

Social Security Programs Throughout the World: Europe, 2006



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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 Worldwide Database and a myriad of other types of data that must be drawn together to update this report. Members of the ISSA's Information System and Databases Unit analyzed the information and revised the publication to reflect detailed changes to each social security program. *Social Security Programs Throughout the World* is based on information available to the ISSA and SSA with regard to legislation in effect in January 2006, or the last date for which information has been received.

Questions about the report should be sent to Barbara Kritzer at ssptw@ssa.gov. Corrections, updated information, and copies of relevant documentation and legislation are also welcome and may be sent to:

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This report is available at <http://www.socialsecurity.gov/policy>. For additional copies, please e-mail op.publications@ssa.gov or telephone 202-358-6274.

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 electronic versions for the Web.

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September 2006

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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 2006 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.

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

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 Center; the legislative database of the International Labour Office; and official publications, periodicals, and selected documents received from social security institutions. Information was also received from the 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	Jersey
Andorra	Latvia
Austria	Liechtenstein
Belgium	Lithuania
Bulgaria	Luxembourg
Croatia	Malta
Cyprus	Moldova
Czech Republic	Monaco
Denmark	Netherlands
Estonia	Norway
Finland	Poland
France	Romania
Germany	Russia
Greece	Serbia
Guernsey	Slovak Republic
Hungary	Slovenia
Iceland	Spain
Ireland	Sweden
Isle of Man	Switzerland
Italy	United Kingdom

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, in the main, 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 in order to become eligible for a pension; other countries pay a retirement pension at a certain age regardless of whether workers retire or not.

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

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

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

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

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

In many countries, special occupational systems have been set up for certain private-sector employees, such as miners, railway workers, and seamen. Qualifying conditions and benefits are often more liberal than under the general system. The risk involved in an occupation, its strategic importance for economic

growth, and the economic and political strength of trade unions may have had a role in shaping the type and size of benefits offered by the particular program.

Groups that might be considered difficult to administer—family workers, domestics, day workers, agricultural workers, and the self-employed—were often initially excluded from coverage. The trend has been to extend coverage to these groups under separate funds or to bring them gradually under the general system. In some countries, noncovered workers become eligible for the right to an eventual pension if they make voluntary contributions at a specified level. Some systems also provide voluntary coverage for women who leave the labor force temporarily to have children or to raise a family, or for self-employed persons not covered by a mandatory program. Some developed countries with younger programs have constructed a unified national program, thus largely bypassing the need for developing separate industrial or agricultural funds.

Most developing countries have extended coverage gradually. Their first 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 countries have a weighted benefit formula that returns a larger percentage of earnings to lower-paid workers than to higher-paid workers.

Most systems limit the size of the benefit. Many do so by establishing a ceiling on the earnings taken into account in the computation. Others establish a maximum cash amount or a maximum percentage of

average earnings set, for example, at 80 percent. Some systems combine these and other, similar methods.

Most systems supplement the benefit for a wife or child. The wife's supplement may be 50 percent or more of the basic benefit, although in some countries the supplement is payable only for a wife who has reached a specified age, has children in her care, or is disabled. It may also be payable for a dependent husband.

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

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

Disability 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 government department but otherwise are largely self-governing, headed by a tripartite board that includes representatives of workers, employers, and the government. Some boards are bipartite with representatives of workers and employers only or of workers and the government. Where coverage is organized separately for different occupations, or for wage earners and salaried employees or self-employed workers, each program usually has a separate institu-

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

Sickness and Maternity

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

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

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

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

Benefits designed to assist in the provision of long-term care, often at home, are generally supported by a

special tax. Benefit levels are normally set to the level of care required. These benefits may be payable in cash, as care services, or as a combination of the two.

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

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

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

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

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

The length of the qualifying period for cash sickness benefits may range from less than 1 month to 6 months or more and is ordinarily somewhat longer for cash maternity benefits. Usually the period must be fairly recent, such as during the last 6 or 12 months. In the case of medical benefits, a qualifying period is usually not required. In instances where such a requirement does exist, it is generally of a short duration. Most programs providing medical services to dependents of workers, as well as to the workers themselves, do not distinguish in their qualifying conditions between the two types of beneficiaries. A few programs require a longer period of covered employment before medical services are provided to dependents.

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

A waiting period of 2 to 7 days is imposed under most cash sickness programs. As a result, benefits may not be payable if an illness or injury lasts for only a few days. Similarly, in the case of a prolonged inability to work, benefits may not be payable for the first few days. Under some programs, however, benefits are retroactively paid for the waiting period when the disability continues beyond a specified time, commonly 2 to 3 weeks. A waiting period reduces administrative and benefit costs by excluding many claims for short illnesses or injuries during which relatively little income is lost and can also help reduce the potential for the inappropriate use of the system by workers.

The period during which a worker may receive benefits for a single illness or injury, or in a given 12-month period, is ordinarily limited to 26 weeks. In some instances, however, benefits may be drawn for considerably longer and even for an unlimited duration. A number of countries permit the agency to extend the maximum entitlement period to 39 or 52 weeks in specific cases. In most countries, when cash sickness

benefits are exhausted, the recipient is paid a disability benefit if the incapacity continues.

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

The proportion of earnings payable as a cash maternity benefit differs considerably from country to country but, like cash sickness benefits, is usually between 50 percent and 75 percent of current earnings. However, in a number of countries, maternity benefits are set at 100 percent of wages. Benefit payments usually start approximately 6 weeks before the expected date of childbirth and end 6 to 8 weeks afterward.

A nursing allowance—usually 20 percent or 25 percent of the regular maternity benefit and payable for up to 6 months or longer—may be provided in addition to the basic cash maternity benefit. A grant for the purchase of a layette—clothes and other essentials for the new-born baby—or the provision of a layette itself is furnished under some programs. Finally, a lump-sum maternity grant may be paid on the birth of each child. The wives of insured men may be eligible for this grant. Similar benefits may be provided under the family allowance program.

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

There are three principal methods of meeting the cost of health care: direct payment to providers by the public system or its agents, reimbursement of patients, and direct provision of medical care. These methods may be used in different combinations and may be varied for different kinds of services.

Under direct payment, the social security or public medical care system pays providers directly for services. Patients usually have little or no direct financial dealings with the care provider. Payments for care are commonly made on the basis of contracts with service providers or the professional groups

representing them, such as practitioner or hospital associations. Remuneration may take the form of a specified fee for each service, a capitation payment in return for providing all necessary services to a given group of persons, or a salary.

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

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

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

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

Maternity Care. Prenatal, obstetric, and postnatal care for working women is provided in most countries under the medical services program. Obstetric care is sometimes limited to the services of a midwife, although a doctor is usually available in case of complications. Care in a maternity home or hospital, as well as essential drugs, are ordinarily furnished where necessary.

Medical Care for Dependents. When medical benefits for insured workers are provided through social insurance, similar services are typically furnished to their spouse and young children (and, in some

cases, other adults or young relatives living with and dependent on the insured). Maternity care is generally provided to the wife of an insured man.

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

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

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

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

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

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

Work Injury

The oldest type of social security—the work injury program—provides compensation for work-connected injuries and occupational illnesses. Such programs

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

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

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

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

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

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

Source of Funds. Work injury benefits are financed primarily by employer contributions, reflecting the traditional assumption that employers should be liable when their employees suffer work injuries. Where

certain elements of the work injury program are meshed with one or more of the other branches of the social insurance system, however, financing usually involves contributions from employees, employers, and the government. Another exception occurs in countries that provide medical treatment for work-connected illnesses under their ordinary public medical care programs.

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

Temporary disability benefits are usually payable from the start of an incapacity caused by a work injury, though some programs require a waiting period of 1 to 3 days. Benefits normally continue for a limited period, such as 26 to 52 weeks, depending on the duration of incapacity. If incapacity lasts longer, the temporary disability benefit may be replaced by a permanent disability benefit. In some systems, temporary benefits may continue for an extended period, particularly if the temporary and permanent benefit amounts are identical.

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

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

The permanent total disability benefit usually amounts to two-thirds to three-fourths of the worker's average earnings before injury, somewhat higher than for ordinary disability benefits. In addition, unlike ordinary disability benefits, the rate usually does not

vary based on the length of employment before the injury. Supplements may be added for dependents and for pensioners requiring the constant attendance of another person, in which case benefits may exceed former earnings. In some countries, the benefits of apprentices or new labor force entrants who become permanently disabled as a result of work-connected injury or disease are based on hypothetical lifetime wages or on the wage of an average worker in the particular industry. This mechanism overcomes the problem of establishing a lifetime benefit based on a very low starting wage.

