weeks if the child dies.

The daily assessment basis is based on earnings in the last year before the expected date of childbirth.

Pregnancy compensation allowance: The allowance is equal to 55% of the difference between the earnings before and after job transfer. The benefit is paid until the end of the 9th month after childbirth.

Workers' Medical Benefits

Medical benefits include medical treatment, hospitalization, medicines, dental care (with limited cost sharing), maternity care, appliances, travel expenses, sanatorium, spa treatment,

preventive examinations, vaccination, dispensary care, and convalescent stays for selected professions.

There is no cost sharing for medical consultations for children up to age 6; for blood donors; for patients in dispensary care up to age 18; for disabled patients; for maternity care; for patients with mental disorders; or for patients receiving renal, cardiac, or cancer treatments.

Pharmaceutical products are free of charge or partially reimbursed, according to the schedule in law. There are no annual ceilings or limits.

There is no limit to duration.

Dependents' Medical Benefits

Medical benefits include medical treatment, hospitalization, medicines, dental care (with limited cost sharing), maternity care, appliances, travel expenses, sanatorium, spa treatment, preventive examinations, vaccination, dispensary care, and convalescent stays for selected professions.

There is no cost sharing for medical consultations for children up to age 6; for blood donors; for patients in dispensary care up to age 18; for disabled patients; for maternity care; for patients with mental disorders; or for patients receiving renal, cardiac, or cancer treatments.

Pharmaceutical products are free of charge or partially reimbursed, according to the schedule in law. There are no annual ceilings or limits.

There is no limit to duration.

Administrative Organization

Ministry of Labor, Social Affairs, and Family (<http://www.employment.gov.sk>) provides supervision.

Social Insurance Agency (<http://www.socpoist.sk>), consisting of headquarters and 38 branch offices, administers the cash benefit program.

Ministry of Health (<http://www.health.gov.sk>) and the Health Care Supervision Authority administer medical benefits provided through health centers and clinics.

Work Injury

Regulatory Framework

First law: 1887.

Current laws: 1965 (compensation); 1965 (minimum requirements); 1986 (dangerous work); 2001 (workplace security and health); 2001 (labor code), implemented in 2002; 2003 (income tax), implemented in 2004; and 2003 (social insurance), implemented in 2004, with amendments.

Type of program: Social insurance system.

Coverage

Employed persons, students, voluntary fire fighters, members of mining rescue teams, voluntary workers of the Slovak Red Cross, and voluntary members of the mountain rescue service.

There is no voluntary coverage.

Exclusions: Self-employed persons.

Special systems for police and armed forces personnel.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: 0.8% of gross payroll.

There are no minimum earnings for contribution purposes.

There are no maximum earnings for contribution purposes.

Government: Any deficit and the cost of spa treatment.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period. Benefits are paid for 47 occupational diseases, according to the schedule in law. Accidents that occur while commuting to and from work are not covered.

Temporary Disability Benefits

Temporary disability benefit: From the 1st to the 3rd day of incapacity, the benefit is equal to 55% of the insured's daily assessment basis; thereafter, 25% of the insured's daily assessment basis.

The daily assessment basis is based on earnings in the last year before the disability began.

Rehabilitation benefit: The benefit is equal to 80% of the insured's daily assessment basis and is paid during occupational rehabilitation.

The daily assessment basis is based on earnings in the last year before the disability began.

Retraining benefit: The benefit is equal to 80% of the insured's daily assessment basis and is paid during retraining.

The daily assessment basis is based on earnings in the last year before the disability began.

Permanent Disability Benefits

Permanent disability benefit: If the insured has an assessed loss of earning capacity of at least 40%, the monthly benefit is equal to the product of the assessment basis (30.4167 times the insured's daily assessment basis) and 80% of the assessed degree of disability.

The daily assessment basis is based on earnings in the last year before the disability began.

A medical examiner of the Social Insurance Agency and a general practitioner assess the degree of disability.

Partial permanent disability: The benefit is paid for an assessed loss of earning capacity from 10% to 39% and is equal to the product of the assessment basis (365 times the daily assessment basis) and the assessed degree of disability.

The daily assessment basis is based on earnings in the last year before the disability began.

Benefit adjustment: Benefits are adjusted annually in July according to changes in the consumer price index and the national average wage.

Workers' Medical Benefits

All necessary medical services are provided directly to patients through Health Care Supervision Authority facilities.

Compensation is provided for specified nonreimbursed costs for treatment, up to a maximum of 500,000 koruna.

There is no limit to duration.

Survivor Benefits

Survivor pension: The monthly pension is equal to 60% of the pension paid or payable to the deceased. The pension is paid for life if the survivor is disabled with an assessed loss in earning capacity of more than 70%, caring for a dependent child, or of pensionable age; otherwise, a limited pension is paid for up to 1 year (may be extended, subject to conditions).

There is no legal minimum monthly survivor pension.

The pension ceases on remarriage.

Survivor lump-sum benefit: A lump sum equal to 730 times the daily gross earnings of the deceased is paid to the surviving spouse and children, up to a maximum of 1 million koruna.

Orphan's pension: Each orphan younger than the age at which they can leave school (age 26 if a full-time student or disabled) receives a monthly pension equal to 40% of the pension paid or payable to the deceased.

There is no legal minimum monthly orphan's pension.

All periodic survivor benefits combined must not exceed 100% of the pension paid or payable to the deceased; otherwise, survivor pensions are reduced proportionately.

Benefit adjustment: Benefits are adjusted annually in July according to changes in the consumer price index and the national average wage.

Funeral grant: Up to a maximum of 50,000 koruna is paid to the person who paid the cost of the funeral.

Administrative Organization

Ministry of Labor, Social Affairs, and Family (<http://www.employment.gov.sk>) provides supervision.

Social Insurance Agency (<http://www.socpoist.sk>), consisting of headquarters and 38 branch offices, administers the program.

Ministry of Health (<http://www.health.gov.sk>) and the Health Care Supervision Authority administer medical benefits provided through health centers and clinics.

Unemployment

Regulatory Framework

First law: 1991.

Current laws: 2003 (social insurance), implemented in 2004; 2004 (employment services), implemented in 2005; and 2005.

Type of program: Social insurance system.

Coverage

Unemployed job seekers.

Voluntary coverage for self-employed persons and persons up to age 16 residing in the Slovak Republic.

Special systems for police force personnel and armed forces personnel.

Source of Funds

Insured person: 1% of covered earnings; voluntarily insured persons contribute 2% of declared covered earnings.

The minimum earnings for contribution purposes are equal to the minimum monthly wage of 8,100 koruna; 75% of the minimum monthly wage for employees with an assessed loss of earning capacity from 40% to 70% and employees older than age 16; 50% of the minimum monthly wage for employees with an assessed loss of earning capacity greater than 70% or for disabled employees younger than age 18.

The maximum earnings for contribution purposes are equal to three times the average monthly wage of 18,761 koruna.

Self-employed person: Not applicable.

Employer: 1% of covered payroll.

The minimum earnings for contribution purposes are equal to the minimum monthly wage of 8,100 koruna; 75% of the minimum monthly wage for employees with an assessed loss of earning capacity from 40% to 70%; 50% of the minimum monthly wage for employees with an assessed loss of earning capacity greater than 70% or for disabled employees younger than age 18.

The maximum earnings for contribution purposes are equal to three times the average monthly wage of 18,761 koruna.

Government: Any deficit.

Qualifying Conditions

Unemployment benefit: The insured must register with the labor office as a job seeker and have at least 3 years of contributions in the last 4 years.

Unemployment Benefits

The benefit is equal to 50% of the daily assessment basis and is paid for up to 6 months.

The daily assessment basis is based on earnings in the 3 years before unemployment, up to a maximum of three times the average monthly wage of 18,761 koruna.

Administrative Organization

Ministry of Labor, Social Affairs, and Family (<http://www.employment.gov.sk>) provides supervision.

Social Insurance Agency (<http://www.socpoist.sk>), consisting of headquarters and 38 branch offices, administers the program.

Family Allowances

Regulatory Framework

First law: 1945.

Current laws: 1998 (funeral grant), implemented in 1999; 1998 (birth allowance), implemented in 1999; 1998 (foster care), implemented in 1999; 1998 (maintenance benefit), implemented in 1999; 1998 (social assistance); 2002 (parental allowance); 2003 (income tax), implemented in 2004; 2003 (child allowances), implemented in 2004; 2003 (employment services), implemented in 2004; 2004 (alimony); 2005 (child care benefits); and 2005 (family).

Type of program: Universal system.

Coverage

Permanent or temporary residents of the Slovak Republic.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Child allowance: Paid for a child up to age 16 (age 18 for a child with chronic health problems, age 25 if a full-time student or disabled).

Parental allowance: Paid for providing care for at least one child up to age 3 (age 6 with chronic health problems). The child must not attend a nursery. A foster parent must not be in receipt of the maternity benefit.

Birth allowance: Paid for the birth of a child to parents residing permanently in the Slovak Republic.

Supplement to birth allowance: Paid for the birth of the first child. The child must have lived at least 28 days.

Multiple birth allowance: Paid to parents on the birth of triplets or more children or the birth of two sets of twins in a 2-year period. The family must reside in the Slovak Republic and have at least three children younger than age 15.

Funeral grant: Paid to the person who paid for the funeral.

Family Allowance Benefits

Child allowance: 540 koruna a month is paid for each child.

Parental allowance: 4,560 koruna a month is paid.

Birth allowance: A lump sum of 4,560 koruna is paid for each child; for multiple births of three or more children (or the birth of two sets of twins in a 2-year period) the lump sum is increased by 50% for each child surviving at least 28 days (if the number of surviving children is two or more).

Multiple birth allowance: 2,470 koruna a month is paid for a child up to age 6; 3,050 koruna if aged 7 to 15; and 3,240 koruna if older than age 15.

Funeral grant: A lump sum of 2,400 koruna is paid.

Administrative Organization

Ministry of Labor, Social Affairs, and Family (<http://www.employment.gov.sk>) provides supervision.

Slovenia

Exchange rate: US\$1.00 equals 0.68 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1922.

Current law: 1999 (social insurance), implemented in 2000, with amendments.

Type of program: Social insurance and social assistance system.

Coverage

Employed persons; members of handicraft and fishery cooperatives; self-employed persons, including craftsmen, artists, and farmers; and recipients of the unemployment benefit.

Voluntary coverage for Slovenian citizens aged 15 or older who do not have compulsory coverage for certain periods; Slovenian citizens with previous coverage during at least 5 of the last 10 years if they join in the first 6 months after the cessation of compulsory coverage; foreign citizens under a reciprocal agreement; and certain persons receiving a survivor pension.

Source of Funds

Insured person: 15.5% of gross earnings. (Contribution rates may vary in certain cases.)

There are no minimum earnings for contribution purposes.

There are no maximum earnings for contribution purposes.

Voluntarily insured persons contribute 24.35% of declared earnings.

The minimum declared earnings for contribution purposes are equal to 60% of the average gross national wage in the second to last month before the claim is made.

The insured's contributions also finance work injury permanent disability benefits. The death benefit and funeral allowance are financed under Sickness and Maternity.

Self-employed person: 24.35% of assessed income. Farmers contribute 15.5% of assessed income.

Assessed income is equal to gross income minus expenditures.

The minimum assessed income for contribution purposes is equal to the legal minimum wage.

The legal minimum wage is €538.53. The legal minimum wage is adjusted annually according to changes in the prices of basic necessities.

The maximum assessed income for contribution purposes is 2.4 times the average gross wage of employed persons in Slovenia during the second to last month before the claim is made.

The self-employed person's contributions also finance work injury permanent disability benefits. The death benefit and funeral allowance are financed under Sickness and Maternity.

Employer: 8.85% of payroll. (Contribution rates may vary in certain cases.)

There are no minimum earnings for contribution purposes.

There are no maximum earnings for contribution purposes.

The employer's contributions also finance work injury permanent disability benefits. The death benefit and funeral allowance are financed under Sickness and Maternity.

Government: Covers the cost for war veterans and certain groups of insured persons (including policemen and former army officers); pays employer contributions on behalf of farmers; covers any deficit in the event of an unforeseen decline in contributions; finances social assistance benefits; contributes as an employer.

Qualifying Conditions

Old-age pension: Age 62 and 6 months (men) or age 56 (women; rising to age 56 and 4 months in 2009). The insured must have a minimum of 15 years of contributions.

The full pensionable age is increasing gradually to age 63 with 40 years of contributions (men) in 2009 or to age 61 with 38 years of contributions (women) by 2023.

Retirement from insured employment is necessary.

Early pension: There is no early pension.

Deferred pension: A deferred pension is possible.

The pension is payable abroad under reciprocal agreement.

State pension (social assistance): Age 65 and does not qualify for a social insurance pension or a pension provided by another country. The beneficiary must have resided permanently in Slovenia for at least 30 years between ages 15 and 65 and satisfy a means test.

Means test: The insured's monthly earnings and the value of his or her taxable property must not exceed specified amounts.

Disability pension: Paid for the loss of all working capacity (total disability) or a greatly reduced capacity for the usual or similar work (partial disability). The insured must have at least 3 months of coverage if younger than age 20; have coverage in at least 1/4 of the total possible number of years of coverage if younger than age 30, including 1/3 of the years after age 20.

The disability is assessed and reviewed by a board of medical examiners of the Institute for Pension and Invalidity Insurance of Slovenia.

The disability pension is payable abroad under reciprocal agreement.

Constant-attendance allowance: The allowance is paid to persons residing permanently in Slovenia who need the constant attendance of another person.

Survivor pension: The deceased had at least 5 years of coverage or received or qualified to receive the old-age pension or disability pension.

Eligible survivors are a widow(er) older than age 53; children younger than age 15 (age 26 if a student); a dependent mother older than age 54 or disabled; a dependent father older than age 58 or disabled; and dependent grandchildren, brothers, and sisters.

The survivor pension is payable abroad under reciprocal agreement.

Old-Age Benefits

Old-age benefit: If the insured has at least 15 years of coverage before 2000, the monthly pension is equal to 35% (men) or 40% (women) of the insured's average adjusted earnings during the best 18 consecutive years since 1970, plus 2% of average adjusted earnings for each additional year of coverage before 2000 (3% for women) up to a maximum of 20 years, and 1.5% of average adjusted earnings for each year of coverage from 2000.

The insured's earnings for pension calculation purposes are adjusted according to changes in average wages and pensions.

The minimum old-age pension is equal to 35% of the minimum pension basis. The minimum pension basis is €476.54 a month.

The maximum old-age pension varies according to the length of the qualifying period up to a maximum of four times the minimum pension basis. The minimum pension basis is €476.54 a month.

Early pension: There is no early pension.

Deferred pension: The pension is increased by 0.3% for each month of coverage between ages 63 and 64 (men) or between ages 61 and 62 (women), by 0.2% for each month of coverage between ages 64 and 65 (men) or between ages 62 and 63 (women), and by 0.1% for each month of coverage between ages 65 and 66 (men) or between ages 63 and 64 (women). The maximum increase is 7.2%.

Pension support (means-tested): Low-income pensioners may receive a supplement to the old-age pension equal to 60% of the difference between the supplementary rights assessment basis and the old-age pension payable with 15 years of contributions, plus 2% of the difference for each additional year of contributions, up to a maximum of 100% of the difference.

The supplementary rights assessment basis is €382.79 a month.

Benefit adjustment: Benefits are adjusted twice a year according to changes in the average wage.

State pension (social assistance): €158.69 a month is paid.

Benefit adjustment: The state pension is adjusted according to changes in the minimum pension basis.

Permanent Disability Benefits

Disability pension: The pension is calculated as a percentage of the minimum pension basis (€476.54 a month), according to the length of the coverage period.

If the insured has at least 15 years of coverage before 2000, the monthly pension is equal to 35% (men) or 40% (women) of the insured's average adjusted earnings, plus 2% of average adjusted earnings for each additional year of coverage before 2000 (3% for women) up to 20 years, and 1.5% of average adjusted earnings for each year from 2000.

The coverage period for pension calculation purposes includes 2/3 of the period between the date the disability began and age 58 (men and women) and 1/2 of the period between ages 58 and 63 (men) or ages 58 and 61 (women).

The minimum monthly pension for a disability that began before age 63 (men) or age 61 (women) is 45% (men) or 48% (women) of the minimum pension basis. The minimum monthly pension for a disability that began when aged 63 or older (men) or aged 61 or older (women) is 35% of the pension basis (men and women).

The maximum monthly pension varies according to the length of the insurance coverage period, up to four times the minimum pension basis.

The minimum pension basis is €476.54 a month.

Partial disability: The pension ranges from 12.5% to 50% of the disability pension according to the number of hours worked per day. The partial pension may be increased up to 40% but must not be greater than 80% of the disability pension the insured person would have been entitled to when the disability began.

Disability pensions and partial disability pensions are paid monthly.

Constant-attendance allowance: The allowance is 100%, 70%, or 50% of the supplementary rights assessment basis (€382.79 a month), according to the degree of disability and the assessed need for constant attendance.

Pension support (means-tested): Low-income disability pensioners receiving a partial disability pension may receive a supplement equal to 70% of the difference between the supplementary rights assessment basis and the disability pension, plus 2% of the difference for each additional year of contributions, up to a maximum of 100% of the difference.

The supplementary rights assessment basis is €382.79 a month.

Benefit adjustment: Benefits are adjusted twice a year according to changes in the average wage.

Survivor Benefits

Survivor pension: The monthly pension for one survivor is equal to 70% of the pension paid or payable to the deceased; 80% for two survivors; 90% for three survivors; or 100% for four or more survivors.

The pension ceases if the surviving spouse remarries before age 58 (widower) or age 55 and 4 months (widow), except if assessed as totally incapable of work.

Child's supplement: Paid if average per capita family income does not exceed a state-determined income limit.

Pension support (means-tested): Low-income pensioners may receive a supplement that varies according to the number of family members entitled to the pension. The allowance is equal to at least 70% of the difference between the supplementary rights assessment basis and the survivor pension for one survivor up to a maximum 100% of the difference for four or more survivors.

The supplementary rights assessment basis is €382.79 a month.

Benefit adjustment: Benefits are adjusted twice a year according to changes in the national average monthly wage.

Death benefit: Dependent family members may receive a monthly benefit equal to 25% of the national average monthly wage, depending on the deceased's average earnings in the last year.

The national average monthly wage is based on wages from January to September in the last calendar year before the insured's death.

The national average monthly wage is €1,303.92 (October 2007).

Funeral allowance: The allowance is paid to the person who paid for the insured's funeral and varies between zero and 60% of the national average monthly wage, depending on the deceased's average earnings in the last year.