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

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

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

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

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

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

Unemployment

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

Unemployment programs, which exist mainly in industrialized countries, are compulsory and fairly broad in scope in many countries. Some 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 in order to meet at least part of the added costs of their support. These programs may either be integrated with other social security measures or kept entirely separate. In this report, family allowances primarily include regular cash payments to families with children. In some countries, they also include school grants, birth grants, maternal and child health services, and allowances for adult dependents.

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

Types of Systems and Coverage. Family allowance programs are of two types: universal and employment-related. The first category, in principle, provides allowances to all resident families with a specified number of children. The second category provides allowances to all wage and salary workers and, in some cases, the self-employed. A few systems cover some categories of nonemployed persons as well. Most employment-related programs continue to pay family allowances to insured persons with dependent children in their care when they retire or are temporarily off the job and receiving sickness, unemployment, work injury, disability, or other benefits. Employment-related family programs also pay allowances to widows of social security beneficiaries.

Source of Funds. The differences in family allowance programs are reflected in the methods used for financing. In universal systems, the entire cost is usually covered by general revenue. By contrast, countries linking eligibility with employment meet the cost of allowances entirely or in considerable part from employer contributions, usually at a uniform percentage-of-payroll rate. If employer contributions do not cover the entire cost, the remainder is usually met from a government subsidy. Few countries require an employee contribution toward family allowances,

although some require self-employed persons to contribute.

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

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

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

Administrative Organization. In countries where family allowances are available to all families and financed from general revenues, the program is usually administered by a government department. Where allowances are payable mainly to families of employed persons and financed primarily from employer contributions, the administration may be by a semiautonomous agency under public supervision. Equalization funds may handle the program's financial operations. Each employer pays family allowances to its employees with their wages. The firm then settles with the local fund only the surplus or deficit of contributions due, after deducting allowances the firm has paid. A similar procedure of settling only surpluses or deficits is followed by the local funds in relation to the regional

equalization funds under whose supervision they operate. The equalization process makes it possible to fix a uniform contribution rate for all employers, regardless of the number of children in their employ-

ees' families. It also eliminates any effect allowances might have in inducing employers to discriminate in hiring workers with children.

Table 1.
Types of social security programs

Country	Old age, disability, 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 ^a	Occupational retirement schemes	Individual retirement schemes
Poland	X ^b	X ^b					X ^d
Portugal		X	X				
Romania		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.

- No country in Europe has provident funds. The column is in this table to facilitate comparisons with countries in other regions.
- The benefit formula contains a flat-rate component as well as an earnings-related element.
- The benefit formula contains a flat-rate component as well as an earnings-related element. Earnings-related benefits are awarded only to those with entitlement since January 22, 1979.
- The government provides a guaranteed minimum pension.
- The benefit from the individual account is to be paid beginning in 2013.

Table 3.
Demographic and other statistics related to social security, 2006

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	
Albania	3.1	8.3	54.5	71.7	77.4	65	60	c	c	4,584
Andorra	0.07	14	40.2	80.6	86.6	65	65	c	c	24,000
Austria	8.1	16.7	47.4	76.9	82.4	65	60	62.25	57.25	30,094
Belarus	9.7	14.7	42.6	63.1	74.5	60	55	c	c	6,052
Belgium	10.4	17.6	52.4	76.5	82.7	65	64	60	60	28,335
Bulgaria	7.7	16.8	43.8	69.8	76.3	63	58.5	c	c	7,731
Croatia	4.5	17.2	48.5	72.3	79.2	64	59	59	54	11,080
Cyprus	0.8	12.1	47	76.7	81.6	65	65	63	63	18,776
Czech Republic	10.2	14.2	40.4	73.1	79.4	61.5	55.66	58.5	52.66	16,357
Denmark	5.4	15	51	75.5	80.1	65	65	60	60	31,465
Estonia	1.3	16.5	46.1	67	78	63	59.5	60	56.5	13,539
Finland	5.2	15.9	49.7	76	82.4	65	65	62	62	27,619
France	60.4	16.6	53.3	76.6	83.5	60	60	c	c	27,677
Germany	82.6	18.8	49.4	76.4	82.1	65	65	63	63	27,756
Greece	11.1	18.2	48.1	76.1	81.3	65	60	60	55	19,954
Guernsey	0.06	17.8	48.8	77.4	83.5	65	65	c	c	40,000
Hungary	10	15.2	44.7	69.8	77.7	62	60	c	c	14,584
Iceland	0.3	11.8	51	79.5	83.2	67	67	c	c	31,243
Ireland	4.1	10.9	45.1	75.9	81.1	65	65	c	c	37,738
Isle of Man	0.07	17	52.2	75.1	82	65	60	c	c	28,500
Italy	58	20	51.5	77.5	83.6	65	60	c	c	27,119
Jersey	0.09	15.7	49	76.8	82	65	65	63	63	40,000
Latvia	2.3	16.9	46.1	67.2	77.8	62	60.5	60	58	10,270
Liechtenstein	0.03	12.4	42.4	76.1	83.2	64	63	60	60	25,000
Lithuania	3.4	15.5	47.7	67.9	78.6	62.5	60	57.5	55	11,702
Luxembourg	0.4	13.8	48.5	75.9	82.2	65	65	60	60	62,298
Malta	0.4	13.5	45.1	76.6	81.3	61	60	c	c	17,633
Moldova	4.4	10.3	43.4	61.6	69.8	62	57	c	c	1,510
Monaco	0.03	22.6	60.7	75.8	83.7	65	65	60	60	27,000
Netherlands	16.2	14.1	47.7	76.3	81.6	65	65	c	c	29,371
Norway	4.6	15	52.9	77.8	82.5	67	67	c	c	37,670

(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	38.5	12.9	41.2	71.2	79	65	60	c	c	11,379
Portugal	10.4	17.1	49	74.6	81.2	65	65	55	55	18,126
Romania	21.7	14.8	43.4	68.7	75.7	63	57.75	58	52.75	7,277
Russia	143	13.8	40.8	58.7	71.8	60	55	c	c	9,230
San Marino	0.03	17	51	78.2	85.5	65	65	c	c	34,600
Serbia ^d	10.5	14.1	47.9	71.7	76.4	63	58	c	c	5,000
Slovak Republic	5.4	11.8	39.8	71.1	78.7	62	62	e	e	13,494
Slovenia	2	15.6	42	73.5	80.7	61.5	55.33	c	c	19,150
Spain	43	16.5	44.5	76.5	83.8	65	65	c	c	22,391
Sweden	9	17.2	53.1	78.6	83	65	65	61	61	26,750
Switzerland	7.2	16	48.1	78.2	83.8	65	64	c	c	30,552
Ukraine	46.4	16.1	44.7	60.7	72.5	60	55	c	c	5,491
United Kingdom	59.6	16	51.2	76.7	81.2	65	60	c	c	27,147

SOURCES: United Nations, Department of Economic and Social Affairs, Population Division, *World Population Prospects: The 2004 Revision Population Database*, available at <http://esa.un.org/unpp>; *Human Development Report 2005*, prepared for the United Nations Development Programme (New York: Oxford University Press, 2005); U.S. Central Intelligence Agency, *The World Factbook, 2006* (Washington, DC: Central Intelligence Agency, 2006).

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

GDP = gross domestic product.

- Population aged 14 or younger plus population aged 65 or older, divided by population aged 15–64.
- General early pensionable age only; excludes early pensionable ages for specific groups of employees.
- The country has no early pensionable age, has one only for specific groups, or information is not available.
- Statistics for Serbia also include data for Montenegro.
- Regardless of age but subject to other conditions.

Table 4.
Contribution rates for social security programs, 2006 (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	19.1	27.1 ^c	9.5	30.2	39.7 ^d
Andorra	2 ^c	6 ^c	8 ^c	5	13	18
Austria ^b	10.25	12.55	22.8	17.2	25	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	8.05	14.95	23	12.425	23.475	35.9 ^d
Croatia ^b	20	0	20	20	17.2	37.2 ^d
Cyprus ^b	6.3 ^c	6.3 ^c	12.6 ^c	6.3	6.3	12.6 ^d
Czech Republic	6.5	21.5	28	12.5	37	47.5 ^{d,e}
Denmark ^b	f	f	f	f	f	d,f
Estonia	2	20	22	3	33.5	36.5 ^d
Finland	4.6	22.49	27.09	6.7	26.3	33 ^d
France ^b	6.75	9.9	16.65	9.9	35.14	45.04
Germany ^b	9.75	9.75	19.5	20.55	20.98	41.53 ^d
Greece ^b	6.67	13.33	20	11.55	22.1	33.65
Guernsey ^b	6 ^c	5.5 ^c	11.5 ^c	6	5.5	11.5 ^d
Hungary ^b	8.5 ^c	18 ^c	26.5 ^c	13.5	32	45.5 ^{d,g}
Iceland	4 ^c	11.79 ^c	15.79 ^c	4	11.79	15.79 ^d
Ireland ^b	4 ^c	8.5 ^c	12.5 ^c	4	8.5	12.5 ^h
Isle of Man ^b	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	5.2 ^c	5.3 ^c	10.5 ^c	6	6.5	12.5 ^{d,i}
Latvia ^b	9 ^c	24.09 ^c	33.09 ^c	9	24.09	33.09 ^d
Liechtenstein ^b	10.55	10.55	21.1	12.3	13.65	25.95 ^e
Lithuania	2.5	23.6	26.1	3	30.98	33.98 ^d
Luxembourg ^b	8	8	16	14.05	13.66	27.71 ^d
Malta ^b	10 ^c	10 ^c	20 ^c	10	10	20
Moldova ^b	3 ^c	26 ^c	29 ^c	3	26	29
Monaco ^b	6.15 ^c	23.66 ^c	29.81 ^c	6.15	23.66	29.81 ^e
Netherlands ^b	19.15	6.38	25.53	37.45	16.33	53.78 ^{d,j}
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	16.26	16.26	32.52	27.21	19.68	46.89 ^d
Portugal	11 ^c	23.75 ^c	34.75 ^c	11	23.75	34.75
Romania ^b	9.5 ^c	20.5 ^c	30 ^c	17.5	33.25	50.75 ^d
Russia ^b	0	20 ^c	20 ^c	0	26.2	26.2 ⁱ
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	7	17	24	13.4	30.2	43.6 ^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	31.58	37.83 ^d
Sweden ^b	7	11.91	18.91	7	23.43	30.43 ^{d,k}
Switzerland ^b	11.9	11.9	23.8	14.72	13.19	27.91
Ukraine ^b	3 ^c	32.3 ^c	35.3 ^c	3.75	36.7	40.45
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 subject to a ceiling on some benefits.
- c. Also includes the contribution rates for other programs.
- d. Government pays the total cost of family allowance benefits.
- e. Employers pay the total 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. Plus a flat-rate contribution by the employer for medical benefits.
- h. Government pays most of the cost of family allowance benefits.
- i. Government pays the total cost of unemployment benefits.
- j. Plus a flat-rate contribution by the insured for medical benefits.
- k. Employers pay the total cost of mandatory unemployment insurance.



**Country
Summaries**

Albania

Exchange rate: US\$1.00 equals 103.62 leks.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1947.

Current law: 1993 (social insurance), with 1995 amendment.

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, self-employed persons, and university students.

Voluntary coverage is possible.

Special systems for civil servants and military personnel.

Source of Funds

Insured person: 8% of gross monthly earnings.

Voluntarily insured persons contribute 3,742 leks.

The minimum earnings for contribution purposes are equal to the minimum monthly wage (11,800 leks).

The maximum earnings for contribution purposes are equal to five times the minimum monthly wage.

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

Self-employed person: 39.2% of the minimum monthly wage.

The minimum earnings for contribution purposes are equal to the minimum monthly wage (11,800 leks).

The maximum earnings for contribution purposes are equal to five times the minimum monthly wage.

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

Employer: 19.1% of monthly payroll.

The minimum earnings for contribution purposes are equal to the minimum monthly wage (11,800 leks).

The maximum earnings for contribution purposes are equal to five times the minimum monthly wage.

Government: Any deficit; pays contributions for persons in compulsory military service and credits contributions on behalf of the unemployed; 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 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: Incapable of any work, blind, or severely disabled.

The minimum insurance coverage period 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. At pensionable age, the claimant may choose to take the old-age pension if the amount is greater.

Partial disability pension: Incapacity to perform work in the last job but capable of work under special working conditions as determined by the Medical Experts Committee.

The minimum insurance coverage period 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.

Disability benefits are not payable abroad.

Survivor pension: The deceased was an old-age pensioner or disability pensioner or was insured at the time of death or insurance 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; an aged spouse (aged 50 or older for a widow or aged 60 or older for a 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 basic flat-rate pension (equal to the minimum standard of living) is payable to all insured persons, plus an earnings-related pension for employed persons equal to 1% for each year of insurance coverage multiplied by the insured's average assessed wage for which contributions were paid.

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

The maximum monthly pension is twice the basic 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, corresponding to the number of years worked.

The minimum 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 basic flat-rate pension is indexed annually according to price changes of selected commodities.

Permanent Disability Benefits

Disability pension: A basic flat-rate pension (equal to the minimum standard of living) is payable 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 assessed wage for which contributions were paid.

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

The maximum monthly pension is twice the basic 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 basic 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 assessed earnings for contribution purposes.

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

The maximum monthly pension is equal to 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 basic flat-rate old-age pension is paid.

Administrative Organization

Ministry of Labor, Social Affairs, and Equal Opportunities 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; 1.5% of earnings for medical benefits; persons living in urban areas contribute 1.7% of earnings.

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

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

The minimum earnings for contribution purposes are equal to the minimum monthly wage (11,800 leks).

The maximum earnings for contribution purposes are equal to five times the minimum monthly wage.

Government: 1.7% of 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 (11,800 leks).

The maximum earnings for contribution purposes are equal to five times the minimum monthly wage.

Qualifying Conditions

Cash sickness benefits: Must be currently insured.

Cash maternity benefits: Must have 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 average daily wage in the last calendar year if the insured has less than 10 years of contributions; 80% with 10 or more years. The benefit is payable from the 15th day of medical certification (the first 14 days are paid by the employer) for up to 6 months. The benefit 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 average daily wage during periods of hospitalization, provided there are no dependents. Income compensation is also available for changes of employment due to health reasons.

Maternity benefit: Employees are entitled to 365 days of paid maternity leave (with a minimum of 35 days before the expected date of childbirth and 42 days after). The monthly benefit is equal to 80% of the 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 payable for the adoption of a child. Compensation is payable for changes of employment due to pregnancy.

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

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

The minimum monthly wage is 11,800 leks.

Workers' 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 Labor, Social Affairs, and Equal Opportunities and Ministry of Health Protection provide general supervision.

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

Health Insurance Institute 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 average daily wage in the last 3 years and is payable for up to 12 months.

Permanent Disability Benefits

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, the benefit is a lump sum set by regulations. 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.

The maximum orphan's pension is 50% of the deceased's pension.

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

The maximum total pension is 100% of the deceased's pension.

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

Administrative Organization

Ministry of Labor, Social Affairs, and Equal Opportunities provides general supervision.

Social Insurance Institute (<http://www.isssh.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: 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: 5% of the unemployment benefit is paid for each dependent child younger than age 15, 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 payable 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 provides general supervision.

National Employment Service administers benefits.

Social Insurance Institute (<http://www.isssh.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 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 provides general supervision.

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

Andorra

Exchange rate: US\$1.00 equals 0.84 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

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

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 €96.58, €120.73, €144.88, €193.17, or €298.75 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. The insured must have accumulated at least 960 pension points and contributed for 180 months.

Each monthly contribution is converted into pension points by dividing total monthly employee and employer contributions by the purchase value (€12,073 in 2006) of the pension point in force in the relevant month.

Spouse's supplement: Payable if the insured's spouse is aged 65 or older and is not eligible for a pension in his or her own right.

Benefits are payable abroad.

Disability pension: A loss of at least 2/3 of earning capacity. For an insured person younger than age 21, entitlement is based on 12 months of contributions; if between ages 21 and 40, 36 months of contributions; if between ages 41 and 65, 96 months of contributions.

The assessed loss of earning capacity can be reviewed on the request of the insured or the National Social Security Fund.

Benefits are payable abroad.

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

Eligible survivors are a spouse aged 45 or older, disabled, or caring for a child younger than age 18; orphans younger than age 18 who are not in paid employment; and dependent parents.

Benefits are payable abroad.

Funeral grant: Payable 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 payable to the insurance fund that paid for the cost of the funeral.

Old-Age Benefits

Old-age pension: The value of the pension is linked to the number of contributions made. Each monthly contribution is converted into pension points by dividing total monthly employee and employer contributions by the value of the pension point used for pension contribution purposes (€12,073 in 2006). On retirement, an annual pension is calculated by multiplying the total lifetime acquired number of pension points by the value of the pension point used for pension calculation purposes (€1,886 in 2006). The monthly pension is equal to 1/12 of this calculation.

The pension point values are adjusted annually according to changes in the consumer price index.

The minimum monthly pension is based on 5,000 pension points and is paid under certain conditions.

Spouse's supplement: Equal to 10% of the monthly pension.