The national average monthly wage is €1,303.92 (October 2007).

Administrative Organization

Ministry of Labor, Family, and Social Affairs (<http://www.mddsz.gov.si>) provides general supervision.

Institute for Pension and Invalidity Insurance of Slovenia (<http://www.zpiz.si>), including nine regional units, administers the program.

Sickness and Maternity

Regulatory Framework

First laws: 1922 (sickness) and 1949 (maternity).

Current laws: 2003 (parental care and family benefits) and 2005 (health care and health insurance).

Type of program: Social insurance system.

Coverage

Cash and medical benefits: Persons residing in Slovenia, employed and self-employed persons, farmers and their dependents, and professional athletes.

There are no special systems for any specified groups of employees.

Medical benefits only: War invalids, civilian invalids of war, war veterans, victims of war, military personnel, recipients of social assistance cash benefits, refugees, convicted persons, and all persons residing permanently in Slovenia without social insurance coverage.

Source of Funds

Insured person: 6.36% of gross earnings for sickness and medical benefits and 0.1% of gross earnings for maternity benefits.

There are no minimum earnings for contribution purposes.

There are no maximum earnings for contribution purposes.

The insured's contributions also finance temporary work injury benefits (see Work Injury) and the death benefit and funeral allowance (see Old Age, Disability, and Survivors).

Self-employed person: 12.92% of assessed income for sickness and medical benefits (insured farmers contribute 6.36% of assessed income or 18.78% of income from agricultural and forest lands, according to their activities) and 0.1% of assessed income for maternity benefits.

Assessed income is equal to gross income minus expenditures.

The minimum assessed income for contribution purposes is equal to the legal minimum wage. The legal minimum wage is €538.53.

The maximum assessed income for contribution purposes is 2.4 times the average gross national wage in the second to last month before the claim is made.

Employer: 6.56% of payroll for sickness and medical benefits and 0.1% of payroll for maternity benefits.

There are no minimum earnings for contribution purposes.

There are no maximum earnings for contribution purposes.

The employer's contributions also finance the death benefit and funeral allowance (see Old Age, Disability, and Survivors).

Government

Sickness and medical benefits: Contributions are credited on behalf of certain groups of insured persons; pays for the health care of military personnel, refugees, convicted per-

sons, and for emergency health care for uninsured persons; pays for collecting blood, organs, and tissues for transplants.

Maternity benefits: Contributions are credited on behalf of certain groups of insured persons; finances 92% of the cost of maternity benefits from general taxation; contributes as an employer.

Qualifying Conditions

Cash sickness benefits and medical benefits: There is no minimum qualifying period.

Cash maternity, paternity, and child care benefits: There is no minimum qualifying period. Parental benefits during the leave period are available to the mother, father, adoptive parent, or any other person caring for the child.

Sickness and Maternity Benefits

Sickness benefit: The monthly benefit is equal to 90% of the insured's average earnings in the last year for an incapacity that is the result of an illness; 80% for a nonwork-related injury or if caring for a family member; 100% for an organ or blood donation, for quarantine periods, a war invalid, or a civilian invalid of war. The benefit is paid after a 30-day waiting period (the employer pays for the first 30 days) for up to 12 months; the benefit is paid from the first day for an organ or blood donation, for quarantine periods, or if caring for a family member.

The minimum benefit is equal to the legal minimum wage of €538.53. The legal minimum wage is adjusted annually according to changes in the prices of basic necessities.

Maternity benefit: The monthly benefit is equal to 100% of the insured's average earnings in the last year before maternity leave. The benefit is paid for 105 calendar days (28 days before and 77 days after the expected date of childbirth).

The minimum benefit is equal to 55% of the legal minimum wage of €538.53. The legal minimum wage is adjusted annually according to changes in the prices of basic necessities.

The maximum benefit is equal to 2.5 times the average monthly wage.

In the event of multiple births, maternity benefits may be extended by 90 days for each additional child; for a premature birth, benefits are extended for as many days as the pregnancy was less than 280 days; for the birth of a child with a mental or physical disability, benefits are extended by 90 days. If parents are rearing two children up to age 8 at the time of the birth of another child, the benefit is extended by 30 days; if rearing three children, 60 days; or if rearing four or more children, 90 days.

Paternity benefit: The benefit is equal to 100% of the insured's average earnings during the last year before the paternity leave period. The benefit is paid for 15 calendar days and must be taken during the maternity leave period.

Up to 75 days of unpaid paternity leave may also be taken until the child reaches age 8. The government pays social security contributions based on the minimum wage for unpaid paternity leave days.

Child care benefit: The benefit is paid for up to 260 calendar days, starting after the maternity benefit ceases. The monthly benefit is equal to 100% of the insured's average earnings in the last year before the maternity leave period.

Workers' Medical Benefits

Benefits include general and specialist care, dental care, surgery, hospitalization, rehabilitation, transportation, medicines, and technical aids. A 6-month coverage period is required for eyeglasses, hearing aids, and dental appliances (3 months for other technical aids, including orthopedic aids). Medical benefits are provided until rehabilitation.

Medical services are provided through contracts with the Health Insurance Institute.

Cost sharing: Copayments vary according to the type and complexity of the service provided. Certain medications are provided free of charge, others are reimbursed up to a specified percentage or are not reimbursed. The full cost of medical services is covered for treatments for cancers, muscular and neuromuscular diseases, paraplegia, tetraplegia, cerebral palsy, epilepsy, hemophilia, mental illness, diabetes, sclerosis, and psoriasis; for organ transplants; and for emergency medical treatment. The full cost is also covered for all health programs for children and young people; counseling to female patients for family planning, contraception, pregnancy, and childbirth; preventive care services, diagnosis, and treatment of infectious diseases, including HIV infection; and long-term nursing care.

Compulsory insurance covers from 50% to 100% of the costs of certain medical benefits.

Persons with an assessed physical disability of at least 70%, disabled persons receiving assistance allowances, or recipients of social assistance receive free or partly subsidized benefits.

Dependents' Medical Benefits

Benefits include general and specialist care, dental care, surgery, hospitalization, rehabilitation, transportation, medicines, and technical aids. A 6-month coverage period is required for eyeglasses, hearing aids, and dental appliances (3 months for other technical aids, including orthopedic aids). Medical benefits are provided until rehabilitation.

Family members are insured if they reside permanently in Slovenia (or are covered by a reciprocal agreement). Eligible dependents are a spouse or partner without coverage in their own right and children up to the age 15 (age 18 if a full-time student or without coverage in their own right).

Medical services are provided through contracts with the Health Insurance Institute.

Cost sharing: Copayments vary according to the type and complexity of the service provided. Certain medicines are provided free of charge, others are reimbursed up to a specified percentage or are not reimbursed. The full cost of medical services is covered for treatments for cancers, muscular and neuromuscular diseases, paraplegia, tetraplegia, cerebral palsy, epilepsy, hemophilia, mental illness, diabetes, sclerosis, and psoriasis; for organ transplants; and for emergency medical treatment. The full cost is also covered for all health programs for children and young people; counseling to female patients for family planning, contraception, pregnancy, and childbirth; preventive care services, diagnosis, and treatment of infectious diseases, including HIV infection; and long-term nursing care.

Compulsory insurance covers from 50% to 100% of the costs of certain medical benefits.

Administrative Organization

Ministry of Labor, Family, and Social Affairs (<http://www.mddsz.gov.si>) administers parental benefits with 62 local social work centers.

Ministry of Health (<http://www.mz.gov.si>) provides general supervision of the health insurance system.

Health Insurance Institute (<http://www.zzzs.si>), directed by a board of directors and elected representatives of employers, government, and employees, administers cash sickness and medical benefits through 10 regional units and 45 local offices.

Work Injury

Regulatory Framework

First law: 1922.

Current laws: 2005 (health care and insurance) and 2005 (social insurance).

Type of program: Social insurance system.

Coverage

Employed persons; self-employed persons, including craftsmen, artists, and farmers; members of handicraft and fishery cooperatives; students in vocational training; professional athletes; disabled individuals in training; unemployed persons performing public work; volunteer workers; and convicted persons working in prison workshops.

Source of Funds

Insured person: For temporary disability and medical benefits, see source of funds under Sickness and Maternity. For permanent disability benefits, see source of funds under Old Age, Disability, and Survivors.

Self-employed person: 0.53% of gross earnings for temporary disability benefits. For permanent disability

benefits, see source of funds under Old Age, Disability, and Survivors.

There are no minimum earnings for contribution purposes.

There are no maximum earnings for contribution purposes.

Employer: 0.53% of payroll for temporary disability benefits. For permanent disability benefits, see source of funds under Old Age, Disability, and Survivors.

Flat-rate contributions are paid on behalf of students in vocational training, disabled individuals in training, unemployed persons engaged in public works programs, volunteer workers, and convicted persons working in prison workshops.

There are no minimum earnings for contribution purposes.

There are no maximum earnings for contribution purposes.

Government: Any deficit caused by a decline in contribution rates for permanent disability benefits.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

The monthly benefit is equal to 100% of the insured's average earnings in the last calendar year before the disability began. The benefit is paid from the first day of incapacity until recovery or certification of a permanent disability.

The minimum benefit is equal to the legal minimum wage of €538.53. The legal minimum wage is adjusted annually according to changes in the prices of basic necessities.

Permanent Disability Benefits

Permanent disability pension: The monthly pension for an assessed disability that is the result of a work-related injury or an occupational disease is calculated as a percentage of the minimum pension basis payable with at least 40 years (men) or 38 years (women) of coverage.

The minimum pension basis is €476.54.

The minimum pension is equal to 81.5% of the pension basis.

The disability is assessed and reviewed by a board of medical examiners of the Institute for Pension and Invalidity Insurance of Slovenia.

Constant-attendance allowance: The allowance is 100%, 70%, or 50% of the supplementary rights assessment basis, according to the degree of disability and the assessed need for constant attendance.

The supplementary rights assessment basis is €382.79 a month.

Benefit adjustment: Benefits are adjusted twice a year according to changes in the average wage.

Workers' Medical Benefits

Benefits include general and specialist care, dental care, surgery, hospitalization, rehabilitation, transport, medicines, and prostheses.

All costs arising from accidents at work and occupational diseases are covered.

Medical services are provided through contracts with the Health Insurance Institute.

Survivor Benefits

Survivor pension: The monthly pension for one survivor is equal to 70% of the pension paid or payable to the deceased; 80% for two survivors; 90% for three survivors; or 100% for four or more survivors.

The pension ceases if the surviving spouse remarries before age 58 (widower) or age 55 and 4 months (widow), except if assessed as totally incapable of work.

Child's supplement: Paid if average income per family member does not exceed a state-determined income limit.

Pension support (means-tested): Low-income pensioners may receive a supplement that varies according to the number of family members entitled to the pension. The allowance is equal to at least 70% of the difference between the supplementary rights assessment basis and the survivor pension for one survivor up to a maximum 100% of the difference for four or more survivors.

The supplementary rights assessment basis is €382.79 a month.

Eligible survivors are a widow(er) older than age 53; children younger than age 15 (age 26 if a student); a dependent mother older than age 54 or disabled; a dependent father older than age 58 or disabled; and dependent grandchildren, brothers, and sisters.

Benefit adjustment: Benefits are adjusted twice a year according to changes in the average wage.

Administrative Organization

Ministry of Labor, Family, and Social Affairs (<http://www.mddsz.gov.si>) provides general supervision.

Institute for Pension and Invalidity Insurance of Slovenia, including nine regional units, administers the permanent disability and survivors program.

Ministry of Health (<http://www.mz.gov.si>) provides general supervision of the health insurance system.

Health Insurance Institute (<http://www.zzzs.si>), directed by a board of directors and elected representatives of employers, government, and employees, administers temporary disability benefits and medical benefits through 10 regional units and 45 local offices.

Unemployment

Regulatory Framework

First law: 1927.

Current law: 1991 (unemployment), with 1998 and 2002 amendments.

Type of program: Social insurance system.

Coverage

Employed persons, including public-sector employees and seasonal workers.

Voluntary coverage for self-employed persons, owners of enterprises, citizens, and certain persons employed by a foreign employer in a foreign country.

There are no special systems for any specified groups of employees.

Source of Funds

Insured person: 0.14% of gross earnings.

The minimum earnings for contribution purposes are equal to the minimum gross wage defined by law. (The minimum gross wage was €538.53 in 2007.)

There are no maximum earnings for contribution purposes.

Self-employed person: 0.2% of the declared tax-income base. The declared tax-income base must be at least equal to the minimum gross wage. (The minimum gross wage was €538.53 in 2007.)

Employer: 0.06% of gross payroll.

The minimum earnings for contribution purposes are equal to the minimum gross wage defined by law. (The minimum gross wage was €538.53 in 2007.)

There are no maximum earnings for contribution purposes.

Government: Provides subsidies and finances unemployment assistance; contributes as an employer.

Qualifying Conditions

Unemployment benefit: The insured must have been employed full-time during 12 months in the last 18 months before unemployment (for seasonal workers, periods of work are converted into an equivalent full-time period). The insured must be involuntarily unemployed, registered with the Employment Service within 30 days of the end of employment, and available for and actively seeking employment.

Unemployment Benefits

The monthly benefit for the first 3 months is equal to 70% of the insured's average monthly earnings in the last 12 months; thereafter, 60%.

The minimum benefit is equal to 45.56% of the minimum gross wage.

The minimum gross wage was €538.53 in 2007.

The duration of the benefit depends on the length of the coverage period. Benefits are paid for up to 3 months with 1 to 5 years of coverage; for 6 months with 5 to 15 years; for 9 months with 15 to 25 years; or 12 months (18 months if older than age 50, 24 months if older than age 55) with 25 or more years.

Travel expenses while searching for employment may be reimbursed.

Benefit adjustment: Benefits are adjusted annually according to changes in the guaranteed wage.

Administrative Organization

Labor Market and Employment Directorate of the Ministry of Labor, Family, and Social Affairs (<http://www.mddsz.gov.si>) provides general supervision.

Employment Service of Slovenia (<http://www.ess.gov.si>), directed by a managing director and elected representatives of employers, government, and employees, administers the program through its headquarters, 12 regional units, and several local offices.

Family Allowances

Regulatory Framework

First law: 1949.

Current law: 2003 (family), with amendments.

Type of program: Universal system.

Coverage

Families with children residing permanently in Slovenia.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Child benefit: Paid for a child younger than age 18 (age 26 if a student, in training, or disabled). The benefit is paid to a parent or the child's guardian.

Birth grant (layette): Paid for a newborn child whose father or mother resides permanently in Slovenia.

Large family allowance: Paid to families with three or more children younger than age 18 (age 26 if a student, in training, or disabled).

Special child care allowance: Paid for a child who is younger than age 18 (age 26 if a student) and needs special medical care. The allowance may be combined with the parent income supplement.

Parent income supplement: Paid to a parent who has ceased or reduced work to care for a child younger than age 18 with a severe physical or mental disability. The supplement may be combined with the special child care allowance.

Family Allowance Benefits

Child benefit: The monthly benefit is paid according to eight income categories and the number of children in the family.

The minimum benefit is paid for children in households with earnings between 75% and 99% of the national average monthly wage in the calendar year before making the claim for the benefit. The minimum benefit for a single child living with both parents is €18.44.

The maximum benefit is paid for children in households with earnings equal to 15% or less of the national average monthly wage in the calendar year before making the claim for the benefit. The maximum benefit for a single child living with both parents is €106.06.

Higher rates are paid for the second and third child, according to family income; thereafter, the benefit for each subsequent child is paid at the same rate as the third child.

Single-parent supplement: Benefits for children living in a single-parent family are increased by 10%.

Child care supplement: Benefits for preschool children who do not receive child care services are increased by 20%.

Birth grant (layette): A lump sum of €259.27 is paid for the purchase of clothing and other necessities.

Large family allowance: The annual benefit is €363.36 (for three children) and €43.12 (for four or more children).

Special child care allowance: The monthly allowance is €93.32; €186.70 for a child in need of constant care.

Parent income supplement: The monthly benefit is equal to the legal minimum wage of €538.53.

Benefit adjustment: Benefits are adjusted annually in January according to changes in the prices of basic necessities.

Administrative Organization

Ministry of Labor, Family, and Social Affairs (<http://www.mddsz.gov.si>) administers the program with 62 local social work centers.

Spain

Exchange rate: US\$1.00 equals 0.68 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1919.

Current law: 1994 (social security), with amendments.

Type of program: Social insurance system.

Note: Noncontributory pensions and in-kind complementary benefits are provided for elderly persons and disabled persons.

Coverage

Employees in industry, commerce, and services are covered according to 11 occupational classes. (Insured persons who leave covered employment may sign a special agreement in order to continue coverage.)

Voluntary coverage is not possible.

Special systems for public-sector employees, armed forces personnel, self-employed persons, agricultural workers and small farmers, domestic servants, seamen, and coal miners.

Source of Funds

Insured person: 4.7% of covered earnings.

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

The minimum monthly earnings for contribution purposes are €700; the minimum daily earnings for contribution purposes are €23.33.

The maximum monthly earnings for contribution purposes are €3,074.10; the maximum daily earnings for contribution purposes for certain occupational classes are €102.47.

Self-employed person: Between 26.5% and 29.8% of earnings.

Employer: 23.6% of covered earnings.

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

The minimum monthly earnings for contribution purposes are €700; the minimum daily earnings for contribution purposes are €23.33.

The maximum monthly earnings for contribution purposes are €3,074.10; the maximum daily earnings for contribution purposes for certain occupational classes are €102.47.

Government: An annual subsidy.

Qualifying Conditions

Old-age pension: Age 65 with at least 15 years of contributions, including 2 years of contributions in the last 15 years.

The retirement age may be reduced to age 64 if the position of the retiring worker is to be taken by a person registered as unemployed. The retirement age is lower for arduous, dangerous, or unhealthy work.

The retirement age is reduced for disabled persons with an assessed disability of 65% or more (45% or more if the assessed disability is expected to reduce life expectancy). The normal retirement age is reduced by a period equal to 0.25% of the insured's total contribution period before the certified disability began (0.5% if the disabled person requires constant attendance), and a period of the same duration is credited as a contribution period for pension calculation purposes.

Early pension for unemployed persons: Age 61 with at least 30 years of contributions. The insured must be involuntarily unemployed and registered as a job seeker for at least 6 months before applying for the pension.

A reduced pension is paid at age 60 to insured persons who voluntarily contributed to a labor mutual benefit society before 1967.

Partial pension: Age 61 with at least 18 years of contributions (unless the insured voluntarily contributed to a labor mutual benefit society before 1967), including 2 years of contributions in the last 15 years, with working time reduced to between 25% and 85% of full working time. For insured persons who partially retire before age 65, the hours of reduced working time must be filled by a person registered as unemployed.

Deferred pension: The pension may be deferred at age 65 up to age 70 if the insured has at least 15 years of contributions including at least 2 years of contributions in the last 15 years.

A pensioner may remain in part-time employment (employed for between 25% and 85% of full-working time) and a proportionally reduced pension is payable.

Earnings test: The maximum annual earnings (excluding the pension) of a pensioner receiving the minimum pension must not exceed €6,761.61; €7,887.49 with a dependent spouse.

Benefits are payable abroad under reciprocal agreement.

Disability pension: Paid for the loss of normal earning capacity. If younger than age 31, the insured must have contributed during a third of the period between age 16 and the date the disability began; if older than age 31, the insured must have contributed during 25% of the period from age 20 to the date the disability began and have at least 5 years of contributions, including 20% of contributions paid in the last 10 years. The insured must not qualify for an old-age pension.

A multiprofessional Team for Disability Assessment under the supervision of the National Institute of Social Security assesses and reviews the disability.

Earnings test: The maximum annual earnings (excluding the pension) of a pensioner receiving the minimum pension must not exceed €6,761.61; €7,887.49 with a dependent spouse.

Benefits are payable abroad under reciprocal agreement.

Survivor pension: The insured 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 at the time of death.

If the insured's death was caused by a nonwork-related or work-related accident, no previous contribution periods are required.

Eligible survivors are a widow(er) who must have been married to the deceased for at least a year (lived with the deceased for a total of at least 2 years or had children with the deceased); children younger than age 18 (age 22 if unemployed or earning less than 100% of the minimum wage, age 24 if a full orphan and earning less than 100% of the minimum wage, no limit if disabled); and, in order of priority, grandchildren, brothers and sisters younger than age 18 (no limit if disabled), parents, grandparents, and brothers or sisters older than age 45.

All survivors must have lived with the deceased, be economically dependent, and satisfy an earnings test.

Earnings test: The maximum annual earnings (excluding the pension) of a pensioner receiving the minimum pension must not exceed €6,761.61.

Benefits are payable abroad under reciprocal agreement.

Old-Age Benefits

Old-age pension: For the first 15 years of contributions the monthly pension is equal to 50% of covered earnings in the last 180 months divided by 210, plus 3% of covered earnings for each year of contributions between 16 and 25 years of contributions and 2% of covered earnings for each year of contributions exceeding 25 years, up to a maximum of 100%.

The minimum monthly covered earnings for benefit calculation purposes are €700.

The maximum monthly covered earnings for benefit calculation purposes are €3,074.10.

The minimum monthly pension at age 65 is €528.55; €658.75 with a dependent spouse.

Earnings test: The maximum annual earnings (excluding the pension) of a pensioner receiving the minimum pension must not exceed €6,761.61; €7,887.49 with a dependent spouse.

The maximum monthly pension is €2,384.51 (€33,383.14 a year).

Schedule of payments: Fourteen payments a year.

Early pension for unemployed persons: The pension is reduced for each year the pension is taken before age 65 according to the number of years of contributions: by 7.5% a year with 30 to 34 years of contributions, by 7% with 35 to 37 years of contributions, by 6.5% with 38 to 39 years of contributions, or by 6% with 40 years or more of contributions.

The minimum early pension before age 65 is €492.50; €615.66 with a dependent spouse.

Earnings test: The maximum annual earnings (excluding the pension) of a pensioner receiving the minimum pension must not exceed €6,761.61; €7,887.49 with a dependent spouse.

Partial pension: A reduced pension is paid. The minimum partial pension is based on the minimum pension at age 65 and is calculated in proportion to the reduction in working time.

Deferred pension: The pension is increased by 2% for each year of deferral after age 65 until age 70 (increased to 3% if the insured has at least 40 years contributions).

The maximum monthly deferred pension is €2,384 (€33,383.14 a year).

A proportionately reduced pension is payable to pensioners who remain in part-time employment.

Benefit adjustment: Benefits are adjusted annually in January according to changes in the consumer price index.

Permanent Disability Benefits

Disability pension: For a 100% loss of working capacity for any type of work, the pension is equal to 100% of the insured's monthly base earnings.

If the disability is the result of a nonwork-related accident, the monthly base earnings are equal to the insured's earnings in any continuous 24-month period in the last 7 years divided by 28. If the disability is the result of a common illness, the monthly base earnings are equal to the insured's earnings in the last 96 months divided by 112. If the disabled person is not insured and the disability is the result of a nonwork-related accident or common illness, the monthly base earnings are equal to the insured's earnings in the last 96 months divided by 112.

The minimum monthly earnings for benefit calculation purposes are €700.

The maximum monthly earnings for benefit calculation purposes are €3,074.10.

The minimum monthly pension is €528.55; €658.75 with a dependent spouse.

Constant-attendance supplement: Equal to 50% of the pension.

Earnings test: The maximum annual earnings (excluding the pension) of a pensioner receiving the minimum pension

must not exceed €6,761.61; €7,887.49 with a dependent spouse.

The minimum monthly pension with the constant-attendance supplement is €792.83; €988.13 with a dependent spouse.

Schedule of payments: Fourteen payments a year.

Benefit adjustment: Benefits are adjusted annually in January according to changes in the consumer price index.

Total permanent disability pension: For a total loss of working capacity in the usual job, the pension is equal to 55% of the insured's monthly base earnings. The pension may be increased to 75% of the insured's monthly base earnings if the insured is older than age 55.

If the disability is the result of a nonwork-related accident, the monthly base earnings are equal to the insured's earnings in any continuous 24-month period in the last 7 years divided by 28. If the disability is the result of a common illness, the monthly base earnings are equal to the insured's earnings in the last 96 months divided by 112. If the disabled person is not insured and the disability is the result of a nonwork-related accident or common illness, the monthly base earnings are equal to the insured's earnings in the last 96 months divided by 112.

The minimum monthly earnings for benefit calculation purposes are €700.

The maximum monthly earnings for benefit calculation purposes are €3,074.10.

The minimum monthly pension is €492.50 if aged 60 to 64 when the disability began (€615.66 with a dependent spouse); €528.55 from age 65 (€658.75 with a dependent spouse).

Earnings test: The minimum pension is subject to a maximum annual earnings limit (excluding the pension) of €6,761.61; €7,887.49 with a dependent spouse.

Schedule of payments: Fourteen payments a year.

Benefit adjustment: Benefits are adjusted annually in January according to changes in the consumer price index.

Partial permanent disability benefit: For a partial loss of working capacity (at least 33%) in the usual job, a lump sum is paid equal to 24 months of the insured's daily average earnings in the last calendar month before the disability began.

The minimum monthly earnings for benefit calculation purposes are €700.

The maximum monthly earnings for benefit calculation purposes are €3,074.10.

Benefit adjustment: Benefits are adjusted annually in January according to changes in the consumer price index.

Survivor Benefits

Survivor pension: The monthly pension is equal to 52% of the deceased's base earnings or, if the deceased was a

pensioner, 52% of the adjusted base earnings for pension calculation purposes; 70% if there are dependent children and assessed income is below a government-set level.

The monthly base earnings are equal to the deceased's earnings in the 24 best months in the last 15 years before death, divided by 28.

The minimum monthly earnings for benefit calculation purposes are €700.

The maximum monthly earnings for benefit calculation purposes are €3,074.10.

The minimum monthly survivor pension is €393.02; €492.50 if aged 60 to 64; €528.55 if aged 65 or with an assessed degree of disability of 65% or more; and €615.66 if there are dependent family members.

Earnings test: The maximum annual earnings (excluding the pension) of a pensioner receiving the minimum pension must not exceed €6,761.61.

Schedule of payments: Fourteen payments a year.

The pension ceases on remarriage, except under certain conditions of income, age, or disability, for which a partial or full pension may continue to be paid.

If the surviving spouse was divorced or legally separated from the deceased, a reduced pension is paid based on the period of time that the survivor lived with the deceased.

Orphan's pension: Each orphan receives 20% of the deceased's base earnings a month.

The monthly base earnings are equal to the deceased's earnings in the 24 best months in the last 15 years before death, divided by 28.

The minimum monthly earnings for benefit calculation purposes are €700.

The maximum monthly earnings for benefit calculation purposes are €3,074.10.

The minimum monthly orphan's pension is €170.02 for each orphan (€334.82 if disabled and younger than age 18); €170.02 plus €393.02 is split among two or more eligible orphans.

Earnings test: The maximum annual earnings (excluding the pension) of a pensioner receiving the minimum pension must not exceed €6,761.61.

Schedule of payments: Fourteen payments a year.

All survivor benefits combined must not exceed 100% of the deceased's base earnings; otherwise, the widow(er) pension is paid in full and the pensions for orphans are reduced accordingly.

Other eligible survivors: If the sum of the widow(er)'s and orphan's pension does not exceed 100% of the deceased's base earnings, a pension is payable to other survivors according to their order of priority. The pension is equal to 20% of the deceased's base earnings, which can be

increased by the widow(er)'s pension in the absence of a surviving spouse or eligible surviving children.

The monthly base earnings are equal to the deceased's earnings in the 24 best months in the last 15 years before death, divided by 28.

The minimum monthly earnings for benefit calculation purposes are €700.

The maximum monthly earnings for benefit calculation purposes are €3,074.10.

The minimum monthly pension is €170.02 for each other eligible survivor. In the absence of an eligible widow or orphan, the minimum monthly pension for a single beneficiary is €411.34 if aged 65 or older (€387.31 if younger than age 65); €170.02 plus €233.30 is split equally among several beneficiaries.

Earnings test: The maximum annual earnings (excluding the pension) of a pensioner receiving the minimum pension must not exceed €6,761.61.

All survivor benefits combined must not exceed 100% of the deceased's base earnings.

Schedule of payments: Fourteen payments a year.

Benefit adjustment: Benefits are adjusted annually in January according to changes in the consumer price index.

Funeral grant: €30.05 is paid.

Administrative Organization

Ministry of Labor and Social Affairs (<http://www.mtas.es>) provides general supervision.

General Treasury of Social Security (<http://www.seg-social.es>) administers the economic resources of the social security system, registers employers and insured persons, and collects contributions.

National Institute of Social Security (<http://www.seg-social.es>), a separate legal entity under the control of the Ministry of Labor and Social Affairs, administers and pays cash benefits.

Institute of Elderly and Social Services (<http://www.seg-social.es/imsero>) administers noncontributory pensions and in-kind complementary benefits for elderly persons and disabled persons.

Sickness and Maternity

Regulatory Framework

First laws: 1929 (maternity) and 1942 (sickness).

Current laws: 1994 (social security), 1997 (disability), 2001 (maternity), and 2007 (paternity and nursing mothers).

Type of program: Social insurance system.

Coverage

Employed persons and certain self-employed persons. (Insured persons who leave covered employment may sign a special agreement to continue coverage.)

Pensioners are covered for medical benefits.

Voluntary coverage for temporary disability is possible for agricultural workers.

Special systems for public-sector employees, armed forces personnel, certain self-employed persons, agricultural workers and small farmers, domestic servants, seamen, and coal miners.

Source of Funds

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

Self-employed person: See source of funds under Old Age, Disability, and Survivors, above.

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

Government: An annual subsidy.

Qualifying Conditions

Cash sickness benefits: The insured must have at least 180 days of contributions in the last 5 years.

There is no minimum contribution period for nonwork-related accidents.

Cash maternity benefits: If the insured is younger than age 21, there is no minimum contribution period. If aged 21 to 26, the insured must have at least 90 days of contributions in the 7 years before childbirth or before the official date of fostering (or adopting) a child; or a career total of at least 180 days. If older than age 26, the insured must have 180 days of contributions in the 7 years before childbirth or before the official date of fostering (or adopting) a child; or a career total of at least 360 days. The adopted or fostered child must be younger than age 6 (age 18 if disabled or with assessed social or familial difficulties).

Cash maternity benefits (noncontributory): Paid to insured persons who do not satisfy the qualifying conditions for the contributory cash maternity benefits.

Cash paternity benefits: Paid during the authorized leave period for the birth, adoption, or fostering of a child. The insured must have contributions for at least 180 days in the 7 years before childbirth or before the official date of fostering (or adopting) a child; or a career total of at least 360 days.

Maternity risk allowance: The benefit is paid to pregnant women with at least 180 days of contributions in the last 5 years before ceasing work as a result of the pregnancy and whose pregnancy is at risk. The woman is deemed unable to continue in the usual job or any similar job.

Nursing mother's allowance: Paid to a nursing mother who is deemed unable to continue in the usual job or any similar job because of the risk to her and the child's health. There is no required minimum contribution period due to the professional nature of the allowance.

Medical benefits: Must be currently insured, a pensioner, or receiving periodic social security benefits. There is no minimum qualifying period.

Sickness and Maternity Benefits

Sickness benefit: The daily benefit is equal to 60% of the insured's daily average earnings in the last calendar month before the incapacity began; 75% from the 21st day. The benefit is paid from the 4th day (the employer pays the benefit through the 15th day) for up to 12 months; may be extended to 18 months.

The minimum monthly earnings for benefit calculation purposes are €700.

The maximum monthly earnings for benefit calculation purposes are €3,074.10.

Maternity benefit: The daily benefit is equal to 100% of the insured's daily average earnings in the last calendar month before the maternity or adoption leave period. The benefit is paid for 16 weeks (2 additional weeks are paid for each additional child).

If the mother does not meet the qualifying conditions but the father does, the father may receive the benefit for 10 weeks.

If both parents are employed, the benefit can be shared between the mother and the father, and the leave period may also be taken on a part-time basis.

Maternity benefit (noncontributory): The benefit is equal to 100% of the monthly minimum wage and is paid for 6 weeks. The mother is also entitled to 16 weeks of maternity leave.

Paternity benefit: The daily benefit is equal to 100% of the insured's daily average earnings in the last calendar month before the paternity or adoption leave period and is paid for 13 days; may be extended by 2 days per child in the case of multiple births, adoption, or fostering.

Maternity risk allowance: The benefit is equal to 75% of the insured's earnings in the last calendar month. The benefit is paid from the day the work ceased as a result of the risk to the pregnancy.

Nursing mother's allowance: The daily benefit is equal to 100% of the insured's daily average earnings in the last calendar month before the maternity leave period and is paid from the day work ceases until the child is aged 9 months; earlier if the mother has returned to work.

Workers' Medical Benefits

Benefits include general and specialist care, hospitalization, medicines, dental care, laboratory services, appliances, and

transportation. There may be a limit to duration in certain cases.

Previously insured workers who are no longer in insured employment may receive medical benefits up to 52 weeks, according to the number of contributions made in the last year and family status.

Medical services are provided to patients directly through the facilities of the National Health Management Institute, the regional autonomous health services, or by doctors and hospitals under contract.

Cost sharing: The patient normally pays 40% of the cost of prescribed medicines, according to the schedule in law; for some specific and chronic listed diseases, the patient pays 10% of the cost up to a maximum of €2.64 for each item. Medicines are free for pensioners; for all covered persons when dispensed by social security facilities. When the cost of the prescribed medicine is higher than the scheduled cost, the beneficiary pays the difference.

Dependents' Medical Benefits

Benefits include general and specialist care, hospitalization, medicines, dental care, laboratory services, appliances, and transportation. There may be a limit to duration in certain cases.

Eligible dependents include the spouse or a partner that has cohabited with the insured for at least a year, children (including adopted children), and parents. All dependents must live with the insured, be economically dependent, and satisfy an earnings test.

Medical services are provided to patients directly through the facilities of the National Health Management Institute, the regional autonomous health services, or by doctors and hospitals under contract.

Cost sharing: The patient normally pays 40% of the cost of prescribed medicines, according to the schedule in law; for some specific and chronic listed diseases, the patient pays 10% of the cost up to a maximum of €2.64 for each item. Medicines are free for pensioners; for all covered persons when dispensed by social security facilities. When the cost of the prescribed medicine is higher than the scheduled cost, the beneficiary pays the difference.

Administrative Organization

Ministry of Labor and Social Affairs (<http://www.mtas.es>) and the Ministry of Health and Consumers (<http://www.msc.es/en/home.htm>) provide general supervision.

General Treasury of Social Security (<http://www.seg-social.es>) administers the economic resources of the social security system, registers employers and insured persons, and collects contributions.

National Institute of Social Security (<http://www.seg-social.es>), a separate legal entity under the control of the Ministry of Labor and Social Affairs, administers and pays cash benefits.

National Health Management Institute (<http://www.ingesa.msc.es>), a managing entity under the control of the Ministry of Health and Consumers, operates its own medical centers. Regional autonomous health services provide medical benefits.

Work Injury

Regulatory Framework

First law: 1900.

Current law: 1994 (social security).

Type of program: Social insurance system.

Coverage

Employed persons.

Voluntary coverage for public-sector employees, self-employed persons, and agricultural workers.

Exclusions: Domestic workers.

Special systems for some categories of workers.

Source of Funds

Insured person: None.

Self-employed person: A percentage of the chosen contribution base.

Employer: 0.81% to 16.2% of covered payroll, according to the assessed degree of risk. The average contribution rate is 1.98% of covered payroll.

The minimum monthly earnings for contribution purposes are €700.

The maximum monthly earnings for contribution purposes are €3,074.10.

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

The daily benefit is equal to 75% of the insured's daily average earnings in the last calendar month before the disability began, plus the daily average earnings of the extra hours worked in the last 12 months. The benefit is paid from the day after the disability began for up to 12 months; may be extended to 18 months.

The minimum monthly earnings for benefit calculation purposes are €700.

The maximum monthly earnings for benefit calculation purposes are €3,074.10.

Permanent Disability Benefits

Permanent disability pension: For a 100% loss of working capacity for any type of work, the monthly pension is equal to 100% of the insured's base earnings.

The insured's monthly base earnings are equal to 1/12 of the sum of daily earnings (including annual earnings from extra hours worked and any other earnings received in the last year) multiplied by 365.

The minimum monthly earnings for benefit calculation purposes are €700.

The maximum monthly earnings for benefit calculation purposes are €3,074.10.

The minimum monthly pension is €528.55; €658.75 with a dependent spouse.

Earnings test: The maximum annual earnings (excluding the pension) of a pensioner receiving the minimum pension must not exceed €6,761.61; €7,887.49 with a dependent spouse.

Constant-attendance supplement: Equal to 50% of the pension.

The minimum monthly pension with the constant-attendance supplement is €792.83; €988.13 with a dependent spouse.

A multiprofessional Team for Disability Assessment under the supervision of the National Institute of Social Security assesses and reviews the disability.