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

Permanent Disability Benefits

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

The disability pension is replaced by the old-age pension at age 60.

Constant-attendance supplement: The monthly pension is increased to 75% of the insured's average monthly wage if the insured requires the constant attendance of another person.

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

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; if death occurs before retirement, the old-age pension is calculated on the basis of half the deceased's total acquired pension points.

Orphan's pension: Each eligible child receives 10% of the deceased's old-age pension; if death occurs before retirement, the old-age pension is calculated on the basis of 10% of the deceased's total acquired pension points.

The maximum orphan pension must not exceed 50% of the deceased's old-age pension.

Dependent parent's pension: Each parent receives 10% of the deceased's average monthly wage.

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

Funeral grant: A lump sum equal to the last 3 months' earnings or €3,959.28 (€3,959.28 for a voluntarily covered person), whichever is greater.

Administrative Organization

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

Sickness and Maternity

Regulatory Framework

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

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.

There are no maximum earnings for contribution purposes.

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 €131.98 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.

There are no maximum earnings for contribution purposes.

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: For the first claim, the insured must have 40 days of contributions; for all subsequent claims, the insured must have 15 days of employment in the last 40 days. To receive benefits for longer than 180 days, the insured must have 12 months of contributions before the onset of incapacity.

Cash maternity benefits: The insured must have 6 months of insurance before the expected date of childbirth or 3 months of employment in the previous 6 months. Benefits are also paid for the adoption of a child.

Medical benefits: For the first claim, the insured must have 40 days of contributions; for all subsequent claims, the insured must have 15 days of employment in the last 40 days.

Sickness and Maternity Benefits

Sickness benefit: The daily benefit is equal to half of the reference earnings. The benefit is payable after a 3-day waiting period. After the 30th day following the onset 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 previous 6 months.

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

Maternity benefit: The daily benefit is equal to 90% of the reference earnings and is paid for 16 weeks; may be extended by 2 additional 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.

Workers' Medical Benefits

Benefits include primary and specialist treatment, pharmaceuticals, hospitalization, dental care, minor aids and appliances, maternity care, 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, dental care, minor aids and appliances, maternity care, 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://www.cass.ad>) administers the program.

Work Injury

Regulatory Framework

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

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

Coverage

Employees.

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.

Temporary Disability Benefits

The daily benefit is equal to half of the reference earnings. After the 30th day of incapacity, the daily benefit is increased to 2/3 of the reference earnings. The benefit is payable from the onset of disability.

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

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.

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%, the benefit is a lump sum 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 can 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

Total reimbursement of scheduled fees. Benefits include primary and specialist treatment, pharmaceuticals, hospitalization, appliances, and transportation.

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 payable 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 deceased's average monthly earnings in the year before that of the accident.

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

The maximum orphan pension 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%.

The total monthly survivor pension 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://www.cass.ad>) 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 0.84 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1906 (pensions), implemented in 1909; and 1938 (insurance regulations), 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 older than age 50 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 €333.16 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 earnings.

The maximum monthly earnings for contribution purposes are €3,750.

Self-employed person: Contributions vary between 15.25% and 20% of earnings, according to profession; farmers contribute 14.75% of earnings.

The maximum monthly earnings for contribution purposes are €3,750.

Employer: 12.55% of payroll.

The maximum monthly earnings for contribution purposes are €3,750.

Government: A subsidy from the federal government (about 26% of pension costs in 2004) 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 insurance coverage in the last 30 years, a total of at least 300 months of insurance coverage, or 180 months of contributions.

For insured persons covered by the 2004 law: Age 65 (men) or age 60 (women born before December 2, 1963) with 180 months of insurance coverage, including at least 84 months while in employment. (The retirement age for women born after June 1, 1968, is increasing gradually by 6 months per 6-month period up to age 65.)

Early pension: Age 62 and 3 months (men) or age 57 and 3 months (women) with between 420 months and 450 months of insurance coverage and with monthly earnings no greater than €333.16, subject to conditions. The early pensionable age is increasing gradually by 1 month per quarter. (The early pension will be phased out gradually by October 1, 2017.)

Early pension for workers in physically demanding jobs (beginning January 1, 2007): Age 60 with 45 years of insurance coverage, of which at least 120 months are based on employment in physically demanding jobs in the last 240 months and with monthly earnings no greater than €333.16, subject to conditions. (The early pension for women in physically demanding jobs will come into effect in 2024. At present, women can claim the statutory old-age pension or the early pension for the long-term insured at age 60.)

Early pension for the long-term insured: The pensionable age varies according to the year of birth: from age 60 (men born before July 1, 1950) to age 64 (men born in 1954) with 45 years of contributions or from age 55 (women born before July 1, 1955) to age 59 (women born in 1959) with 40 years of contributions, subject to conditions.

Corridor pension (new early old-age pension): Age 62 (men and women) with 450 months of insurance coverage and with monthly earnings (including the pension) no greater than €333.16, subject to conditions. (The corridor pension for women will come into effect in 2028. Until then, women can claim the statutory old-age pension or the early pension for the long-term insured 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: Payable for an assessed loss of more than 50% of earning capacity. The insured must have 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 insurance coverage, or a total of at least 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 €958.30.

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

Old-Age Benefits

Old-age pension: The benefit accrues at 1.88% (2006) of the assessment base for each year of insurance coverage. (The accrual rate is to be lowered to 1.78% by 2009.)

The assessment base is equal to adjusted average earnings in the best 18 years, up to an annual maximum of €3,131.94. (The assessment period will be increased gradually by 12 months a year until it reaches 40 years in 2028.)

For insured persons with insurance coverage only after January 1, 2005, the level of the pension benefit is calculated on the basis of 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.

Dual (hypothetical) pensions are calculated for persons younger than age 50 as of January 1, 2005. A first (hypothetical) pension is calculated according to the 2004 law. A second (hypothetical) pension is calculated according to the previous regulations. To calculate the pension payable, the value of each hypothetical pension is split in proportion to the respective duration of the insured's total insurance coverage period before and after the 2004 law. (The dual calculation method does not apply if one of the respective insurance coverage periods represents less than 5% of the total insurance period or less than 12 months of insurance coverage.)

Pensions based on the dual calculation method will be payable beginning in 2010, when women born after 1955 reach age 55, and in 2015, when men born after 1955 reach age 60 (early pension for the long-term insured).

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 of 15%.

Early pension for workers in physically demanding jobs (beginning January 1, 2007): The benefit is reduced by 1.8% a year (0.15% a month).

Early pension for the long-term insured: Under special rules, the benefit accrues at 2% of the assessment base for each year of insurance coverage until 2007. The accrual rate will be lowered by 0.05% a year between 2007 and 2010 to 1.85% and will be reduced to 1.78% in 2011.

Corridor pension (new early old-age pension): The benefit accrues at 1.88% of the assessment base for each year of insurance coverage. (The accrual rate is to be lowered to 1.78% by 2009.) The benefit is reduced by 4.2% for each year it is awarded before age 62, up to a maximum of 12.6%. Pensions for insured persons born before January 1, 1955, are calculated according to previous regulations. The dual

calculation method applies to insured persons born after December 31, 1954.

Deferred pension: The pension is increased by 4.2% for each year of deferral. The maximum deferral period is 3 years.

The maximum pension is 80% of the assessment base (up to 91.76% for a deferred 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 €690 a month; to €1,055.99 for a married couple, plus €72.32 for each child for whom a person receives a child's supplement.

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 benefit accrues at 1.88% of the assessment base for each year of insurance coverage. (The accrual rate is to be lowered to 1.78% by 2009.)

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

The assessment base is equal to adjusted average earnings in the best 18 years, up to an annual maximum of €3,131.94. (The assessment period will be increased gradually by 12 months a year up to age 40 in 2028.)

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

Reduced pension: 30% of monthly earnings between €958.30 and €1,437.50 is deducted from the disability pension; 40% of monthly earnings between €1,437.50 and €1,916.60; and 50% of monthly earnings above €1,916.60.

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 €690 a month; to €1,055.99 for a married couple, plus €72.32 for each child for whom a person receives a child's supplement.

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 €690 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 €253.80 a month (€381.06 for a full orphan); after age 24, the allowance raises the orphan's pension to €450.98 a month (€690 for a full orphan).

Schedule of payments: Fourteen payments a year.

Benefit adjustment: Benefits are adjusted annually (pensions for the survivors of deceased persons whose old-age pension was first paid after 2003 are first adjusted in 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 of Social Security, Generations, and Consumer Protection (<http://www.bmsg.gv.at>), the Federal Ministry for Health and Women (<http://www.bmgf.gv.at>), and the Federal Ministry of Finance (<http://www.bmf.gv.at>) provide general supervision.