Benefit adjustment: Benefits are adjusted annually in January according to changes in the consumer price index.

Total permanent disability pension: For a total loss of working capacity in the usual job, the monthly pension is equal to 55% of the insured's base earnings. The pension may be increased to 75% of base earnings if the insured is older than age 55.

The insured's monthly base earnings are equal to 1/12 of the sum of daily earnings (including annual earnings from extra hours worked and any other earnings received in the last year) multiplied by 365.

The minimum monthly earnings for benefit calculation purposes are €700.

The maximum monthly earnings for benefit calculation purposes are €3,074.10.

The minimum monthly pension is €492.50 if aged 60 to 64 when the disability began (€615.66 with a dependent spouse); €528.55 from age 65 (€658.75 with a dependent spouse).

Earnings test: The maximum annual earnings (excluding the pension) of a pensioner receiving the minimum pension must not exceed €6,761.61; €7,887.49 with a dependent spouse.

A multiprofessional Team for Disability Assessment under the supervision of the National Institute of Social Security assesses and reviews the disability.

Partial permanent disability benefit: For a partial loss of working capacity (at least 33%) in the usual job, a lump sum is paid equal to 24 months of the insured's daily average earnings in the last calendar month before the disability began.

The minimum monthly earnings for benefit calculation purposes are €700.

The maximum monthly earnings for benefit calculation purposes are €3,074.10.

Workers' Medical Benefits

Benefits include general and specialist care, hospitalization, medicines, dental care, laboratory services, appliances, rehabilitation, and transportation.

Medical services are provided to patients directly through the facilities of the National Health Institute, the regional autonomous health services, or by doctors and hospitals under contract.

There is no limit to duration.

Survivor Benefits

Survivor pension: The monthly pension is equal to 52% of the deceased's base earnings or, if the deceased was a pensioner, 52% of the adjusted base earnings for pension calculation purposes; 70% if there are dependent children and income is below a government-set level.

The monthly base earnings are equal to 1/12 of the sum of daily earnings (including annual earnings from extra hours worked and any other earnings received in the last year) multiplied by 365.

The minimum monthly earnings for benefit calculation purposes are €700.

The maximum monthly earnings for benefit calculation purposes are €3,074.10.

The minimum monthly pension is €393.02; €492.50 if aged 60 to 64; €528.55 if aged 65 or with an assessed degree of disability of 65% or more; and €615.66 if there are dependent family members.

Earnings test: The maximum annual earnings (excluding the pension) of a pensioner receiving the minimum pension must not exceed €6,761.61.

The pension ceases on remarriage, except under certain conditions of income, age, or disability for which a partial or full pension may continue to be paid.

If the surviving spouse was divorced or legally separated from the deceased, a reduced pension is paid based on the period of time that the survivor lived with the deceased.

Orphan's pension: Each orphan receives 20% of the deceased's base earnings a month.

The monthly base earnings are equal to 1/12 of the sum of daily earnings (including annual earnings from extra hours

worked and any other earnings received in the last year) multiplied by 365.

The minimum monthly earnings for benefit calculation purposes are €700.

The maximum monthly earnings for benefit calculation purposes are €3,074.10.

The minimum monthly orphan's pension is €170.02 for each orphan (€334.82 if disabled and younger than age 18); €170 plus €393.02 is split among two or more eligible orphans.

Earnings test: The maximum annual earnings (excluding the pension) of a pensioner receiving the minimum pension must not exceed €6,761.61.

All survivor benefits combined must not exceed 100% of the deceased's base earnings; otherwise, the widow(er)'s pension is paid in full and the pensions for orphans are reduced accordingly.

Other eligible survivors: If the sum of widow(er)'s and orphan's pensions does not exceed 100% of the deceased's base earnings, a pension is payable to other survivors according to their order of priority. The pension is equal to 20% of the deceased's base earnings (may be increased by the value of the widow(er)'s pension in the absence of a surviving spouse or eligible surviving children).

The monthly base earnings are equal to 1/12 of the sum of daily earnings (including annual earnings from extra hours worked and any other earnings received in the last year) multiplied by 365.

The minimum monthly earnings for benefit calculation purposes are €700.

The maximum monthly earnings for benefit calculation purposes are €3,074.10.

The minimum monthly pension for other eligible survivors is €170.02 each. In the absence of an eligible widow(er) or orphan, the minimum monthly pension for a single beneficiary is €411.34 if aged 65 or older (€387.31 if younger than age 65); €170 plus €233.20 is split equally among several beneficiaries.

Earnings test: The maximum annual earnings (excluding the pension) of a pensioner receiving the minimum pension must not exceed €6,761.61.

All survivor benefits combined must not exceed 100% of the deceased's base earnings.

Benefit adjustment: Benefits are adjusted annually in January according to changes in the consumer price index.

Lump-sum survivor benefits: Benefits ranging from 1 to 12 months of the deceased's base earnings are provided for needy dependent parents who are not entitled to a pension.

Funeral grant: €30.05 is paid.

Administrative Organization

Ministry of Labor and Social Affairs (<http://www.mtas.es>) and the Ministry of Health and Consumers (<http://www.msc.es/en/home.htm>) provide general supervision.

General Treasury of Social Security (<http://www.seg-social.es>) administers the economic resources of the social security system, registers employers and insured persons, and collects contributions.

National Institute of Social Security (<http://www.seg-social.es>), a separate legal entity under the control of the Ministry of Labor and Social Affairs, administers and pays cash benefits.

National Health Management Institute (<http://www.ingesa.msc.es>), a managing entity under the control of the Ministry of Health and Consumers, operates its own medical centers.

Unemployment

Regulatory Framework

First law: 1919.

Current laws: 1985 (unemployment) and 1994 (social security).

Type of program: Social insurance system.

Coverage

Employees in industry, commerce, and services are covered according to 11 occupational classes.

Exclusions: Self-employed persons, domestic workers, and public-sector employees.

Source of Funds

Insured person: 1.55% of covered earnings; 1.60% of covered earnings if employed under a fixed-term contract.

The minimum monthly earnings for contribution purposes are €700; the minimum daily earnings for contribution purposes are €23.33.

The maximum monthly earnings for contribution purposes are €3,074.10; the maximum daily earnings for contribution purposes for certain occupational classes are €102.47.

Self-employed person: Not applicable.

Employer: 5.5% of covered payroll; 6.7% of covered payroll on behalf of those employed under full-time fixed-term contracts; 7.7% of covered payroll on behalf of those employed under part-time fixed-term contracts or if employment is provided through an agency specializing in temporary work contracts.

The minimum monthly earnings for contribution purposes are €700; the minimum daily earnings for contribution purposes are €23.33.

The maximum monthly earnings for contribution purposes are €3,074.10; the maximum daily earnings for contribution purposes for certain occupational classes are €102.47.

Government: Variable subsidies; contributes as an employer.

Qualifying Conditions

Unemployment benefit: The insured must have at least 360 days of contributions during the last 6 years and be registered at an employment office.

Unemployment assistance: The insured is no longer entitled to the contributory unemployment benefit or does not meet the qualifying conditions for the contributory unemployment benefit. The unemployed person's monthly income must not exceed €382.05 (75% of €509.40, the minimum monthly wage).

Unemployment Benefits

Unemployment benefit: The benefit is equal to 70% of the insured's average earnings in the last 6 months and is paid for 180 days; thereafter, 60% of the insured's average earnings.

The duration of the benefit varies according to the number of days of contributions, from a minimum of 120 days with 360 days of contributions up to a maximum of 720 days with 2,160 days or more of contributions.

The minimum monthly earnings for benefit calculation purposes are €700.

The minimum benefit is €407.52 a month.

The maximum benefit is €1,146.15 a month.

The benefit ceases if the insured refuses a suitable job offer or training.

Unemployment assistance: The monthly benefit is €407.52. If the beneficiary is older than age 45 and has dependents, a maximum of €677.50 is paid. The benefit is paid for 6 months and may be extended for two additional 6-month periods; for up to 30 months under special circumstances. If the beneficiary is older than age 52, the benefit may be paid until the retirement age.

Administrative Organization

Ministry of Labor and Social Affairs (<http://www.mtas.es>) provides general supervision.

General Treasury of Social Security (<http://www.seg-social.es>) administers the economic resources of the social security system, registers employers and insured persons, and collects contributions.

State Public Service for Employment (<http://www.inem.es>), a managing agency under the control of the Ministry of Labor and Social Affairs, develops and administers the program.

Family Allowances

Regulatory Framework

First law: 1938.

Current laws: 2005 and 2007.

Type of program: Social insurance and social assistance system.

Coverage

Certain families with children residing legally in Spain.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Family allowances (income-tested): The dependent child (or adopted child) must be younger than age 18 (no limit if at least 65% disabled). The child's annual earnings must not exceed €8,400. The recipients must not receive any other state family benefits. The child and the recipients must reside legally in Spain.

Income test: Annual family income must not exceed €11,000 for a family with one child; € 16,555.70 with three children, plus €2,681.56 for each additional child. There is no family income limit for a child younger than age 18 assessed as at least as 33% disabled or a child older than age 17 assessed as at least 65% disabled.

Birth or adoption grant (income-tested): Paid on the birth or adoption of a child. The child and the recipients must reside legally in Spain.

Income test: Annual family income must not exceed €15,500.63 for a family with three children, plus €2,510.67 for each additional child.

Multiple births or adoptions grant (no income test): Paid on the birth or adoption of two or more children in Spain. The recipients must not receive any other state family benefits.

Family Allowance Benefits

Family allowances (income-tested): The annual allowance is €291 for each eligible child; €500 for each child younger than age 3; €1,000 for each child assessed as at least 33% disabled; €3,914.28 for each child older than age 18 and at least 65% disabled; and €5,911.92 for each child at least 75% disabled and requiring constant attendance.

The allowance is paid in January and July; paid monthly for a disabled child older than age 18.

Birth or adoption grant (income-tested): A tax deduction of €2,500 is provided for the income declaration.

For large families, a single parent family, or if the mother has an assessed disability of at least 66%, an additional tax deduction of €1,000 is provided but subject to a means test.

The birth or adoption grant can be paid at the same time as the multiple births or adoptions grant, below.

Multiple births or adoptions grant (no income test): The grant is equal to four times the monthly minimum wage for the birth of twins or the adoption of two children; eight times the monthly minimum wage for the birth of triplets or the adoption of three children; and twelve times the monthly minimum wage for the birth or adoption of four or more children.

The minimum monthly wage is €600.

The multiple births or adoptions grant can be paid at the same time as the birth or adoption grant, above.

Administrative Organization

Ministry of Labor and Social Affairs (<http://www.mtas.es>) provides general supervision.

National Institute of Social Security (<http://www.seg-social.es>), a separate legal entity under the control of the Ministry of Labor and Social Affairs, administers and pays cash benefits.

Sweden

Exchange rate: US\$1.00 equals 6.37 kronor.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1913.

Current laws: 1962; 1998, implemented in 1999, with 2002 amendment; and 2000.

Type of program: Universal and social insurance system (old system) and unified social insurance and individual notional and mandatory individual accounts system (new system).

Note: In 1999, a new system of social insurance notional accounts plus mandatory individual “premium pension” accounts was established. There will be a gradual transition from the old to the new system for persons born between 1938 and 1953. Persons born in 1954 or later are covered by the new system; those born in 1937 or earlier will remain in the old system.

Coverage

Earnings-related pension (old system): All employed and self-employed persons earning more than 40,500 kronor a year.

Earnings-related pension (new system): All employed and self-employed persons earning more than 16,800 kronor a year.

Premium pension (new system): All employed and self-employed persons earning more than 16,800 kronor a year.

Guarantee pension (old and new systems): All persons residing in Sweden.

Source of Funds

The old and new systems have the same sources of funds.

Insured person: 7% of assessable income (up to 359,115 kronor) for old-age insurance; no contribution for the survivor pension.

In addition, insured persons covered by the new system pay administrative fees for the premium pension equal to an annual average of 0.67% of assets (2005).

Self-employed person: 7% of assessable income (up to 359,115 kronor), plus 10.21% of assessable income for old-age insurance; 1.7% of assessable income for the survivor pension.

In addition, self-employed persons covered by the new system pay administrative fees for the premium pension equal to an annual average of 0.67% of assets (2005).

Employer: 10.21% of payroll for old-age insurance, plus 1.7% of payroll for the survivor pension.

Note: The combined total of contributions of the insured person and employer (plus a small government payment for government employee pension rights for child care years, national service, and study periods) is 16% for the earnings-related component and 2.5% for the premium pension component.

Government: The total cost of the guarantee pension (new system) and permanent disability benefits. The government pays earnings-related contributions for central government civil servants.

Qualifying Conditions

Earnings-related old-age pension (old system): Age 65 with at least 3 years of coverage.

Early pension: A reduced pension may be paid between ages 61 and 64.

Deferred pension: The pension may be deferred until age 70. Pensions are payable abroad.

Earnings-related old-age pension (new system): The retirement age is flexible, beginning at age 61. The pension is based on lifetime earnings reported to the system. The insured must have years with annual earnings in excess of 16,800 kronor.

Pensions are payable abroad.

Premium pension (new system): The pension is based on lifetime earnings reported to the system from age 16.

Pensions are payable abroad.

Guarantee pension (old and new systems): Age 65, residing in Sweden for at least 3 years, and receiving low or zero income from earnings-related pensions.

Pensions are payable abroad only within the European Union and European Economic Area and in countries with bilateral agreements with Sweden.

Disability pension (sickness compensation): The insured's assessed work capacity must be reduced by at least 25% and the insured must be covered when the disability begins. The pension comprises two elements: a residence-based guaranteed element that is paid on the basis of periods of residence and a minimum coverage period of 3 years; an earnings-related element that is independent of coverage periods, but the insured must have a minimum of 1 year of income in Sweden within a given period.

The earnings-related element is payable abroad. The guaranteed element is payable abroad only within the European Union and European Economic Area.

Survivor pension: The pension comprises two elements: a residence-based guaranteed element that is paid if the deceased resided in Sweden for at least 3 years; an earnings-related survivor element that is dependent on the deceased's accrued old-age pension rights.

The earnings-related element is payable abroad. The guaranteed element is payable abroad only within the European Union and European Economic Area.

Note: Transitional rules introduced on January 1, 1990, apply to the survivor pension program.

Old-Age Benefits

Earnings-related old-age pension (old system): The pension is equal to 60% of the insured's average income above 40,500 kronor in the 15 best years of income. Income in years in which earnings were below 40,500 kronor is compensated at 96% for a single pensioner; 78.5% for a married pensioner.

The average income level for benefit calculation purposes varies from year to year.

The full pension requires at least 30 years of coverage. The pension is reduced proportionately for shorter periods of coverage.

Early pension: The pension is permanently reduced by 0.5% for each month the pension is taken before age 65.

Deferred pension: The pension is permanently increased by 0.7% for each month of deferral if the pension is deferred until age 70.

Old-age pensions are subject to taxation.

Benefit adjustment: Benefits are adjusted annually according to changes in the wage index.

Earnings-related old-age pension (new system): The pension provided by the notional account is calculated using an annual index, based on the trend in average wages (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 the expected increase of average wages in future years. The pension payments are calculated by dividing total accrued pension assets by this factor. Life expectancy is based on the most recent 5-year average of unisex life expectancy projections.

The norm for the increase in average wages is set at 1.6%.

Old-age pensions are subject to taxation.

Benefit adjustment: Benefits are adjusted annually according to changes in the wage index.

Premium pension (new system): The pension is based on contributions plus net returns converted into an individual, joint, fixed, or variable annuity.

Old-age pensions are subject to taxation.

Benefit adjustment: Benefits are adjusted annually according to changes in the wage index.

Guarantee pension (old and new systems): If born in 1938 or later, 84,561 kronor is paid for a single pensioner (75,430 kronor for a married pensioner) with at least 40 years of residence and without an earnings-related pension. If born in 1937 or earlier, 86,602 kronor is paid for a single pensioner (77,153 kronor for a married pensioner).

Old-age pensions are subject to taxation.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index.

Permanent Disability Benefits

Guarantee sickness compensation (disability pension): 95,280 kronor a year is paid for an insured person with at least 40 years of residence and without an earnings-related benefit. The pension is reduced by 1/40 for each year of residence less than 40.

Partial disability: A reduced pension is paid at 3/4, 1/2, or 1/4 of the full pension according to the assessed degree of disability.

Constant-attendance supplement: Up to 27,117 kronor a year is paid.

Permanent disability benefits are subject to taxation.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index.

Earnings-related sickness compensation (disability pension): The pension is equal to 64% of the insured's assumed future annual income, up to a ceiling of 297,750 kronor.

Assumed future income is based on the average of the 3 best income years within a given period immediately before the year of the claim to benefit.

The maximum annual benefit is 190,560 kronor.

Permanent disability benefits are subject to taxation.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index.

Survivor Benefits

Guarantee survivor pension: A pension is paid to a widow(er) younger than age 65 who was married to, or who cohabited with (under certain conditions), the deceased for at least 5 years.

The maximum annual pension is 84,561 kronor, provided the deceased had at least 40 years of residence in Sweden (including actual and assumed years of residence between the age at the time of death and age 65) and the surviving spouse does not receive an earnings-related pension.

The pension ceases on remarriage (or on cohabiting under certain conditions) or when the survivor reaches age 65.

Survivor benefits are subject to taxation.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index.

Earnings-related survivor pension: The pension is equal to 55% of the deceased's accrued pension rights under the old-age pension system.

The pension is paid for 10 months to a widow(er) younger than age 65 who was married to, or cohabited with (under certain conditions), the deceased for at least 5 years or who at the time of the insured's death was rearing a child younger than age 18. If the survivor has custody of a child younger than age 18, the pension is extended for 12 months. If the survivor has custody of a child or children younger than age 12, the pension continues until the youngest child reaches age 12.

The pension ceases on remarriage (or on cohabiting under certain conditions) or when the survivor reaches age 65.

Survivor benefits are subject to taxation.

Benefit adjustment: Benefits are adjusted annually according to changes in the wage index.

Surviving child's benefit: 15,880 kronor a year is paid to a surviving child up to age 18 (age 20 if a student) who is not receiving an orphan's pension.

Survivor benefits are subject to taxation.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index.

Orphan's pension (child pension): Paid to a surviving child up to age 18 (age 20 if a student). The pension is equal to 35% (for a child younger than age 12) or 30% of the deceased's accrued pension rights under the old-age pension system. The pension is increased by 25% (for a child younger than age 12) or 20% per child if there is more than one orphan, and the total amount is split equally among the children.

All orphans' benefits combined must not exceed 100% of the deceased's pension. If an adult is receiving an earnings-related survivor pension or widow's pension, all orphans' benefits combined must not exceed 80% of the deceased's pension.

Survivor benefits are subject to taxation.

Benefit adjustment: Benefits are adjusted annually according to changes in the wage index.

Widow's pension: Transitional rules apply to widows born before 1945 who were married to the deceased before 1990.

Survivor benefits are subject to taxation.

Benefit adjustment: Benefits are adjusted annually according to changes in the wage index.

Administrative Organization

Swedish Social Insurance Agency (<http://www.forsakringskassan.se>) provides central administration and supervision.

Regional and local social insurance bodies administer the program.

Premium Pension Authority (<http://www.ppm.nu>) administers mandatory individual accounts.

Self-employed persons' contributions are paid with income tax. Employers' contributions are collected by the tax authorities with employers' income tax payments.

Sickness and Maternity

Regulatory Framework

First laws: 1891 (cash benefits) and 1931 (medical benefits).

Current laws: 1962 (national insurance) and 1991 (sick pay).

Type of program: Social insurance (cash benefits) and universal (medical benefits) system.

Coverage

Cash benefits: Gainfully occupied persons earning 9,600 kronor or more a year.

Medical benefits: All persons residing in Sweden.

Source of Funds

Insured person

Cash benefits: None.

Medical benefits: None.

Self-employed person

Cash benefits: 9.61% of earnings (contributions may vary), plus 2.2% for parents' cash benefits (parental insurance).

Medical benefits: None.

Employer

Cash benefits: 8.64% of payroll, plus 2.2% for parents' cash benefits (parental insurance).

Medical benefits: None.

Government

Cash benefits: None.

Medical benefits: The total cost is paid by regional county councils.

Qualifying Conditions

Cash sickness benefits: The insured's annual income from employment exceeds 9,600 kronor; or involuntarily unemployed and registered with the employment service.

Parents' cash benefits (parental insurance): All residents are entitled to benefits at guaranteed and basic levels. Each parent is entitled to benefits above a guaranteed level if cov-

ered for cash sickness benefits above the guaranteed level for at least 240 days before the date of birth.

Pregnancy cash benefits (parental insurance): Paid to a pregnant employee in a physically demanding job whose employer is not able to transfer her to less demanding work.

Temporary parents' cash benefit (parental insurance): Paid for the care of children younger than age 12 (age 16 if seriously ill, chronically ill, or disabled; in certain cases, age 21 or age 23) on occasions when the child or the child's carer is sick.

Sickness and Maternity Benefits

Sickness benefit: The benefit is equal to 80% of the insured's lost earnings, based on an annual income ceiling of 297,750 kronor. The benefit is paid from the 15th day of incapacity for the duration of the incapacity. The benefit is paid for 7 days per week. Pensioners are limited to 180 days of benefit after retirement.

Employers pay daily sickness benefits for employees for days 2 to 14 equal to 80% of the insured's lost earnings.

Self-employed persons and other qualifying nonemployed persons receive 80% of lost earnings from days 2 to 14 (the number of necessary qualifying days may vary).

The maximum daily benefit is 652 kronor.

Benefits are subject to taxation.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index.

Parents' cash benefit for childbirth (parental insurance): The benefit is equal to 80% of the insured's lost earnings and is paid for 390 days (the guaranteed benefit is 180 kronor a day), plus an additional 90 days at a basic level of 60 kronor a day. The total benefit duration for both parents combined is 480 days per child and is paid from no earlier than 60 days before the expected date of childbirth up until the child is age 8.

The maximum daily benefit for the 390-day period is 652 kronor.

Benefits are subject to taxation.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index.

Pregnancy cash benefit (parental insurance): The benefit is equal to 80% of the insured's lost earnings. The benefit is paid for 50 days, beginning no earlier than 60 days and no later than 11 days before the expected date of childbirth.

Benefits are subject to taxation.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index.

Temporary parents' cash benefit (parental insurance): The benefit is equal to 80% of the insured's lost earnings, up to an annual income ceiling of 297,700 kronor. The total benefit duration for both parents combined is 60 days per

child a year. An additional 60 days per child may be paid for a sick child (but not for a sick carer). The father is entitled to 10 extra days of benefits in connection with the birth of his child.

Benefits are subject to taxation.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index.

Workers' Medical Benefits

Benefits include free medical and dental care for children up to age 20, subsidies for basic and preventive dental care, a high-cost limit for prosthetic treatment, and free insulin.

Cost sharing: A fee of 60 kronor to 300 kronor is paid for each doctor's visit, up to a maximum of 900 kronor in a 12-month period. For inpatient treatment (including in a maternity ward) in a public hospital, the patient pays a maximum of 80 kronor a day (reduced for low-income earners).

A percentage of transportation costs are reimbursed.

Patients pay the full cost of other medicines up to 900 kronor in a 12-month period; thereafter, the partial cost met by patients for other medicines must not exceed 1,800 kronor a year.

Dependents' Medical Benefits

Benefits include free medical and dental care for children up to age 20, subsidies for basic and preventive dental care, a high-cost limit for prosthetic treatment, and free insulin.

Cost sharing: A fee of 60 kronor to 300 kronor is paid for each doctor's visit, up to a maximum of 900 kronor in a 12-month period. For inpatient treatment (including in a maternity ward) in a public hospital, the patient pays a maximum of 80 kronor a day (reduced for low-income earners).

A percentage of transportation costs are reimbursed.

Patients pay the full cost of other medicines up to 900 kronor in a 12-month period; thereafter, the partial cost met by patients for other medicines must not exceed 1,800 kronor a year.

Administrative Organization

Cash benefits: Swedish Social Insurance Agency (<http://www.forsakringskassan.se>) provides central administration and supervision.

Regional and local social insurance offices administer the program.

Contributions of employed and self-employed persons are paid with income tax. Employers' contributions are collected by the tax authorities with employers' income tax payments.

Medical benefits: National Board of Health and Welfare provides central supervision.

Regional county councils administer and finance the program.

Work Injury

Regulatory Framework

First law: 1901.

Current laws: 1976 (social insurance), with 1992, 2002, and 2005 amendments; and 1991 (sick pay).

Type of program: Social insurance system.

Coverage

All employed and self-employed persons.

Source of Funds

Insured person: None.

Self-employed person: 0.68% of declared earnings.

Employer: 0.68% of payroll.

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

The benefit is identical to the sickness benefit paid under Sickness and Maternity, above.

The benefit is equal to 80% of the insured's lost earnings, based on an annual income ceiling of 297,750 kronor. The benefit is paid from the 15th day of incapacity for the duration of the incapacity. The benefit is paid for 7 days per week. Pensioners are limited to 180 days of benefit after retirement.

Employers pay daily sickness benefits for employees for days 2 to 14 equal to 80% of the insured's lost earnings.

Self-employed persons receive 80% of lost earnings from days 2 to 14 (the number of necessary qualifying days may vary).

The maximum daily benefit is 652 kronor.

Benefits are subject to taxation.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index.

Permanent Disability Benefits

Permanent disability benefit: For a total loss of earning capacity (100%), the benefit is equal to 100% of the insured's lost earnings, up to a maximum of 297,400 kronor a year.

Partial disability: If the assessed degree of loss of earning capacity is at least 1/15, the benefit paid is in proportion to the assessed degree of loss in earning capacity.

The payment of permanent disability benefits is coordinated with the payment of sickness compensation benefits (see Old Age, Disability, and Survivors, above).

Work injury benefits are subject to taxation.

Benefit adjustment: Benefits are adjusted annually according to changes in the combined wage and consumer price index.

Workers' Medical Benefits

Benefits include a high-cost limit for prosthetic treatment.

Cost sharing: A fee of 60 kronor to 300 kronor is paid for each doctor's visit, up to a maximum of 900 kronor in a 12-month period. For inpatient treatment in a public hospital, the patient pays a maximum of 80 kronor a day (reduced for low-income earners).

A percentage of transportation costs are reimbursed.

Patients pay the full cost of other medicines up to 900 kronor in a 12-month period; thereafter, the partial cost met by patients for other medicines must not exceed 1,800 kronor a year.

Survivor Benefits

Survivor pension (adjustment annuity): The pension is equal to 45% of the permanent disability benefit paid or payable to the deceased; 20% if an orphan's pension is paid for the deceased's children.

The pension is paid for 10 months to a widow(er) younger than age 65 who was married to, or cohabited with (under certain conditions), the deceased for at least 5 years immediately before the insured's death or who at the time of the insured's death was rearing a child younger than age 18. If the survivor has custody of a child younger than age 18, the pension is extended for 12 months. If the survivor has custody of a child or children younger than age 12, the pension continues until the youngest child reaches age 12.

Orphan's pension (child annuity): One orphan younger than age 18 (age 20 if a student) receives 40% of the permanent disability benefit paid or payable to the deceased. Each additional eligible orphan increases the benefit by 20%. The total pension amount depends on the number of eligible orphans. The pension is split equally among all eligible orphans.

All survivor benefits combined must not exceed 100% of the pension that the deceased would have been entitled to on account of a total loss of working capacity at the time of death.

Survivor pensions are subject to taxation.

Funeral grant: 11,820 kronor is paid to the widow(er).

Benefit adjustment: Benefits are adjusted annually according to changes in the wage index.

Administrative Organization

Swedish Social Insurance Agency (<http://www.forsakringskassan.se>) provides central administration and supervision.

Regional and local social insurance offices administer the program.

Unemployment

Regulatory Framework

First law: 1934.

Current law: 1997, implemented in 1998, with amendments.

Type of program: A subsidized program consisting of basic insurance and a voluntary income-related insurance system.

Coverage

Voluntary program: Employed and self-employed persons younger than age 65.

Basic program: Employees and persons seeking employment if older than age 20 and younger than age 65 and ineligible for the income-related insurance (voluntary program).

Note: To receive income-related benefits, persons must be a member of an unemployment fund (voluntary program). All funds must be open to voluntary affiliation for any employee in the branch of work or field of activity concerned. There is cooperation between funds and unions.

Source of Funds

Insured person: For the voluntary program, the insured pays a membership fee.

Self-employed person: For the voluntary program, a self-employed person pays a membership fee.

Employer: Unemployment insurance is financed by employers out of a labor market contribution calculated as a percentage of the payroll.

Government: None; covers any deficits, if necessary.

Qualifying Conditions

Unemployment benefits: Unemployed and registered as a jobseeker at the public employment service and able and willing to accept a suitable job for at least 3 hours per day and for an average of at least 17 hours per week.

The worker must have been employed for a minimum of 6 months (at least 80 hours per month) or for at least 480 hours during a continuous 6-month period in the last 12 months before unemployment. A self-employed person must fulfill the same qualifying conditions.

Unemployment benefits are suspended for 10 to 60 benefit days for a period of unemployment that is the result of voluntary leaving or misconduct. Unemployment benefits

are reduced by 25% or 50% for the refusal of a suitable job or training or misconduct that led to the withdrawal of a job offer.

Unemployment Benefits

Basic unemployment benefit: The flat-rate benefit is 320 kronor a day provided that the insured was working 40 hours a week before unemployment; otherwise, the benefit is reduced in proportion to the number of hours less than 40 worked per week. The benefit is paid for up to 300 days per benefit period. If the insured has at least one child younger than age 18, the benefit period may be extended by 150 days. The benefit is paid for 5 days a week.

The basic benefit is paid after a 5-day waiting period.

Benefits are subject to taxation.

Benefit adjustment: Benefits are adjusted by government on an ad hoc basis. Adjustments are not linked directly to the consumer price or wage index.

Voluntary income-related benefit: For the first 200 days of the benefit period, the benefit is equal to 80% of the insured's previous income; thereafter, 70% of the insured's previous income. The maximum benefit is 680 kronor a day. The benefit is paid for up to 300 days per benefit period. If the insured has at least one child younger than age 18, the benefit period may be extended by 150 days. The benefit is paid for 5 days a week. The insured must have been a member of an unemployment fund for at least 12 months.

The voluntary benefit is paid after a 5-day waiting period.

Benefits are subject to taxation.

Benefit adjustment: Benefits are adjusted by government on an ad hoc basis. Adjustments are not linked directly to the consumer price or wage index.

Administrative Organization

Supervised by the Swedish Unemployment Insurance Board (<http://www.iaf.se>), there are 36 unemployment insurance funds in operation.

Family Allowances

Regulatory Framework

First laws: 1947 (child allowance) and 1964 (maintenance advance).

Current laws: 1947 (child allowance), with amendments; 1993 (housing allowance); and 1996 (maintenance support).

Type of program: Universal system.

Coverage

Child allowance: All persons residing in Sweden with one or more eligible children.

Maintenance support: All eligible children living permanently with one parent.

For parental insurance benefits, see Sickness and Maternity, above.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost. (The cost of maintenance support is partly covered by repayments made by parents liable for maintenance.)

Qualifying Conditions

Child allowance: The child must be younger than age 16 (age 20 if a student; age 23 if attending a school for children with learning difficulties).

Maintenance support: The child must be younger than age 18 (age 20 if a student until June of the relevant year), live permanently with only one of the parents, and the parent does not provide the child with support corresponding to the level of the maintenance support. In case of the child's alternating residence, make-up maintenance support is paid to the parent with legal custody of the child.

Family Allowance Benefits

Child allowance: 1,050 kronor per child is paid each month.

Supplements are paid to families with two or more children (100 kronor for the 2nd child; 354 kronor for the 3rd child; 860 kronor for the 4th child; and 1,050 kronor for the 5th and subsequent children).

Maintenance support: Full maintenance support is 1,273 kronor per child each month. If the child has income above a threshold of 100,000 kronor a year, the maintenance support is reduced by half the surplus amount. Make-up maintenance support is paid in cases in which the parent liable for maintenance pays a certain amount directly to the child on time.

Benefit adjustment: Benefits are adjusted by government on an ad hoc basis. Adjustments are not linked directly to the consumer price or wage index.

Administrative Organization

Swedish Social Insurance Agency (<http://www.forsakringskassan.se>) provides central administration and supervision.

Regional and local social insurance offices administer the program.

Switzerland

Exchange rate: US\$1.00 equals 1.12 francs.

Old Age, Disability, and Survivors

Regulatory Framework

First and current laws: 1946 (old-age and survivor base pensions); 1959 (disability base pensions); 1982 (occupational old-age, disability, and survivor pensions), implemented in 1985; and 2000 (social insurance), implemented in 2003.

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

Coverage

Base pension: All persons residing or gainfully employed in Switzerland.

Voluntary coverage for Swiss citizens and citizens of European Union (EU) countries who live in a non-EU country if they have previously been compulsorily insured in Switzerland for at least 5 years without interruption.

Mandatory occupational pension: Employees whose annual earnings exceed 19,890 francs with the same employer. Unemployed persons are covered for disability and survivor benefits.

Voluntary coverage for salaried workers who are not eligible for mandatory insurance and for self-employed persons.

Source of Funds

Insured person

Base pension: 4.2% of gross earnings (old-age and survivors) and 0.7% of gross earnings (disability).

Nonworking insured persons pay annual flat-rate contributions of between 370 francs and 8,400 francs (old-age and survivors) and between 62 francs and 1,400 francs (disability), depending on an assessment of their social conditions.

There are no maximum earnings for contribution purposes for the base pension.

Mandatory occupational pension: Depending on the insured's age, contributions vary from 7% to 18% of gross monthly earnings for the part of earnings between 23,205 francs and 79,560 francs.

Self-employed person

Base pension: 7.8% of gross income (old-age and survivors) and 1.4% of gross income (disability). Contributions are reduced according to a decreasing scale for income above a fixed ceiling.

Mandatory occupational pension: Voluntary contributions. (The contribution rate is fixed according to the regulations of the insured's pension fund.)

Employer

Base pension: 4.2% of payroll (old-age and survivors) and 0.7% of payroll (disability).

There are no maximum earnings for contribution purposes for the base pension.

Mandatory occupational pension: The contribution must be at least equal to the insured employee's contribution.

Government

Base pension: Annual federal subsidies cover about 19.55% of the cost of old-age and survivors benefits and 37.7% of the cost of disability benefits. Also, a portion of value-added tax and the taxable profits of casinos.

Mandatory occupational pension: None.

Qualifying Conditions

Old-age pension

Base pension: Age 65 (men) or age 64 (women). To receive the full pension, the insured must have made contributions in each year from age 21.

Partial pension: Paid with a minimum of 1 year's contribution.

Extraordinary pension: Paid to Swiss nationals who do not meet the required minimum contribution period for the old-age base pension.

Base pensions are payable abroad only for Swiss nationals; international agreements may allow exceptions to this rule.

Mandatory occupational pension: Age 65 (men) or age 64 (women).

Mandatory occupational pensions are payable abroad regardless of nationality.

Disability pension

Base pension: The insured must be assessed as at least 40% disabled. To receive the full pension, the insured must have made contributions in each year from age 21.

Partial pension: Paid with at least 3 years of contributions.

Extraordinary pension: Paid to Swiss nationals who do not meet the required minimum contribution period for the disability base pension.

Base pensions are payable abroad only for Swiss nationals; international agreements may allow exceptions to this rule.

Mandatory occupational pension: The insured must be assessed as at least 50% disabled.

Occupational pensions are paid abroad regardless of nationality.

Survivor pension

Base pension: The full pension for a widow(er) is paid if the deceased had contributed in each year from age 21. The deceased must have had at least 1 year of contributions.

Eligible survivors are a widow (or registered partner) with one or more dependent children or a widow (or registered partner) aged 45 or older who was married to the deceased for at least 5 years; a widower (or registered partner) with one or more dependent children younger than age 18; a divorced spouse who has one or more dependent children and was married to the deceased for at least 10 years (in some cases, other conditions of age and duration of marriage apply); and orphans younger than age 18 (age 25 if a student or an apprentice).

Mandatory occupational pension: The deceased was a pensioner or insured at the time of death or when the incapacity that resulted in his or her death began.

Eligible survivors are a widow (or registered partner) with one or more children or a widow (or registered partner) aged 45 or older who was married to the deceased for at least 5 years; a divorced spouse with one or more children who was married to the deceased for at least 10 years and who was entitled to alimony; and orphans younger than age 18 (age 25 if a student or an apprentice).

Old-Age Benefits

Old-age pension

Base pension: If the insured's average annual income is less than or equal to 39,780 francs, a flat-rate 9,812 francs a year is paid plus a variable amount calculated by multiplying annual income by 13/600; if the insured's average annual income is greater than 39,780 francs, a flat-rate 13,790 francs a year is paid plus a variable amount calculated by multiplying average annual income by 8/600.