Consisting of self-governing pension insurance institutions composed of elected representatives of insured persons and employers, the Federation of Austrian Social Insurance (<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 the insured.

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 €333.16 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 wages (wage earners), 3.75% of salary (salaried employees), or 4.95% of the pension (pensioners).

The maximum monthly earnings for contribution purposes are €3,750.

Self-employed person: Between 7.5% and 9.1% of earnings, according to profession.

The maximum monthly earnings for contribution purposes are €3,750.

Employer: 3.55% of payroll (wage earners) or 3.75% of payroll (salaried employees).

The maximum monthly earnings for contribution purposes are €3,750.

Government: 70% of cash maternity benefits.

The maximum monthly earnings for contribution purposes are €3,750.

Qualifying Conditions

Cash sickness and maternity benefits: Currently in covered employment.

Medical benefits: Currently in covered employment.

Sickness and Maternity Benefits

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

After the right to full benefits from the employer is exhausted, 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 regulation of the sickness fund) for 26 to 52 weeks, depending on the length of the contribution 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 average earnings (during the last 13 weeks or 3 months of employment) and is paid for 8 weeks before and 8 weeks (12 to 16 weeks in special cases) after the expected date of childbirth.

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 €4.60 per prescription, part of the cost for dental care, and up to 20% of the cost of appliances. A contribution of at least €25 is made by the insured toward the cost of appliances; exceptions are made 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 €4.60 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 €25 is made by the insured toward the cost of appliances; exceptions are made 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 and Women (<http://www.bmgf.gv.at>) provides general supervision.

Nine district and eight 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 income or a flat-rate contribution of €7.09 a month, according to profession.

The maximum monthly income for contribution purposes are €3,750.

Employer: 1.4% of payroll.

The maximum monthly earnings for contribution purposes are €3,750.

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 insured receives the sickness benefit (see Sickness and Maternity, above) until a decision on permanent disability is made.

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

After the right to full benefits from the employer is exhausted, 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 contribution period.

The maximum benefit is equal to 75% of 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 average covered earnings during the last year before the onset of disability.

Partial pension: A proportionately reduced pension is payable with at least a 20% reduction in earning capacity; 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: 10% of the disability pension is paid for a 50% or greater reduction in earning capacity 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 insurance) 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 during 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 during the last year before death.

Other dependents' pension: A maximum of 20% of the assessment base is payable 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 during the last year before death.

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

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

The total survivor pension must not exceed 80% 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.

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 during the last year before death.

Administrative Organization

Federal Ministry for Health and Women (<http://www.bmgf.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 transmit 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 €333.16 or more a month and apprentices.

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

Source of Funds

Insured person: 3% of earnings.

The maximum monthly earnings for contribution purposes are €3,750.

Self-employed person: Not applicable.

Employer: 3% of payroll.

The maximum monthly earnings for contribution purposes are €3,750.

Government: Any deficit.

Qualifying Conditions

Unemployment benefit: Must have 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 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 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

The benefit is equal to 55% of net earnings and is payable for up to 20 weeks; may be extended to 30 weeks (with 156 weeks of insurance coverage in the last 5 years); 39 weeks (if aged 40 or older with 312 weeks of insurance coverage in the last 10 years); or 52 weeks (if aged 50 or older with 468 weeks of insurance 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 €690 but must not be more than 60% of net earnings.

Emergency assistance (income-tested): The allowance varies according to the number of dependents and the income of the unemployed person and his or her spouse or cohabiting partner. Between 92% and 95% of the unem-

ployment benefit is paid to unemployed citizens without time limit when social insurance unemployment benefits are exhausted; 95% of the unemployment benefit is paid if the unemployment benefit is less than €690; between 92% and 95% if the unemployment benefit is greater than €690.

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 jobseeking 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 Security, Generations, and Consumer Protection (<http://www.bmsg.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 2,146 Belarus rubles.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1956.

Current laws: 1992 (pensions), with 1994, 1995, 1996, and 1999 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 25 years of insurance coverage (men) or age 55 with 20 years of insurance 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 at the onset of disability.

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

Social pension: Nonworking citizens who are not eligible for an old-age, disability, or survivor pension and are age 60 (men) or 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 insurance coverage in excess of the required number of years of insurance coverage (25 years for men, 20 years for women), plus 1% of the wage base for each year of insurance coverage in excess of 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 of the Republic of Belarus.

Partial pension: The monthly benefit is reduced in proportion to the number of years below the required number of years of insurance coverage (the minimum insurance coverage period for a pension is 5 years).

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 and requiring 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 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 set the definitions for the respective groups of disability.

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

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

Social pension for the disabled: For disabled persons with a Group I disability or a Group I or II disability that began in childhood, the 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 set the definitions for the respective groups 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.

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).

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: Equal to the average wage in the month before the date of 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, above.

Self-employed person: Not applicable.

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

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: Payable 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 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 awarded at 100% of average earnings to 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 but who have exhausted the 26 weeks of entitlement to an unemployment benefit 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, below).

Workers' Medical Benefits

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

Dependents' Medical Benefits

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 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

The benefit is based on the insured's adjusted earnings before the certification of disability and according to the loss of working capacity. The benefit is payable from the first day of incapacity until recovery or the certification of permanent disability. The adjusted monthly earnings cannot be less than 60% of the average monthly national wage.

A lump sum is paid equal to six times the value of the earnings-related benefit.

Permanent Disability Benefits

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

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

Permanent disability benefit: A lump sum is paid equal to six times the value of the earnings-related benefit.

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 benefit: 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 mandatory 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

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% in the agricultural sector.

Government: Subsidies as needed from state and local budgets.

Qualifying Conditions

Unemployment benefit: Must be unemployed, of working-age, and residing in Belarus. 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 in full-time employment (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 of the Republic of Belarus.

For an unemployed person who was not in full-time employment but had more than 12 months of covered employment overall (though fewer than 12 weeks' paid work in the last 12 months) or for a skilled worker 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 is 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, above.

Self-employed person: No information is available.

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

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.

30% of the minimum per capita subsistence income level is made 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 who are born out of wedlock (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 who are born out of wedlock (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.

Belarus

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 0.84 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 contribute 0.5% to 2% of pensions or prepensions (see Unemployment, below).

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

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 the 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 to 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, below.

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 the 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 45 years of coverage for men or age 64 with 44 years of coverage for women (rising to age 65 with 45 years of coverage by 2009).

Partial pension: Paid for an incomplete qualifying period.

Early pension: Age 60 with 35 years of covered employment (men and women).

Vacation allowance: An annual amount is paid in May.

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

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

Disability pension: Paid for the loss of 2/3 of earning capacity in the usual occupation. 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 onset of disability.

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 (€43,314.93 in 2005).

For each year of the insured's career, the adjusted earnings for benefit calculation purposes must not be less than €14,810.70.

The minimum annual pension is €10,191.95 for a single person with a full career record; €12,739.94 a year for a married couple. For workers with at least 2/3 of a full career record under the salaried workers' scheme, a pro rata 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.

Vacation allowance: An annual payment of €525.50 for a single person; €656.88 for a couple.

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

Guaranteed income for elderly (means-tested): The benefit is €686.24 a month for a single person; €457.49 a month if cohabiting.

Means test: Up to €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; 50% if the insured lives alone. The pension is payable after 1 year of incapacity. (The first year is paid under the sickness benefit.)

Reference earnings are equal to the salary the insured would have received at the onset of disability.

The maximum daily earnings for benefit calculation purposes are €107.41.

The minimum daily pension for a regular worker is €39.51 if the insured has dependents; €28.28 a day if the insured cohabits but has no dependents; €31.86 a day if the insured lives alone. If the insured does not meet the legal requirements for a regular worker, the minimum daily pension is €24.22 with no dependents; €32.30 with dependents.

If the onset of disability was before April 1, 2004, the maximum daily pension is €42.12 if the insured has no dependents; €63.18 if the insured has dependents. If the onset of disability was after April 1, 2004, the maximum daily pension is €52.65 if the insured lives alone; €42.12 if the insured cohabits but has no dependents; €68.45 if the insured has dependents.

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

Survivor Benefits

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

The minimum annual pension is €10,028.88 if the deceased was insured with a full career record. For survivors of workers 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: An annual payment of €525.50.

Funeral grant: A lump sum is paid.

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

Administrative Organization

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

National Social Security Office (<http://www.onssrslss.fgov.be>) 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.

Type of program: Social insurance system.

Coverage

Employed persons who are members of a mutual benefit society or a public auxiliary fund.

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

Voluntary coverage is possible.

Special systems for self-employed persons (health care only) and seamen.

Source of Funds

Insured person: 3.55% of reference earnings (medical benefits) and 1.15% of 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 to 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 the reference earnings (13.07% is paid by the employee and 24.77% by the employer).