All income from gainful activity, including income in the form of education or assistance grants, is taken into account for the calculation of average annual income (the contributions paid by nonworking insured persons are treated as income for the purposes of calculating average annual income).

The minimum monthly old-age base pension is 1,105 francs.

The maximum monthly old-age base pension is 2,210 francs. The combined individual pensions paid to a couple must not exceed 150% of the maximum monthly old-age base pension (3,315 francs).

Partial pension: A percentage of the full pension is paid according to the relationship between the insured's total number of years of contributions and the number of years of contributions of others in the insured's age group.

Dependent's supplement: 40% of the insured's pension is paid for each child younger than age 18 (age 25 if a student or an apprentice).

Benefit adjustment: Benefits are adjusted every 2 years for changes in prices and wages.

Extraordinary pension (old-age): The pension is equal to the minimum monthly old-age base pension.

Benefit adjustment: Benefits are adjusted every 2 years for changes in prices and wages.

Mandatory occupational pension: The annual pension is equal to 7.05% (men) or 7.10% (women) of the accumulated funds in the personal account, with interest.

Benefit adjustment: Benefits are adjusted for price increases, depending on the insurance institution's financial resources.

Permanent Disability Benefits

Disability pension

Base pension: If the insured's average annual income is less than or equal to 39,780 francs, a flat-rate 9,818 francs a year is paid plus a variable amount calculated by multiplying annual income by 13/600; if the insured's average annual income is greater than 39,780 francs, a flat-rate 13,790 francs a year is paid plus a variable amount calculated by multiplying average annual income by 8/600. The full pension is paid if the insured is assessed as at least 70% disabled; 3/4 pension if assessed as at least 60% disabled; 1/2 pension if assessed as at least 50% disabled; 1/4 pension if assessed as at least 40% disabled.

All income from gainful activity, including income in the form of education or assistance grants, is taken into account for the calculation of average annual income (the contributions paid by nonworking insured persons are treated as income for the purposes of calculating average annual income).

Partial pension: A percentage of the full pension is paid according to the relationship between the insured's total number of years of contributions and the number of years of contributions of others in the insured's age group.

Dependent's supplement: 40% of the insured's pension is paid for each child younger than age 18 (age 25 if a student or an apprentice).

Benefit adjustment: Benefits are adjusted every 2 years for changes in prices and wages.

Extraordinary pension (disability): The pension is equal to the minimum monthly disability base pension.

Benefit adjustment: Benefits are adjusted every 2 years for changes in prices and wages.

Mandatory occupational pension: The annual pension is equal to 7.05% (men) or 7.10% (women) of the funds that would have been accumulated at retirement age. The full pension is paid if the insured is assessed as at least 70% disabled; 3/4 pension if assessed as at least 60% disabled; 1/2 pension if assessed as at least 50% disabled; 1/4 pension if assessed as at least 40% disabled.

Benefit adjustment: Benefits that have been paid for more than 3 years are adjusted for price increases at the beginning of the subsequent calendar year; subsequent adjustments take place at the same time as adjustments to the base pension.

Survivor Benefits

Survivor pension

Base pension: The survivor receives 80% of the deceased's pension.

The minimum monthly survivor pension is 884 francs.

The maximum monthly survivor pension is 1,768 francs.

Base pension (orphan): Each orphan receives 40% of the deceased's pension; 80% for a full orphan, up to a maximum of 60% of the maximum monthly old-age pension (1,326 francs).

The minimum monthly orphan's pension is 442 francs.

The maximum monthly orphan's pension is 884 francs.

Benefit adjustment: Benefits are adjusted every 2 years for changes in prices and wages.

Mandatory occupational pension: If the insured was an active contributor at the time of death, the survivor receives 60% of the full occupational disability pension that would have been paid to the insured; if the deceased was a pensioner, the survivor receives 60% of the deceased's monthly old-age or disability pension.

Mandatory occupational pension (orphan): If the insured was an active contributor at the time of death, each orphan receives 20% of the full occupational disability pension that would have been payable to the insured; if the deceased was a pensioner, each orphan receives 20% of the deceased's monthly old-age or disability pension.

Benefit adjustment: Benefits that have been paid for more than 3 years are adjusted for price increases at the beginning of the following calendar year; subsequent adjustments take place at the same time as adjustments to the base pension.

Administrative Organization

Base pension

Federal Department of the Interior (<http://www.edi.admin.ch>) provides general supervision.

Federal Social Insurance Office (<http://www.bsv.admin.ch>) supervises the implementation of legislation.

Decentralized network of cantonal, industrial, and federal compensation funds is responsible for collecting and recording contributions and paying pensions.

Central Compensation Office (<http://www.avs-ai-international.ch>) maintains a register of all insured persons and pensioners.

Mandatory occupational pension

Federal Social Insurance Office (<http://www.bsv.admin.ch>) and cantons provide general supervision.

Registered occupational pension institutes administer the program. There were 8,134 institutes in 2002.

Sickness and Maternity

Regulatory Framework

First law: 1911.

Current laws: 1952 (maternity insurance); 1994 (sickness insurance); and 2000 (social insurance), implemented in 2003.

Type of program: Mandatory private insurance (medical benefits and cash maternity benefits) and voluntary private insurance (cash sickness benefits) system.

Coverage

Cash sickness benefits: All persons residing in Switzerland and involved in gainful activity.

Cash maternity benefits: Salaried or self-employed women involved in gainful activity.

Medical benefits: All persons residing in Switzerland.

Source of Funds

Insured person

Cash sickness benefits: Premiums vary depending on the fund, the type of benefits provided, the insured's age at the date of entry, and geographic region.

Cash maternity benefits: 0.15% of gross salary. Nonworking insured persons pay an annual flat-rate contribution of between 13 francs and 300 francs, depending on an assessment of their social conditions.

There are no maximum earnings for contribution purposes.

Medical benefits: A single premium is paid. Premiums vary depending on geographic region.

Self-employed person

Cash sickness benefits: Premiums vary depending on the fund, the type of benefits provided, the insured's age at the date of entry, and geographic region.

Cash maternity benefits: 0.3% of gross income. Contributions are reduced according to a decreasing scale for income above a fixed ceiling.

Medical benefits: A single premium is paid. Premiums vary depending on geographic region.

Employer

Cash sickness benefits: Contributions are not required by law, but some collective agreements require the employer to share employees' membership fees.

Cash maternity benefits: 0.15% of payroll.

There are no maximum earnings for contribution purposes.

Medical benefits: None.

Government

Cash sickness and maternity benefits: None.

Medical benefits: Federal annual subsidies to cantons permit reduced premiums paid by low-income earners.

Qualifying Conditions

Cash sickness benefits: Aged 15 to 64. The insured must have taken out a sickness insurance policy providing cash benefits.

Cash maternity benefits: The insured must have paid contributions toward the old-age and survivor base pension during the last 9 months before childbirth and have been in gainful activity during at least 5 months of the last 9 months. The insured must cease work during the maternity leave.

Sickness and Maternity Benefits

Sickness benefit: The amount of the daily allowance is agreed on between the insurer and the insured. The benefit is usually paid after a 3-day waiting period for at least 720 days in a period of 900 consecutive days.

Maternity benefit: The amount of the daily allowance is equal to 80% of last daily earnings, up to a maximum of 172 francs. The benefit is paid for up to 98 days (14 weeks) after childbirth.

Workers' Medical Benefits

A comprehensive list of service benefits is set by law. Funds may provide additional benefits through complementary insurance.

There is no limit to duration.

Cost sharing: The patient pays the first 300 francs of medical care expenses during the calendar year, plus 10% of costs above this amount up to an annual ceiling. In addition, there is a daily contribution of 10 francs for hospitalization costs (except for insured persons who live with at least one other family member). There is no cost sharing for maternity care.

Dependents' Medical Benefits

Individuals are insured in their own right.

A comprehensive list of service benefits is set by law. Funds may provide additional benefits through complementary insurance.

There is no limit to duration.

Cost sharing: The patient pays the first 300 francs of medical care expenses during the calendar year, plus 10% of costs above this amount up to an annual ceiling. In addition, there is a daily contribution of 10 francs for hospitalization costs (except for insured persons who live with at least one other family member). There is no cost sharing for maternity care.

Administrative Organization

Federal Office of Public Health (<http://www.bag.admin.ch>) supervises compliance with the sickness insurance legislation.

Recognized funds and private insurance companies are authorized to administer and provide sickness insurance. (There were 85 recognized funds in 2005.)

Federal Social Insurance Office (<http://www.bsv.admin.ch>) supervises compliance with the maternity benefit legislation.

Maternity benefit is administered through compensation funds of the old-age and survivor insurance (base pension) program.

Work Injury

Regulatory Framework

First law: 1911, implemented in 1918.

Current laws: 1981 (accident insurance); and 2000 (social insurance), implemented in 2003.

Type of program: Mandatory insurance covering work-related and nonwork-related accidents and occupational diseases.

Coverage

Employees including home workers, apprentices, trainees, and volunteers.

If working time does not exceed 8 hours a week, only work-related injuries (including travel to and from work) are covered.

Voluntary coverage for self-employed persons.

Source of Funds

Insured person

Work-related injuries and occupational diseases: None.

Nonwork-related injuries: The total cost. Premiums vary according to the assessed degree of risk.

The maximum annual earnings for contribution purposes are 126,000 francs.

Self-employed person: Voluntary insurance.

Employer

Work-related injuries and occupational diseases: The total cost. Premiums vary according to the assessed degree of risk.

The maximum annual earnings for contribution purposes are 126,000 francs.

Nonwork-related injuries: None.

Government

Work-related injuries and occupational diseases: None.

Nonwork-related injuries: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period. Benefits are paid for work-related and nonwork-related accidents and occupational diseases. Accidents that occur while commuting to and from work are covered.

Temporary Disability Benefits

If the insured is totally disabled, the benefit is equal to 80% of the insured's last daily earnings (including family allowances). The benefit is paid after a 3-day waiting period until recovery or certification of permanent disability.

The maximum daily earnings for benefit calculation purposes are 346 francs.

Partial disability: A percentage of the full benefit is paid, according to the assessed degree of disability.

Permanent Disability Benefits

Permanent disability pension: If the insured is totally disabled, the benefit is equal to 80% of insured's last earnings (including family allowances).

The maximum monthly earnings for benefit calculation purposes are 10,500 francs.

Constant-attendance supplement: The benefit varies between two and six times the maximum insured daily earnings, according to the assessed degree of disability.

Partial disability: A percentage of the full pension is paid, according to the assessed degree of disability.

Lump-sum award: The award is paid in addition to the permanent disability pension, according to the schedule in law.

Benefits are payable abroad.

Benefit adjustment: Pensions are adjusted every 2 years for changes in the cost-of-living index (at the same time as adjustments are made to the old-age base pension).

Workers' Medical Benefits

Medical, hospital, and pharmaceutical treatment; prostheses and other necessary care; and travel expenses.

There is no limit to duration.

Survivor Benefits

Survivor pension: The survivor receives 40% of the deceased's monthly earnings.

Eligible survivors are a widow older than age 45 or a widow(er) with dependent children or who is assessed as at least 2/3 disabled.

Widow's settlement: A lump sum is paid to a widow who is not eligible for a pension. The lump sum varies according to the duration of the widow's marriage to the deceased.

Orphan's pension: Each orphan younger than age 18 (age 25 if a student) receives 15% of the deceased's monthly earnings; 25% for a full orphan.

Other eligible survivors: A surviving divorced spouse who had been eligible for alimony receives up to 20% of the deceased's monthly earnings.

All survivor benefits combined must not exceed 70% of the deceased's monthly earnings; 90% if benefits are paid to both the current and the divorced spouse.

Funeral grant: A lump sum is paid, up to a maximum of 2,422 francs.

Benefit adjustment: Pensions are adjusted every 2 years for changes in the cost-of-living index (at the same time as adjustments are made to the old-age base pension).

Administrative Organization

Federal Office of Public Health (<http://www.bag.admin.ch>) supervises compliance with the sickness insurance legislation.

Swiss National Accident Insurance Fund (<http://www.suva.ch>) manages the program for accidents.

Unemployment

Regulatory Framework

First law: 1924.

Current laws: 1982 (unemployment insurance), with amendments; and 2000 (social insurance), implemented in 2003.

Type of program: Social insurance system.

Coverage

Employed persons.

Source of Funds

Insured person: 1% of covered earnings.

The maximum monthly earnings for contribution and benefit calculation purposes are 10,500 francs.

Self-employed person: Not applicable.

Employer: 1% of covered payroll.

The maximum monthly earnings for contribution and benefit calculation purposes are 10,500 francs.

Government: Federal government contributes up to 0.12% of the insured payroll toward the cost of the employment service and for labor market-related measures. If necessary, the federal government provides loans at the prevailing market rate to unemployment funds.

Qualifying Conditions

Unemployment benefit: The insured must be either totally or partially unemployed, have at least 2 consecutive unpaid working days, reside in Switzerland, have completed mandatory schooling, not be receiving a basic old-age pension, have 12 months of contributions in the last 2 years (waived for certain categories), be able and willing to work, and satisfy any other requirements.

Unemployment Benefits

The benefit is equal to 80% of insured earnings; 70% if the insured has no dependent children, is receiving a full daily benefit that exceeds 140 francs, and is not disabled. The benefit is paid after a 5-day waiting period.

Benefits are paid for up to 260 days for persons who are not subject to any contribution condition; 400 days with at least 12 months of contributions; or 520 days with at least 18 months of contributions and aged 55 or older (the age condition is waived if the insured is receiving a basic disability pension or a mandatory occupational disability pension).

Partial unemployment benefit: A benefit equal to 80% of lost earnings is paid for up to 12 months in a 2-year period for a reduction in working hours; for up to 6 months for a reduction in working hours due to bad weather.

Administrative Organization

Federal Office of Economy (<http://www.seco.admin.ch>) approves and supervises unemployment funds.

Federal Social Insurance Office (<http://www.bsv.admin.ch>) supervises contributions.

Cantonal and regional unemployment funds (public funds) administer the 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 laws: 1952 (agricultural workers); and 2000 (social insurance), implemented in 2003.

First and current cantonal laws: All cantons have laws, enacted during or after 1943.

Type of program: Employment-related system (in most cantons) and employment-related and social assistance system (in five cantons).

Coverage

Federal program covers agricultural employees and small self-employed farmers whose annual earnings do not exceed a fixed amount. The beneficiary must have one or more children (family allowances) or a 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 the 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 (except in Valais, 0.3% of salary).

Self-employed person: In cantons where the self-employed are covered, benefits are financed partly by self-employed persons (flat-rate contributions or 1% of gross income).

Employer

Nonagricultural employer: From 0.1% to 4% of payroll, according to canton and fund.

Agricultural employer: 2% of payroll (federal program).

Government: Federal and cantonal governments share the residual cost for agricultural employees and the total cost for small self-employed farmers (2/3 by the federal government and 1/3 by cantonal governments).

In cantons where self-employed persons are covered, the part of the cost exceeding that financed by contributions paid by self-employed persons is met by the family allowance fund or the canton; in cantons where nonworking persons are covered, the canton, the commune, or both meet the cost of contributions.

Qualifying Conditions

Family allowances: In the federal program, the child must be younger than age 16 (age 20 if unable to work and not receiving a disability pension, age 25 if an apprentice or a student). In most cantonal programs, the child must be younger than age 16 (ages 18 to 20 if disabled; age 25 if an apprentice or a student).

Birth grants: Some cantons pay birth grants.

Vocational training allowances: Some cantons pay vocational training allowances. When provided, vocational training allowances replace family allowances.

Family Allowance Benefits

Family allowances: The federal program pays 190 francs a month for each child (210 francs in mountain regions). In addition, a household allowance of 100 francs is paid for each married worker.

The legal minimum allowance in cantonal programs is between 160 francs and 370 francs a month for each child, according to canton. Funds often pay higher amounts than the legal minimum.

Birth grants: A lump sum of between 800 francs and 1,575 francs is paid, according to canton.

Vocational training allowances: Between 214 francs and 466 francs is paid a month, according to canton. When provided, vocational training allowances replace family allowances.

Administrative Organization

Federal program: Cantonal old-age and survivor insurance funds collect contributions and pay allowances.

Cantonal programs: Supervised by cantonal governments and administered by numerous public and approved private family allowance funds.

Employers usually pay allowances directly and combined with wages. The respective fund reimburses the employer.

Ukraine

Exchange rate: US\$1.00 equals 5.03 hryvnias.

Note: This information dates from 2004.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1922.

Current laws: 1991 (pensions), implemented in 1992, with amendments; 1993 (qualifying conditions); 1996; 1998 (pension reform); 2003 (mandatory state pension insurance), implemented in 2004, with 2005 amendment; 2003 (nonstate pensions), implemented in 2004, with 2005 amendment; and 2005 (social assistance).

Type of program: Social insurance and social assistance system.

Note: The 2003 law is being implemented in stages. The planned introduction of a system of supplementary mandatory individual accounts has been postponed.

Coverage

All employed Ukrainian citizens, foreigners, and stateless persons employed under labor agreements or under agreements in civil law; self-employed persons.

Voluntary coverage is possible.

Special provisions for victims of the Chernobyl catastrophe.

Source of Funds

Insured person: 1% of earnings up to 150 hryvnias, plus 2% for earnings exceeding 150 hryvnias.

The maximum monthly earnings for contribution purposes are 2,660 hryvnias (June 1, 2003).

The insured's contributions also finance work injury benefits and family allowances.

Self-employed person: A fixed-rate amount equal to 32% of the minimum wage.

The self-employed person's contributions also finance family allowances.

Employer: 32.3% of payroll (March 2005).

The maximum monthly earnings for contribution purposes are 2,660 hryvnias (June 1, 2003).

The employer's contributions also finance work injury benefits and family allowances.

Government: The cost of state social benefits; subsidies as needed from central and local governments; contributes as an employer.

Government contributions also finance work injury benefits.

Qualifying Conditions

Old-age pension: Age 60 (men) or age 55 (women) with at least 5 years of covered employment; requirements are reduced for those who worked for at least 5 years under arduous or hazardous conditions, for mothers of five or more or disabled children, for disabled war veterans, and for other specified categories.

In all cases, contributions must be paid for periods of covered employment. Covered employment can include years spent in higher education, the armed services, caring for disabled persons or children younger than age 3, or being unemployed and seeking a job, if contributions are paid for these periods.

Partial pension: Paid if the insured has less than 25 years (men) or 20 years (women) of covered employment.

The pension is paid to unemployed older workers between ages 58 and 6 months and 60 for men or ages 53 and 6 months and 55 for women who meet the requirements for covered employment and who were working for an enterprise that was liquidated or reorganized. The pension ceases if the beneficiary is reemployed.

Deferred pension: A deferred pension is possible.

The pension is payable abroad for 6 months in advance, beginning the month the pensioner leaves the country; thereafter, only if there is a reciprocal agreement.

Carer's allowance (old-age): The monthly allowance is paid to a carer of a person older than age 80. The carer must not be employed but may receive an unemployment benefit.

Social pension (old-age): Age 63 (men) or age 58 (women). A means-tested pension is paid to low-income citizens who are not working and not eligible for an old-age pension.

Disability pension: The insured has a minimum of 2 to 5 years of covered employment, depending on age when the disability began.

Total disability (incapacity for any work): Paid for a Group I disability (requiring constant attendance) or a Group II disability (not requiring constant attendance).

Partial pension for a total disability: Paid if the insured has less than 25 years (men) or 20 years (women) of covered employment.

Partial disability: Paid for a Group III disability (incapacity for usual work).

The pension is payable abroad for 6 months in advance, beginning the month the pensioner leaves the country; thereafter, only if there is a reciprocal agreement.

Carer's allowance (disability): The monthly allowance is paid to a carer of a Group I disabled child younger than

age 16. The carer must not be employed, but may receive an unemployment benefit.

Social pension (disability): A means-tested pension is paid to low-income citizens who are not working and not eligible for a disability pension or work injury benefit.

Survivor pension: The insured had up to 5 years of covered employment.

Eligible survivors are nonworking dependents, including a spouse, father, and mother of pensionable age or disabled; surviving children younger than age 18 (age 23 if a student or an orphan, no limit if disabled before age 18). Otherwise, in the absence of a spouse, to a grandparent caring for the deceased's child younger than age 8 when no other support is available.

Partial pension: Paid if the deceased had less than 25 years (men) or 20 years (women) of covered employment.

Funeral grant: Paid for the funeral of an employee, a student, an unemployed person, or a pensioner.

Social pension (survivors): A means-tested pension is paid to low-income citizens who are not working and not eligible for a survivor pension.

Old-Age Benefits

Old-age pension: 1% of the wage base is paid for every full year of covered employment with at least 5 years of covered employment. The pension is paid monthly.

The wage base is based on 60 months of earnings before June 1, 2000, regardless of interruptions, plus all covered periods from June 1, 2000.

The minimum pension is 544 hryvnias (July 2008). The minimum old-age pension is equal to the minimum subsistence level for a disabled person.

There is no maximum pension.

Partial pension: The monthly benefit is reduced in proportion to the insured's number of years of coverage less than 25 years (men) or 20 years (women).

Deferred pension: A supplement equal to 10% of the pension is paid for each year worked after entitlement to the full pension. The maximum pension is equal to 75% of average monthly earnings.

Carer's allowance (old-age): The allowance is paid monthly.

Supplement: 50 hryvnias for Groups I and II war disabled; 40 hryvnias for veterans of combat operations (January 2005).

Social pension (old-age): The monthly pension varies between 23.30 hryvnias and 59 hryvnias.

Benefit adjustment: Benefits are adjusted periodically for inflation and changes in the national average wage.

Permanent Disability Benefits

Disability pension: The total disability pension (Group I) is equal to 100% of the old-age pension; Group II, 90%.

Partial pension for a total disability: 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.

Partial disability (Group III): The monthly pension is equal to 50% of the old-age pension.

Carer's allowance (disability): The allowance is paid monthly.

Supplement: 50 hryvnias for Groups I and II war disabled; 40 hryvnias for veterans of combat operations (January 2005).

Social pension (disability): The pension is between 30% and 200% of the minimum old-age pension, depending on the assessed degree of disability.

Benefit adjustment: Benefits are adjusted periodically for inflation and changes in the national average wage.

Survivor Benefits

Survivor pension: The monthly pension is equal to 50% of the deceased's old-age pension for one survivor; 100% for two or more survivors.

The minimum monthly pension is equal to 100% of the minimum old-age pension.

The minimum old-age pension is 544 hryvnias (July 2008).

The maximum total survivor pension is equal to 100% of the deceased's old-age pension.

Partial pension: If the deceased had 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 is paid for the funeral of an employee, student, or unemployed person; 2 months' pension or 10 times the minimum wage, whichever is higher, for the funeral of a pensioner; 3 months' pension for a military pensioner.

Social pension (survivors): The pension varies according to assessed need.

Benefit adjustment: Benefits are adjusted periodically for inflation and changes in the national average wage.

Administrative Organization

Ministry of Labor and Social Policy (<http://www.mlsp.gov.ua>) is responsible for policy and provides general coordination.

Regional and local social protection departments administer the program.

Pension Fund (<http://www.pfu.gov.ua>) administers pensions.

Sickness and Maternity

Regulatory Framework

First law: 1912.

Current laws: 2001 (compulsory insurance); and 2001 (contributions), with amendments.

Type of program: Social insurance (cash benefits) and universal (medical benefits) system.

Coverage

Cash sickness benefits: Employed persons, including employees on leave to pursue education or training; those unemployed as a result of enterprise liquidation; registered unemployed persons; and military personnel.

Cash maternity benefits: Must be in insured employment.

Medical benefits: All persons residing in Ukraine. Special provisions for victims of the Chernobyl catastrophe.

Source of Funds

Insured person

Cash benefits: 0.25% to 0.5% of earnings.

Medical benefits: None; except for voluntary medical insurance policies.

Self-employed person

Cash benefits: 3% of declared income.

Medical benefits: None.

Employer

Cash benefits: 2.5% of payroll.

The employer's contributions also finance family allowances.

Medical benefits: None.

Government

Cash benefits: The cost of universal maternity cash benefits is met by central and local government budgets.

Medical benefits: The total cost.

Government contributions also finance work injury medical benefits.

Qualifying Conditions

Cash and medical benefits: There is no minimum qualifying period.

Sickness and Maternity Benefits

Sickness benefit: The benefit is equal to 60% of the insured's average gross earnings over the last 3 months if the insured has less than 5 years of service; 80% with 5 to

8 years of service; 100% with 8 or more years of service or for a person injured in the Chernobyl catastrophe, a person caring for a child injured in the Chernobyl catastrophe, a veteran of WWII, or a surviving spouse of a war veteran or soldier killed in combat. The benefit is payable after a 5-day waiting period for a maximum of 6 months or until certification of permanent disability.

The benefit is equal to 100% of the insured's earnings for a working parent caring for a sick family member for up to 14 days per case.

Maternity benefit: 100% of the insured's earnings is paid to employed women for 70 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 from education and training, the benefit is equal to 100% of the stipend; for women unemployed because of enterprise liquidation, the benefit is equal to 100% of earnings received at the last place of work; for those registered as unemployed for at least 10 months, the benefit is equal to 100% of the minimum wage.

Benefits to spouses of members of the armed forces are equal to 100% of earnings plus in-kind benefits.

Care leave: 100% of the minimum wage is paid monthly to employed women for child care leave until the child is age 3 and to women on leave from education and training; 50% of the minimum wage is paid to eligible unemployed women until the child is age 2 (age 3 if family income is below a specified level).

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. Care in sanatoria and rest homes may also be provided, with preference being given to workers who may pay part of the cost.

Cost sharing: The patient ordinarily pays part of the cost of appliances.

Free medicines are provided during hospitalization, for all children younger than age 1, for disabled children younger than age 16, and for pensioners receiving the minimum pension.

Dependents' 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. Care in sanatoria and rest homes may also be provided, with preference being given to workers who may pay part of the cost.

Cost sharing: The patient ordinarily pays part of the cost of appliances.

Free medicines are provided during hospitalization, for all children younger than age 1, for disabled children younger than age 16, and for pensioners receiving the minimum pension.

Administrative Organization

Ministry of Labor and Social Policy (<http://www.mlsp.gov.ua>), Ministry of Finance, and the Social Insurance Fund provide general oversight of the program for cash benefits.

Ministry of Labor and Social Policy (<http://www.mlsp.gov.ua>) and social protection departments of local governments administer benefits.

Ministry of Health (<http://www.moz.gov.ua>) and health departments of local governments provide general supervision and coordinate medical benefits.

Work Injury

Regulatory Framework

First law: 1912.

Current laws: 1990 (pensions); 1992 (lump-sum benefits); 1999 (work injury); and 2001 (contributions), with amendments.

Type of program: Social insurance (cash benefits) and universal (medical benefits) system.

Coverage

All employed persons.

Special provisions for victims of the Chernobyl catastrophe.

Source of Funds

Insured person: For cash benefits, see source of funds under Old Age, Disability, and Survivors. None for medical benefits.

Self-employed person: No information is available.

Employer: For cash benefits, see source of funds under Old Age, Disability, and Survivors. None for medical benefits.

Government: For cash benefits, see source of funds under Old Age, Disability, and Survivors. For medical benefits, see source of funds under Sickness and Maternity.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

The benefit is equal to 100% of the insured's earnings and is paid from the first day of incapacity until recovery or the award of a permanent disability pension.

Permanent Disability Benefits

Permanent disability pension: The pension for a Group I total disability pension (incapacity for any work, requiring constant attendance) is equal to 70% of the insured's earnings; Group II total disability pension (incapacity for any work, not requiring constant attendance), 60% of the insured's earnings; Group III (partial disability, incapacity for usual work), 40% of the insured's earnings.

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, transportation, and the full cost of appliances and medicines.

Survivor Benefits

Survivor pension: Each dependent survivor receives 30% of the deceased's earnings a month.

The minimum monthly pension is equal to 100% of the minimum old-age pension.

The minimum old-age pension is 544 hryvnias (July 2008).

Funeral grant: Ten times the minimum wage is paid for the funeral of an employee; 2 months' pension or 10 times the minimum wage, whichever is higher, for the funeral of a work injury pensioner.

Administrative Organization

Social Insurance Fund supervises temporary disability benefits.

Enterprises and employers pay benefits to employees.

Ministry of Labor and Social Policy (<http://www.mlsp.gov.ua>) and social protection departments of local governments administer benefits.

Ministry of Health (<http://www.moz.gov.ua>) and health departments of local governments provide general supervision and coordinate medical benefits.

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 (employment), with 1997 amendments; 2001 (social insurance); and 2001 (contributions), with amendments.

Type of program: Social insurance system.

Coverage

Working-age citizens.

Voluntary coverage for self-employed persons.

Special provisions for victims of the Chernobyl catastrophe.

Source of Funds

Insured person: 0.5% of earnings.

Self-employed person: Voluntary contributions only.

Employer: 1.9% of payroll.

Government: Subsidies as needed from central and local governments.

Qualifying Conditions

Unemployment benefits: The insured must be registered at an employment office, be able and willing to work, and have income not exceeding the minimum wage. The benefit may be reduced, suspended, or terminated if the worker is discharged for violating work rules, leaving employment without good cause, violating conditions for job placement or vocational training, or filing a fraudulent claim.

Unemployment Benefits

With up to 2 years of covered employment, the benefit is based on 50% of average earnings; with 2 to 6 years, 55% of average earnings; with 6 to 10 years, 70% of average earnings. For the first 90 calendar days, 100% of the benefit is paid; 80% for the next 90 calendar days; 70% thereafter. Benefits are paid for up to 360 days in a 2-year period. For insured persons within 2 years of retirement, benefits are paid for up to 720 calendar days.

The minimum benefit is equal to 23% of the minimum subsistence level.

The maximum benefit is equal to the regional average wage in the previous month.

Unemployment assistance: Paid to unemployed persons who have exhausted their entitlement to unemployment benefits and if the monthly average income for each family member does not exceed the established legal minimum.

Dependent's supplement: Paid after receiving unemployment benefits for 360 days and unemployment assistance for 180 days.

Funeral grant: Paid to dependents, family members, or the person organizing the funeral. The grant equals the minimum subsistence level.

Administrative Organization

Ministry of Labor and Social Policy (<http://www.mlsp.gov.ua>) provides general policy coordination.

State Employment Centre (<http://www.dcz.gov.ua>) and its local offices administer the program.

Family Allowances

Regulatory Framework

First law: 1944.

Current law: 1992 (assistance to families with children), with amendments.

Type of program: Social insurance and social assistance system.

Coverage

Families with children.

Special provisions for victims of the Chernobyl catastrophe.

Source of Funds

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

Self-employed person: See source of funds under Old Age, Disability, and Survivors.

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

Government: Central and local budget subsidies for allowances for children of unemployed families or with nonworking mothers.

Qualifying Conditions

Family allowances (income-tested): Large families (three or more children), single mothers with one or more children, and families with one or more disabled children.

Birth grant: The mother must register early in the pregnancy.

Family Allowance Benefits

Family allowances (income-tested): For children younger than age 16 (age 18 if a student), the allowance is equal to 50% of the minimum wage per child. For families with three or more children younger than age 16, the monthly allowance is equal to 100% of the minimum wage per child; families with four or more children, 200% of the minimum wage per child. Allowances are income tested.

For single mothers, widow(er)s not receiving a survivor pension or a social pension, and children whose father does not provide financial support, the allowance is equal to 50% of the minimum wage for each child younger than 16 (age 18 if a student).

For guardians of children younger than age 16, the allowance is equal to 200% of the minimum wage.

For carers of disabled children younger than age 16, the allowance is equal to 100% of the minimum wage.

Birth grant: A lump sum is paid equal to 22.6 times the minimum subsistence level. Part of the lump sum (equal to 9 times the minimum subsistence level) is paid at the date of the child's birth, and the remainder is paid over an 11-month period starting from the second month.

The minimum subsistence level for a child younger than age 6 is 376 hryvnias (in 2005).

Administrative Organization

Ministry of Labor and Social Policy (<http://www.mlsp.gov.ua>) and local government social protection departments administer the program for unemployed families and non-working mothers.

Employers pay benefits to employees through the Social Insurance Fund.

United Kingdom

Exchange rate: US\$1.00 equals 0.48 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), 2002 (pension credit), 2004 (pensions), and 2007 (pensions).

Type of program: Social insurance and social assistance system.

Coverage

Contributory benefits: Employed persons aged 16 to 65 (men) or aged 16 to 60 (women) with weekly earnings of at least £90 up to £770 (from April 2008).

Self-employed persons aged 16 to 65 (men) or aged 16 to 60 (women) with annual income of at least £4,825 are covered for all benefits except the state second pension, work injury benefits, and contributory jobseeker's allowance.

Voluntary contributors are covered for the basic state retirement pension and survivor benefits only.

The pension credit (means-tested) is available to low-income pensioners aged 60 or older and to reward those aged 65 or older who have made modest provision for retirement.

Noncontributory benefits: All persons residing in the United Kingdom.

Source of Funds

Insured person: 11% of weekly earnings between £105 (from April 2008) and £770 (from April 2008); certain married women and widows contribute 4.85% of weekly earnings, plus an additional 1% of weekly earnings greater than £770.

Voluntary contributors pay a flat-rate £8.10 a week.

15% of the insured's contribution is allocated to the National Health Service toward the cost of medical benefits. The insured's contributions also finance sickness and maternity benefits, work injury benefits, and unemployment benefits.

Self-employed person: A flat-rate £2.30 a week if earnings are greater than £4,825 (from April 2008). In addition, self-employed persons with annual profits between £5,435 and

£40,040 pay an earnings-related contribution of 8%, plus 1% of any profits above £40,040.

15% of the self-employed person's contribution is allocated to the National Health Service toward the cost of medical benefits.

Employer: 12.8% of each employee's earnings greater than £105 (from April 2008) a week.

15% of the employer's contribution is allocated to the National Health Service toward the cost of medical benefits. The employer's contributions also finance sickness and maternity benefits, work injury benefits, and unemployment benefits.

Government: The total cost of means-tested allowances and other noncontributory benefits. Also, a treasury grant to contributory programs to cover benefit expenditure shortfalls.

Qualifying Conditions

Basic state retirement pension (flat-rate): Age 65 (men) or age 60 (women, rising gradually to age 65 from 2010 to 2020) with contributions paid or credited for 90% of the years in the working life (generally 44 years for men or 39 years for women). The number of qualifying years for the full state pension will reduce to 30 years for people who reach the state pension age on or after April 6, 2010.

The number of years needed for a full pension is reduced if the insured is caring for a child or an elderly or disabled relative. Coverage is credited for periods covered by claims for certain benefits (such as incapacity benefit and jobseeker's allowance).

Partial pension: The pension is proportionately reduced with a shorter coverage period. The basic state pension is not paid if the insured is entitled to less than 25% of the full pension.

Early pension: There is no early pension.

Deferred pension: The pension can be deferred for an unlimited period.

Age addition: Aged 80 or older.

The basic retirement pension is payable abroad, but is adjusted only if the person is ordinarily residing in a country of the European Union or in a country that has a reciprocal agreement.

State second pension (SSP): Age 65 (men) or age 60 (women, rising gradually to age 65 from 2010 to 2020). The SSP is paid in addition to the basic state pension. A person earning more than the lower earnings level (£4,524 a year) but less than £13,000 (2007) is treated for SSP purposes as if they had earnings of £13,000.

The pension is payable abroad, but is adjusted only if the person is ordinarily residing in a country of the European Union or in a country that has a reciprocal agreement.

Old-person's pension (noncontributory retirement pension): Paid if aged 80 or older and the pensioner is entitled to less than 60% of the full basic state pension. The pensioner must have resided in the United Kingdom for 10 years in any 20-year consecutive period after age 60.

Pension credit: Awarded to men and women aged 60 or older (rising gradually to age 65 from 2010 to 2020) residing in the United Kingdom and whose income is below prescribed levels. Also awarded to persons aged 65 or older who have made modest provision for retirement.

The pension credit can only be paid abroad for a temporary absence from the United Kingdom.

Long-term incapacity benefit: The insured must have contributions paid on earnings of at least 25 times the weekly lower earnings limit in one 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 limit in both of the last 2 tax years before the claim starts. The benefit is paid after 52 weeks of disability (as determined by a medical assessment); after 28 weeks if terminally ill or receiving the highest-rate component of disability living allowance.

Disability living allowance (noncontributory, no means test): Paid if the disability began before age 65 (can be paid beyond age 65). The allowance is usually paid after 3 months of disability (except if terminally ill). The amount is determined by care and mobility needs.

Attendance allowance (noncontributory, no means test): Paid if the disability began at age 65 or older. The allowance is usually paid after 6 months of disability (except if terminally ill). The lower or higher allowance rate is determined by care needs.

Carer's allowance (noncontributory, no means test): Paid to a person who forgoes full-time work to care for a severely disabled person (receiving certain qualifying benefits) for 35 or more hours a week. The carer must be older than age 16 and younger than age 65 at the time of the claim and not be a full-time student or earning more than £95 a week.