Self-employed person: Not applicable.

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 to 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 the 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 and a tax on the profit made on certain prescribed medicines.

Qualifying Conditions

Sickness and maternity cash benefits: The insured must have been covered by insurance 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: Immediate access to health care (6 months of contributions are required in certain special cases).

Sickness and Maternity Benefits

Cash sickness benefit: The benefit is equal to 60% of 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 payable if the employer provides a guaranteed salary.

The maximum daily earnings for benefit calculation purposes are €107.41.

Cash maternity benefit: During the first 30 days, the maternity benefit for employees is 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 earnings (subject to a ceiling).

The benefit is payable 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 €107.41.

Workers' Medical Benefits

The benefits provided include general and specialist care, surgery, hospitalization, medicines, laboratory services, maternity care, dental care, nursing, rehabilitation, transportation, and appliances.

The insured 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.onssrszls.fgov.be>) 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 78 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 the reference earnings, plus an insurance premium that varies according to the assessed degree of risk.

Occupational disease: 1.1% of the reference payroll.

Reference earnings are equal to 100% of the insured's gross earnings for white-collar workers and to 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 the 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 reference earnings are payable until recovery or until permanent disability is established.

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 payable unless the disability lasts at least 15 days.

The minimum full-year earnings for benefit calculation purposes are €5,495.89.

The maximum full-year earnings for benefit calculation purposes are €33,403.08.

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 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 maximum full-year earnings for benefit calculation purposes are €33,403.08.

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) and a divorced spouse receiving alimony is equal to 30% of the deceased's covered earnings, up to a maximum.

The pension does not cease on remarriage.

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

The minimum full-year earnings for benefit calculation purposes are €5,495.89.

The maximum full-year earnings for benefit calculation purposes are €33,403.08.

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

The total maximum orphan pension is equal to 45% of the deceased's covered earnings; 60% for full orphans.

Other eligible survivors (in the absence of orphans):

Parents, grandchildren, and brothers or sisters younger than age 18.

The total survivor pension 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 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 Public Federal Service (<http://www.socialsecurity.fgov.be>) provides general supervision.

Work injury: Work Injury Fund, a public interest organization (<http://www.socialsecurity.fgov.be/faofat>), administers the program and is responsible for controlling the benefits paid by private companies.

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

Unemployment**Regulatory Framework**

First law: 1920.

Current 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 to 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 the 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 to 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 the 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 312 days of insured 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 and available for work. Unemployment must be involuntary; otherwise, disqualification for 4 to 52 weeks or the loss of eligibility to benefits.

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

Prepension supplement: Aged 58 or older with 25 years of employment.

Aged unemployed person's supplement: Aged 50 or older with 20 years of employment, unemployed for 12 months, and not entitled to the prepension supplement.

Unemployment Benefits

The benefit is calculated on the basis of mean daily earnings. Mean daily earnings are calculated on the basis of the last monthly earnings up to a maximum of €1,743.89.

If the insured has not worked during the last 6 months before making the claim for benefits, the benefit is calculated on the basis of flat-rate monthly earnings of €1,212.04.

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, 50%. If the insured is cohabiting with a person who has income, 55% 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 €480.22 is paid.

Job search benefit: The benefit amount depends on the insured's age and family status. For a single person younger than age 18 living alone, €242.84 is paid; if between ages 18 and 20, €381.42; if between ages 21 and 24, €625.82; if aged 25 or older, €619.58. If the insured is cohabiting or has dependents (a spouse, partner, or another person with no individual income or for whom alimony is paid), €872.04 is paid regardless of age. For an insured person younger than age 18 cohabiting with persons with an income, €212.16 is paid; otherwise, €338.78.

Prepension supplement: 50% of the difference between the monthly benefit (calculated as 60% of last gross earnings) and net earnings (gross earnings reduced by social contributions and certain other deductions) is paid. The supplement is payable 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.meta.fgov.be>) provides general supervision.

National Social Security Office (<http://www.onssrszls.fgov.be>) 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 to 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 the 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

Family allowance: €77.05 a month is paid for the first child; €142.58 for the second child; €212.87 for the third and each subsequent child. Each orphan receives €296.01 a month.

Social supplement: €39.23 a month is paid for the first child of a pensioner or a person unemployed for longer than 6 months, and €84.40 is paid for the first child of a disabled worker; €24.31 for the second child of a pensioner, a person unemployed for longer than 6 months, or a disabled worker; €4.27 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 €26.77 if the child is younger than age 18; otherwise, €28.75. For a healthy first child born between January 1, 1981, and December 31, 1984, the monthly supplement is €42.89. For a healthy first child born before January 1, 1981, the monthly supplement is €45.14. For other children or any sick child, the monthly supplement is €40.90 if younger than 18; otherwise, €52.01.

Age supplement (children born after December 31, 1990):

For a healthy first child, the monthly supplement is €13.42 if between ages 6 and 12; €20.44 if older than age 12 but younger than age 18; €26.77 if aged 18 or older. For other children or for any sick child, the monthly supplement is €26.77 if between ages 6 and 12; €40.90 if older than age 12 but younger than age 18; €52.01 if aged 18 or older.

Sick or disabled child supplement (old system): For a disabled child born before January 2, 1996, with an assessed degree of disability of at least 66%, the monthly supplement varies between €346.66 and €405.65. 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 January 1, 1996, supplements are awarded according to the impact of the illness on the physical and mental capacity of the child, the activity and participation capacity of the child, and the implications for the child's surroundings. The monthly supplement varies between €67.57 and €450.48.

Birth grant: €1,043.93 is paid for the first birth (or per child for multiple births); €785.43 for the second and each subsequent birth.

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.onssrszls.fgov.be>) 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 1.65 leva.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1924.

Current laws: 2000 (social insurance), with 2000, 2001, 2002, and 2003 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 social insurance first pillar plus a second pillar of individual accounts was implemented in January 2002. Coverage under the first pillar is universal. The mandatory individual account system covers all employees born after December 31, 1959.

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: 8.05% of gross earnings for social insurance only; 6.65% of gross earnings (social insurance) plus 1.4% of gross earnings (mandatory individual account) for persons born after December 31, 1959, and up to 5% of contributions (deducted from the insured's contributions) and up to 1% per year of accumulated funds for administrative fees.

The minimum monthly earnings for contribution purposes are 180 leva.

The maximum monthly earnings for contribution purposes are 1,400 leva.

Self-employed person: 23% of declared income for social insurance only; 19% of declared income (social insurance) plus 4% of declared income (mandatory individual account) for persons born after December 31, 1959, and up to 5% of contributions (deducted from the self-employed person's contributions) and up to 1% per year of accumulated funds for administrative fees.

The minimum monthly earnings for contribution purposes are 180 leva.

The maximum monthly earnings for contribution purposes are 1,400 leva.

Employer: 14.95% of payroll for social insurance only; 12.35% of payroll (social insurance) plus 2.6% of payroll (mandatory individual account) on behalf of persons born after December 31, 1959.

The minimum monthly earnings for contribution purposes are 180 leva.

The maximum monthly earnings for contribution purposes are 1,400 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 58 and 6 months (women). The insured's age plus the length of the insured's insurance coverage period must be equal to at least 100 points for men and 92 points for women (individuals are awarded one point for each year of age as well as one point for each year of insurance 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 payable with 15 years of insurance 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 58 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 for a general disease (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.

Disability pension for a work injury or an occupational disease (social insurance): There is no minimum qualifying period.

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

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 of more 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): Payable for children up to age 18 (age 26 if a student or soldier, no limit if disabled), a surviving spouse within 5 years of attaining the 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 insurance coverage. Taxable income for benefit calculation purposes is proportionally reduced for partial years of insurance coverage.

The minimum old-age pension for pensioners with the required number of points at the normal retirement age is 85 leva (July 2006); otherwise, 66.15 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 private fund, and no annuity is bought.

Social pension (income-tested): 63 leva a month.

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

Permanent Disability Benefits

Disability pension

Disability pension for a general disease (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 degree of loss of working capacity.

The minimum disability pension for a general disease varies from 50% to 140% of the social pension (from 31.50 leva to 88.20 leva a month). (Beginning July 2006, the minimum disability pension will be calculated as a percentage of the minimum old-age pension.)

The social pension is 63 leva a month.

Disability pension for a work injury or an occupational disease (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 degree of loss of working capacity.

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

Disability social pension (income-tested): The pension is calculated as a percentage of the social pension, according to the degree of loss of working capacity: 120% of the social pension (75.60 leva) is paid for a loss of working capacity greater than 90%; 110% of the social pension (69.30 leva) for a loss of working capacity of 71% to 90%. (Beginning July 2006, the minimum disability social pension will be calculated as a percentage of the minimum old-age pension.)