Disability living allowance, attendance allowance, and carer's allowance are payable abroad as long as a person ordinarily resides in Great Britain. A temporary absence for up to 26 weeks does not affect entitlement.

Widowed parent's allowance: Paid to widow(er)s who have children for whom they receive child benefits and to pregnant widows. The survivor must be younger than the normal pensionable age. The deceased met the contribution qualifying conditions for an old-age pension or was a pensioner at the time of death.

Bereavement allowance: A weekly benefit is paid to a surviving spouse aged 45 or older without dependent children. The allowance is paid for 52 weeks following the date of widowhood. The deceased met the contribution qualifying

conditions for an old-age pension or was a pensioner at the time of death.

Bereavement payment: A lump sum is paid to help with costs arising on the death of a spouse. The deceased met the contribution qualifying conditions for an old-age pension or was a pensioner at the time of death.

Guardian's allowance: Paid for a person rearing a full orphan or, in certain cases, a child with one surviving parent. The deceased met the contribution qualifying conditions for an old-age pension or was a pensioner at the time of death.

The bereavement allowance, bereavement payment, and guardian's allowance are payable abroad, but are adjusted only if the person is ordinarily residing in a country of the European Union or in a country that has a reciprocal agreement with the United Kingdom.

Old-Age Benefits

Basic state retirement pension (flat-rate): The maximum weekly pension is £90.70 (from April 2008).

Dependent's supplement: £54.35 a week is paid for a dependent adult if the dependent's earnings from work are below a specified amount (from April 2008).

Early pension: There is no early pension.

Deferred pension: The pension is increased by approximately 10.4% for each year of deferral. Insured persons who defer for at least 12 consecutive months can opt to take the deferred state pension as a one-time taxable lump sum plus interest.

Age addition: £0.25 a week is paid.

State second pension (SSP): The pension is based on average indexed earnings.

Old-person's pension (noncontributory retirement pension): £54.35 a week (from April 2008) is paid minus any old-age pension. Any state pension in payment is deducted from this amount.

Benefit adjustment: Benefits are adjusted annually according to price changes. The amount of the adjustment is calculated according to the retail price index from the previous September.

Pension credit: A means-tested benefit is paid depending on personal circumstances and income (from earnings, savings, and other pensions). Eligible persons are guaranteed a total of £124.05 a week (single person) or £189.35 a week (couple), including their other income. Persons aged 65 or older may receive an additional amount if they have savings or other nonstate pensions.

Permanent Disability Benefits

Long-term incapacity benefit: £84.50 a week (from April 2008) is paid starting from the 53rd week of incapacity (or starting from the 29th week if terminally ill) following the

payment of the short-term incapacity benefit (see Sickness and Maternity, below). A supplement is paid if the disability began before age 45.

Dependent's supplement: £54.35 a week (from April 2008) is paid for a dependent adult caring for the claimant's child(ren), subject to certain conditions.

Disability living allowance (noncontributory, no means test): The care component is £67.00, £44.85, or £17.75 a week according to needs (from April 2008). The mobility component is £46.75 or £17.75 a week according to needs (from April 2008).

Attendance allowance (noncontributory, no means test): £44.85 or £67.00 a week according to needs (from April 2008).

Carer's allowance (noncontributory, no means test): £50.55 a week (from April 2008) is paid plus dependent supplements, if appropriate.

Benefit adjustment: Benefits are adjusted annually according to price changes. The amount of the adjustment is calculated according to the retail price index from the previous September.

Survivor Benefits

Widowed parent's allowance: £90.70 a week (from April 2008) is paid.

Bereavement allowance: The amount varies with the survivor's age when widowed or when the widowed parent's allowance ends: £90.70 a week (from April 2008) if aged 55 or older; a percentage of the full rate if aged 45 to 54.

Bereavement payment: A lump sum of £2,000 is paid immediately to the surviving spouse.

Guardian's allowance: £12.95 a week is paid per child.

Benefit adjustment: Benefits are adjusted annually according to price changes. The amount of the adjustment is calculated according to the retail price index from the previous September.

Administrative Organization

Pension Service (<http://www.thepensionsservice.gov.uk>), of the Department for Work and Pensions, administers the state pension system and provides services and support to pensioners.

Jobcentre Plus (<http://www.jobcentreplus.gov.uk>), of the Department for Work and Pensions, administers benefits for people of working age and helps them find work.

Her Majesty's Revenue and Customs (<http://www.hmrc.gov.uk>) is responsible for the administration of the National Insurance contribution system.

Sickness and Maternity

Regulatory Framework

First law: 1911.

Current laws: 1977 (national health service), 1992 (consolidated legislation), 1994 (incapacity benefit), 1994 (sick pay), 1999 (welfare reform and pensions), 2005 (work and families), and 2007 (welfare reform).

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

Coverage

Short-term incapacity benefit: All employed and self-employed persons who satisfy certain conditions and are not eligible for statutory sick pay. The benefit is also paid to unemployed or nonemployed persons if they satisfy the necessary contribution conditions.

Statutory sick pay: Paid by the employer to employees with average weekly earnings of at least £90 (lower earnings limit from April 2008).

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 the employer to women employees with average weekly earnings of at least £90 (lower earnings limit from April 2008).

Statutory paternity pay: Paid by the employer to an employee whose wife or partner is expecting a baby and whose average weekly earnings are at least £90 (lower earnings limit from April 2008).

Statutory adoption pay: Paid by the employer to an employee adopting a child and whose average weekly earnings are at least £90 (lower earnings limit from April 2008).

Medical benefits: All persons residing in the United Kingdom, irrespective of nationality or the payment of contributions or income tax.

Source of Funds

Insured person: For incapacity benefit and maternity allowance, see source of funds under Old Age, Disability, and Survivors, above.

Self-employed person: For incapacity benefit and maternity allowance, see source of funds under Old Age, Disability, and Survivors, above.

Employer: For incapacity benefit and maternity allowance, see source of funds under Old Age, Disability, and Survivors, above. The total cost of statutory sick pay (in certain cases, part of the cost) and 8% of statutory maternity and paternity pay.

Government: 92% of statutory maternity and paternity pay (100% in the case of some small employers) and a small portion of statutory sick pay; most of the cost of medical benefits (National Health Service). The total cost of means-tested allowances.

Medical benefits are funded mainly from general taxation, with a small proportion from the contributions made under Old Age, Disability, and Survivors and patients' copayments.

Qualifying Conditions

Short-term incapacity benefit: The insured must have at least 4 consecutive days of sickness within a period of incapacity for work. Contributions must be paid on earnings of at least 25 times the weekly lower earnings limit (£90 from April 2008) in one of the last 3 tax years before the benefit claim year, plus contributions paid or credited on earnings equal to at least 50 times the weekly lower earnings limit (£90 from April 2008) in both of the last 2 tax years before the claim starts.

Young people incapacitated before age 20 (age 25 if they have been in full-time education or training) may be able to receive the incapacity benefit without satisfying the contribution conditions.

Statutory sick pay: The insured must have at least 4 consecutive days of sickness within a period of incapacity for work. Paid to employees younger than age 65 with average weekly earnings at least equal to the weekly lower earnings limit (£90 from April 2008).

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 must have average weekly earnings of at least £30 in a 13-week period. The insured must not be receiving statutory maternity pay from an employer.

Statutory maternity pay: The insured must be employed continuously for at least 26 weeks by the same employer up to and including the 15th week before the expected week of childbirth and must have average weekly earnings at least equal to the weekly lower earnings limit (£90 from April 2008).

Statutory paternity pay: The insured must be employed continuously for at least 26 weeks by the same employer up to and including the 15th week before the expected week of childbirth and must have average weekly earnings at least equal to the weekly lower earnings limit (£90 from April 2008).

Statutory adoption pay: The insured must be employed continuously for at least 26 weeks by the same employer up to the week of the child's adoption.

Medical benefits: There is no minimum qualifying period.

Sickness and Maternity Benefits

Short-term incapacity benefit: The benefit is paid at a lower and a higher rate. The lower rate is paid for up to 28 weeks after a 3-day waiting period at £63.75 a week (from April 2008), plus £39.40 a week for a dependent adult. The higher rate is paid from week 29 to week 52 at £75.40 a week (from April 2008), plus £39.40 a week for a dependent adult.

Statutory sick pay: £75.40 a week (from April 2008) is paid for up to 28 weeks of incapacity after a 3-day waiting period.

Maternity allowance: The allowance is paid for up to 26 weeks starting from the 15th week before the expected date of childbirth to the week following childbirth. The benefit is £117.18; 90% of average weekly earnings if the resulting amount is less than £117.18 (from April 2008).

Statutory maternity pay: The benefit is paid for a maximum of 39 weeks. The first 6 weeks are paid at 90% of average weekly earnings (from April 2008). The remaining 33 weeks are paid at £117.18 a week; 90% of average weekly earnings if the resulting amount is less than £117.18.

Statutory paternity pay: Paid by the employer for 1 or 2 weeks (as chosen by the employee) at £117.18 a week; 90% of average weekly earnings if the resulting amount is less than £117.18 (from April 2008).

Statutory adoption pay: Paid by the employer for up to 26 weeks at £117.18 a week; 90% of average weekly earnings if the resulting amount is less than £117.18 (from April 2008).

Workers' Medical Benefits

Medical benefits: Medical services are provided by public hospitals and by doctors and dentists under contract with, and paid directly by, the National Health Service. Benefits include general practitioner care, specialist services, hospitalization, maternity care, dental care, medicines, appliances, home nursing, and family planning.

Cost sharing: Patients pay £6.85 for each prescription and up to a maximum of £194 for dental treatment depending on the course of treatment. Those receiving means-tested benefits and their adult dependents, children younger than age 16 (age 19 if a student), pregnant women, and nursing mothers are exempt from dental and prescription charges. Persons older than the state pension age and certain other groups are exempt from prescription charges. The National Health Service's Low Income Scheme exempts certain individuals with low income from prescription charges.

There is no limit to duration.

Dependents' Medical Benefits

Medical services are provided by public hospitals and by doctors and dentists under contract with, and paid directly

by, the National Health Service. Benefits include general practitioner care, specialist services, hospitalization, maternity care, dental care, medicines, appliances, home nursing, and family planning.

Cost sharing: Patients pay £6.85 for each prescription and up to a maximum of £194 for dental treatment depending on the course of treatment. Those receiving means-tested benefits and their adult dependents, children younger than age 16 (age 19 if a student), pregnant women, and nursing mothers are exempt from dental and prescription charges. Persons older than the state pension age and certain other groups are exempt from prescription charges. The National Health Service's Low Income Scheme exempts certain individuals with low income from prescription charges.

There is no limit to duration.

Administrative Organization

Jobcentre Plus (<http://www.jobcentreplus.gov.uk>), of the Department for Work and Pensions, administers benefits for people of working age and helps them find work.

Department of Health (<http://www.dh.gov.uk>) administers medical benefits and services through the National Health Service.

Work Injury

Regulatory Framework

First law: 1897.

Current law: 1992 (consolidated legislation).

Type of program: Social insurance and social assistance system.

Coverage

Employed persons.

Exclusions: Self-employed persons.

Source of Funds

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

Self-employed person: Not applicable.

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

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

Qualifying Conditions

Industrial injuries disablement benefit: In the case of a work-related injury, the insured must be an employee. The degree of disability, which must be greater than 14%, is assessed by medical examination. In the case of an occupational disease, the insured must have contracted a listed

disease during the course of employment, according to the schedule in law.

Temporary Disability Benefits

Temporary disability benefit (short-term incapacity):

In the first instance, the benefit is paid for up to 52 weeks: the benefit is paid after a 3-day waiting period for up to 28 weeks at £63.75 a week (from April 2008), plus £39.40 a week for a dependent adult; from week 29 to week 52, the benefit is £75.40 a week (from April 2008), plus £39.40 a week for a dependent adult.

Starting from the 53rd week of incapacity (or starting from the 29th week if terminally ill and disabled for at least 28 weeks), the benefit is £84.50 a week (from April 2008), plus £50.55 a week for a dependent adult caring for the claimant's child(ren), subject to certain conditions. A supplement is paid if the disability began before age 45.

Benefit adjustment: Benefits are adjusted annually according to price changes. The amount of the adjustment is calculated according to the retail price index from the previous September.

Income support (social assistance): Paid to persons between ages 16 and 59 whose income is below prescribed levels. The benefit amount depends on income and circumstances. Income support is not paid if savings exceed £16,000 or if the person is working more than 16 hours a week on average (and 24 hours a week for partners).

Permanent Disability Benefits

Industrial injuries disablement benefit: If the insured is assessed as 100% disabled, £136.80 a week (from April 2008) is paid from the 15th week after the work-related accident occurred or the occupational disease began.

Reduced earnings allowance: Only paid for a work-related accident or an occupational disease that occurred before October 1990. Up to £54.75 a week (from April 2008) is paid if the insured is assessed as at least 1% disabled and unable to do the usual job, resulting in a loss of earnings.

Constant-attendance allowance: If the insured is assessed as 100% disabled, £27.40 or £54.80 a week is paid according to needs (from April 2008); £82.20 or £109.60 a week if needs are greater.

Exceptionally severe disablement allowance: £54.80 a week (from April 2008) is paid if receiving either of the top two rates of constant-attendance allowance.

Partial disability: The benefit varies from £27.36 a week for an assessed degree of disability of 20% to £123.12 a week for an assessed degree of disability of 90% (from April 2008).

Benefit adjustment: Benefits are adjusted annually according to price changes. The amount of the adjustment is calculated according to the retail price index from the previous September.

Workers' Medical Benefits

All necessary benefits are provided under the National Health Service.

Survivor Benefits

Widowed parent's allowance: £90.70 a week (from April 2008) is paid to a widowed parent with at least one dependent child for whom he or she receives child benefits.

Bereavement allowance: The amount varies with the survivor's age when widowed or when the widowed parent's allowance ends: £90.70 a week is paid if aged 55 or older (from April 2008); a percentage of the full rate if aged 45 to 54.

Bereavement payment: A lump sum of £2,000 is paid immediately to help with costs arising on the death of a spouse.

Guardian's allowance: £12.95 a week is paid per child.

Benefit adjustment: Benefits are adjusted annually according to price changes. The amount of the adjustment is calculated according to the retail price index from the previous September.

Administrative Organization

Jobcentre Plus (<http://www.jobcentreplus.gov.uk>), of the Department for Work and Pensions, administers cash benefits for people of working age and helps them find work.

Her Majesty's Revenue and Customs (<http://www.hmrc.gov.uk>) is responsible for the administration of the National Insurance contribution system.

Unemployment

Regulatory Framework

First law: 1911.

Current law: 1995 (jobseekers).

Type of program: Social insurance and social assistance system.

Coverage

All unemployed jobseekers meeting the qualifying conditions.

Exclusions: Self-employed persons are excluded from the contribution-based jobseeker's allowance. (Self-employed persons are eligible for the income-based jobseeker's allowance only).

Source of Funds

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

Self employed person: None.

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

Government: See source of funds under Old Age, Disability, and Survivors, above. The total cost of means-tested allowances.

Qualifying Conditions

Jobseeker's allowance (social insurance): The insured must be aged 18 or older and out of work or working less than 16 hours a week (if aged 16 or 17, may qualify only under specified conditions). Contributions must have been paid on earnings equal to at least 25 times the weekly lower earnings limit (£90 from April 2008) in one of the 2 relevant tax years (April to March) on which a claim is based, plus paid or credited contributions on earnings equal to at least 50 times the weekly lower earnings limit (£90 from April 2008) in both the relevant tax years on which a claim is based.

Must be registered as unemployed; be capable of, available for, and actively seeking employment; and have a current Jobseeker's Agreement. The Jobseeker's Agreement is drafted and signed by the jobseeker and the jobseeker's advisor. It obliges the jobseeker to actively seek training and work. Failure to sign a Jobseeker's Agreement results in the suspension of benefits.

Jobseeker's allowance (social assistance): Those who do not qualify or whose needs are not met by the contributory element (social insurance) may qualify for the income-based allowance for themselves and their dependents if their income is insufficient for their needs. The allowance is not paid if savings exceed £16,000.

Must be registered as unemployed; be capable of, available for, and actively seeking employment; and have a current Jobseeker's Agreement. The Jobseeker's Agreement is drafted and signed by the jobseeker and the jobseeker's advisor. It obliges the jobseeker to actively seek training and work. Failure to sign a Jobseeker's Agreement results in the suspension of benefits.

Unemployment Benefits

Jobseeker's allowance (social insurance): A flat-rate benefit is paid at £60.50 a week if aged 25 or older, £47.95 if aged 18 to 24, or £47.95 if younger than age 18 (from April 2008). The allowance is paid after a 3-day waiting period for up to 26 weeks.

Jobseeker's allowance (social assistance): The amount of the allowance depends on the claimant's age and on household income and composition. A single person receives between £47.95 and £60.50 a week, depending on age (from April 2008). The allowance is paid after a 3-day waiting period for up to 26 weeks.

Administrative Organization

Jobcentre Plus (<http://www.jobcentreplus.gov.uk>), of the Department for Work and Pensions, administers benefits for people of working age and helps them find work.

Her Majesty's Revenue and Customs (<http://www.hmrc.gov.uk>) is responsible for the administration of the National Insurance contribution system.

Family Allowances

Regulatory Framework

First laws: 1945 (child benefit) and 1987 (family credit).

Current laws: 1992 (consolidated legislation) and 2002 (child tax credit).

Type of program: Universal (child benefit) and tax credits system.

Coverage

Child benefit and child tax credit: All persons residing in the United Kingdom with one or more children.

Working tax credit: Low-income workers with or without children.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Child benefit and child tax credit: The child must be younger than age 16 (aged 16 or 17 and has left full-time education and does not work more than 24 hours a week; younger than age 19 if a full-time student). Eligibility also depends on residence and presence in the United Kingdom.

Working tax credit: The claimant must work as an employed or self-employed person for at least 16 hours a week.

Family Allowance Benefits

Child benefit: £18.10 a week is paid for the eldest qualifying child, and £12.10 is paid for each additional child (from April 2007).

Child tax credit: Provided for families with children. Eligible families can have annual income up to £58,175 (£66,350 if there is a child younger than age 1). Eligible families do not have to be working (see working tax credit, below). Additional tax credit amounts are provided for children younger than age 1 and for disabled children.

Working tax credit: The tax credit depends on income and family status and can include approved child care costs. Additional amounts are provided for disabled workers and severely disabled persons.

Administrative Organization

Her Majesty's Revenue and Customs (<http://www.hmrc.gov.uk>) administers child benefits and tax credits.