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 or more survivors. The pension is split equally among all entitled 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 90% of the monthly social pension (56.70 leva). (Beginning July 2006, the minimum survivor pension will be calculated as a percentage of the minimum old-age pension.)

The social pension is 63 leva a month.

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/e_start.asp) is responsible for the licensing and supervision of pension funds and controls the system of mandatory individual accounts.

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: 1.05% of gross earnings.

Medical benefits: 2.1% of gross earnings.

The minimum monthly earnings for contribution purposes are 180 leva.

The maximum monthly earnings for contribution purposes are 1,400 leva.

Self-employed person

Cash benefits: Voluntary contributions of 3% of declared earnings.

Medical benefits: 6% of declared earnings.

The minimum monthly earnings for contribution purposes are 180 leva.

The maximum monthly earnings for contribution purposes are 1,400 leva.

Employer

Cash benefits: 1.95% of payroll.

Medical benefits: 3.9% of payroll.

Government: Any deficit; contributes as an employer.

Qualifying Conditions

Cash sickness and maternity benefits: Must have 6 months of insurance 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 earnings and is payable for up to 90 days. Benefits are also payable for the entire period of a temporary incapacity due to quarantine. Benefit may be paid for sanatorium treatment including 3 days for travel, depending on the health authority.

Earnings are based on the average daily gross wage or average daily insured earnings during the 6 calendar months before the onset of the incapacity.

Benefits are payable 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 average daily insurance basis. The benefit is paid for a period of 135 days, beginning 45 days before the expected date of childbirth.

Child care benefit: The benefit is 130 leva and is paid until the child reaches age 2.

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

Funeral grant: Twice the minimum wage (240 leva) is split equally among the 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 2000, 2001, 2002, 2003, 2004, and 2005 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.

Temporary Disability Benefits

The benefit is equal to 90% of the insured's earnings and is payable 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 50% and 100% of the insured's earnings, according to the assessed degree of loss of working capacity.

The pension is paid as a percentage of the social pension: 150% of the social pension is paid for an assessed degree of loss of working capacity greater than 90%; 140% is paid if between 71% and 90%; and 115% is paid if between 50% and 70.99%.

The minimum pension varies from 64.15 leva to 94.50 leva a month. (Beginning July 2006, the minimum permanent disability pension will be calculated as a percentage of the minimum old-age pension.)

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

The social pension is 63 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 insured's disability pension; two survivors receive a combined total of 75%; three or more survivors receive a combined total of 100%.

The minimum pension is 90% of the social pension. (Beginning July 2006, the minimum survivor pension will be calculated as a percentage of the minimum old-age pension.)

The social pension is 63 leva a month.

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.

Bulgaria

Type of program: Social insurance system.

Coverage

Employed persons.

Source of Funds

Insured person: 1.225% of gross earnings.

The maximum monthly earnings for contribution purposes are 1,400 leva.

Self-employed person: Not applicable.

Employer: 2.275% of payroll.

The maximum monthly earnings for contribution purposes are 1,400 leva.

Government: None.

Qualifying Conditions

Unemployment benefits: Must have 9 months of insurance coverage.

Unemployment Benefits

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

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

The minimum benefit is 80 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 120 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.nsz.government.bg>), an executive agency of the Minister of Labor and Social Policy, is responsible for the implementation of policy on employment promotion.

Family Allowances

Regulatory Framework

First law: 1942.

Current laws: 1985 (family); 2000 (social insurance), with 2000, 2001, 2002, and 2003 amendments; and 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 up to age 18), 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 payable 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: Payable for each live birth regardless of family income.

Family Allowance Benefits

Family allowances: Each child receives 18 leva a month. If the child is permanently disabled, 36 leva a month is paid, plus a monthly supplement of 70% of the guaranteed minimum income.

The guaranteed minimum income is 55 leva a month.

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

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

For the birth of twins, one of which is the third child, the benefit is paid for each twin at the amount of a third child. If the child is assessed as more than 50% permanently disabled, one additional birth grant is paid.

Administrative Organization

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

Croatia

Exchange rate: US\$1.00 equals 6.19 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; 1999 (pension funds), with amendments; 1999 (pension insurance companies and savings), with amendment; 1998 (disability); 1998 (occupational diseases); 1998 (medical reports); 1999 (insurance); 1999 (medical assessment), with amendments; 2002 (contributions), with amendments; 2004 (contribution collection); and 2006 (compulsory insurance).

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

Note: A 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 only and receive a regular pension. Those between ages 40 and 50 who were already insured under the first-pillar social insurance could opt to join the two-pillar mandatory system until June 30, 2002.

Coverage

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

Source of Funds

Insured person

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

Voluntary contributors pay 15% of the insurance base. The insurance base is equal to between 40% and 50% of the average wage of all employed persons. (The average gross wage of all employed persons for the period January to August 2005 was 6,199 kunas.)

The minimum monthly earnings for contribution purposes are 2,169.65 kunas.

The maximum monthly earnings for contribution purposes are 37,194 kunas.

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

Individual account: 5% of gross earnings or 5% of insured earnings, plus up to 0.8% of contributions and up to 1.2% per year of accumulated funds for administrative fees.

Self-employed person

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

Self-employed farmers who must pay income taxes contribute 20% of insured earnings if insured under the first pillar only; 15% of the insurance base if insured under the first pillar and the mandatory individual account system. Self-employed farmers who are not liable to pay income taxes contribute 10% of insured earnings if insured under the first pillar only; 5% of the insurance base if insured under the first pillar and the 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%), depending on the category of self-employment and the individual's level of educational attainment. (The average gross wage of all employed persons for the period January to August 2005 was 6,199 kunas.)

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

Individual account: 5% of gross earnings or 5% of insured earnings, plus up to 0.8% of contributions and up to 1.2% per year of accumulated funds for administrative fees.

The minimum monthly earnings for contribution purposes are 2,169.65 kunas.

The maximum monthly earnings for contribution purposes are 37,194 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.

The minimum monthly earnings for contribution purposes are 2,169.65 kunas.

The maximum monthly earnings for contribution purposes are 37,194 kunas.

Government

Social insurance: Covers all or part of the first-pillar costs for military officers, policemen, judiciary officials, parliamentary deputies, members of government, and disabled war veterans.

Individual account: None.

Qualifying Conditions

Old-age pension

Social insurance: Age 64 with 16 years of insurance coverage (men) or age 59 with 16 years of insurance coverage (women). Age 59 with 40 years of coverage (men) or age 54 with 35 years of insurance coverage (women).

Beginning in 2008, the minimum qualifying conditions will be age 65 with 15 years of insurance coverage (men) or age 60 with 15 years of insurance coverage (women).

Early pension: Age 59 with 35 years of insurance coverage (men) or age 54 with 30 years of insurance coverage (women); the early retirement age will increase by 6 months each year until it reaches age 60 (men) or age 55 (women) in 2008.

Deferred pension: There is no deferred pension.

A pensioner receiving a social insurance regular or basic pension must cease work.

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

Disability benefits

Payable 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: A permanent loss of the ability to work resulting from permanent changes in health occurring before age 65 (men and women). The insured must have insurance coverage during at least 1/3 of the working life after age 20 (age 23 for insured persons with postsecondary education; age 26 for insured persons with a university degree). There is no minimum qualifying period if the general (full) disability is the result of a work injury or an occupational disease.

Occupational (partial) disability pension: If the disability began after age 50, the pension is payable for a permanent reduction in working capacity greater than 50%; if the disability began before age 50, the pension is payable for a reduced ability 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 insurance 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: Payable if the disability began before age 50 and it is likely that the person will regain the ability to work full time (40 hours a week). Salary compensation is payable in the same amount as the occupational disability pension paid during the rehabilitation process until employment in another job with the same employer; if no other job is

available with the same employer or acceptable to the insured, it is payable 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: Awarded 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): Payable 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 (for insured periods from 2002) is greater than the regular disability pension (for insured periods before 2002).

Survivor pension

Social insurance: The deceased was a pensioner, an occupational rehabilitation beneficiary, or had completed 5 years of insurance coverage or 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): Payable 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 (for insured periods from 2002) is greater than the regular survivor pension (for insured periods before 2002).

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, the insured receives a regular pension benefit; for coverage periods under the social insurance system from 2002, the insured receives a basic pension benefit.

Regular old-age pension: For periods of insurance coverage under the social insurance system 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 insurance coverage, up to a maximum of 30 years. For insurance coverage periods exceeding 30 years, the calculation is based on half of the amount for each year of insurance coverage exceeding 30; 46.92 kunas is paid per year for the first 30 years of insurance coverage and 23.46 kunas for each year of insurance coverage exceeding 30 (July 2005).

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

Early pension: The pension is reduced by 0.3% for each month the pension is paid 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: For periods of insurance 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 number of years of insurance coverage in 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: The pension depends on the level of wages earned in relation to the average wage of all employed persons, the length of insurance 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 the first pillar.

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 years of insurance coverage and the value of the pension per qualifying year.

The full amount is paid for a general disability; the occupational disability pension is 80% of the general disability pension; 33.3% if the pensioner is still employed. The

general disability pension is not payable while the beneficiary is employed.

The minimum pension is calculated as 0.825% of the adjusted average gross salary of all employees in 1998 for every year of insurance coverage, up to a maximum of 30 years. For coverage periods exceeding 30 years, the calculation is based on half of the amount for each year of insurance coverage exceeding 30; 46.92 kunas is paid per year for the first 30 years of insurance coverage and 23.46 kunas for each year of insurance coverage exceeding 30 (July 2005).

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

Benefits are payable abroad.

Occupational rehabilitation and salary compensation:

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 insurance coverage.

Compensation allowance for a physical injury: 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 payable during employment or self-employment; thereafter, for the duration of the lifetime.

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 (for insured periods from 2002) is not greater than the regular disability pension (for insured periods before 2002), 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.

Survivor Benefits

Survivor pension: 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 insurance 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 insurance coverage for pension calculation purposes is 40.

In most cases, benefits are paid under the first pillar.

The minimum pension is calculated as 0.825% of the adjusted average gross salary of all employees in 1998 for every year of insurance coverage, up to a maximum of

30 years. For coverage periods exceeding 30 years, the calculation is based on half of the amount for each year of insurance coverage exceeding 30; 46.92 kunas is paid per year for the first 30 years of insurance coverage and 23.46 kunas for each year of insurance coverage exceeding 30 (July 2005).

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

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

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 (for insured periods from 2002) is not greater than the regular survivor pension (for insured periods before 2002), 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.

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.mingorp.hr>) and the Ministry of Finance (<http://www.mfin.hr>) provide general supervision.

Agency for the Supervision of Pension Funds and Insurance (<http://www.hagena.hr>) 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); 2004 (patients rights); and 2005 (compulsory insurance contribution).

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 servicemen 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 earnings, plus 0.5% of earnings for work injury and occupational diseases.

The minimum monthly earnings for contribution purposes are 2,169.65 kunas (persons with lower earnings contribute as though they earn 2,169.65 kunas).

The maximum monthly earnings for contribution purposes are 37,194 kunas.

Self-employed person: 15% of income, plus 0.5% of income for work injury and occupational diseases.

Non-taxpaying farmers contribute 7.5% of income up to 2,479.60 kunas plus 0.5% of income for work injury and occupational diseases; 15% if taxpayers, plus 0.5% of income for work injury and occupational diseases.

Employer: 15% of payroll, plus 0.5% of payroll for work injury and occupational diseases.

The minimum monthly earnings for contribution purposes are 2,169.65 kunas (persons with lower earnings contribute as though they earn 2,169.65 kunas).

The maximum monthly earnings for contribution purposes are 37,194 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 sickness (the duration depends on the nature of the incapacity); further 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 invalidity 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 average monthly earnings in the previous 6-month period; 100% of average monthly earnings is paid for an incapacity that is the result of a work injury or an occupational disease, participation in the Homeland War, pregnancy, childbirth (during the obligatory maternity leave period and up to the ceiling for employed persons of 4,250 kunas), the donation of transplantation tissues or organs, or if nursing a sick child up to age 3. Benefits are payable for up to a maximum of 6 consecutive months, according to the schedule in law. The employer pays for the first 42 days, except if the sick leave results from having participated in the Homeland War, pregnancy, or maternity leave, 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 850 kunas.

The maximum monthly benefit is 4,250 kunas.

Maternity benefit: 100% of salary is payable until the child is aged 6 months (beginning 28 to 45 days before the expected date of childbirth). An additional benefit is payable until the child is age 1 (age 3 for twins).

Unemployed mothers receive 1,600 kunas a month during 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) 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 1,600 kunas (for full-time employees).

The maximum benefit is 4,250 kunas a month until the child is 6 months old; thereafter, between 1,600 kunas and 2,500 kunas a month is paid until the child is age 1 (age 3 for twins).

Newborn child assistance: A lump sum of 1,360 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

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

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. For an assessed incapacity or disability that is the result of a work injury or an occupational disease, benefits are paid under more favorable conditions and at higher rates than general sickness and disability benefits.

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, policemen, judiciary officers, and military personnel.

Exclusions: Self-employed persons and farmers.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: 1.7% of payroll.

The minimum monthly earnings for contribution purposes are 1,858.50 kunas (contributions for employees with lower earnings are paid as though they earn 1,858.50 kunas).

The maximum monthly earnings for contribution purposes are 31,860 kunas.

Government: Provides periodic subsidies and the total or partial cost of benefits for certain categories of persons.

Qualifying Conditions

Unemployment benefit: Must be between ages 15 and 65 with 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 34 years (men) or 29 years (women) of employment are covered until they are reemployed; the required period of employment will rise to 35 years (men) or 30 years (women) in 2007.

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. The benefit 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 insurance coverage period for the old-age pension is satisfied, up to a maximum of 5 years.

Lump-sum payment: Paid to beneficiaries of the unemployment benefit who became unemployed because of the restructuring of their place of employment or because of unforeseen personal circumstances.

Unemployment assistance: Payable to unemployed persons who participate in vocational training.

Reimbursement of traveling and removal costs: Payable if costs are incurred as a result of finding new employment and having to relocate away from the regular place of residence.

Unemployment Benefits

The benefit is equal to the average wage in the last 3 months. The benefit is payable for between 78 and 390 days, depending on the duration of previous employment.

The minimum benefit is 887.20 kunas a month.

The maximum benefit is 1,000 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: 887.20 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.

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. Children must be younger than age 15 (regardless of whether they are at school); children older than age 15 are eligible if a full-time student, incapacitated, or disabled.

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 seriously disabled). No allowances are paid if the child is permanently placed in a specialized institution.

There is no minimum qualifying period or an employment requirement for parents.

Family Allowance Benefits

Family allowances (children allowance): The total household income in the year before the year of the claim must be no more than 40% of the state budget base.

The state budget base is 3,326 kunas (2005).

Households whose income exceeds 20% but does not exceed 40% of the state budget base (1,330.40 kunas) receive a minimum means-tested benefit equal to 5% of the state budget base (166.30 kunas per child a month).

Households whose income does not exceed 20% of the state budget base receive a minimum means-tested benefit equal to 9% of the state budget base (299.34 kunas per child a month).

Allowances for eligible single-parent households are 15% higher than the means-tested award.

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

Allowances for eligible, seriously disabled children are equal to 25% of the state budget base (831.50 kunas per child a month).

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 0.48 pounds (£).

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: The social pension is payable to persons aged 65 or older who are not entitled to a pension or a similar payment from any other source and satisfy residence conditions.

Source of Funds

Social insurance

Insured person: 6.3% of gross earnings; voluntary contributors, 10% of earnings.

The maximum weekly earnings for contribution purposes are £479.

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

Self-employed person: 11.6% of gross earnings.

The maximum weekly earnings for contribution purposes are £479.

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

Employer: 6.3% of payroll.

The maximum weekly earnings for contribution purposes are £479.

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

Government: 4% of payroll; contributes as an employer.

The maximum weekly earnings for contribution purposes are £479.

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 out of 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 insurable earnings, and weekly average earnings (paid and credited) since 1964 or since age 16 at least equal to 25% of basic insurable earnings.

Weekly basic insurable earnings are £79.90.

Early pension: Age 63 if the weekly average of paid and credited earnings is at least equal to 70% of weekly basic insurable 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 work if they retire from that occupation.)

Benefits are payable abroad.

Old-age settlement (social insurance): Payable at age 68 to a person who does not meet the contribution conditions for the old-age pension because the insured's weekly average insurable earnings are less than 25% of weekly basic insurable earnings.

Weekly basic insurable earnings are £79.90.

Social pension (social assistance): Age 65 and the claimant has resided in Cyprus for 20 years after age 40 or 35 years after age 18.

Disability pension (social insurance): Payable for a permanent incapacity for work with at least 3 years of contributions, covered earnings at least equal to 156 times the weekly basic insurable earnings, and weekly average earnings (paid and credited) since 1964 or since age 16 at least equal to 25% of basic insurable earnings; paid or credited contributions in the year before the onset of disability must be equal to at least 20 times the weekly basic insurable earnings, or average insurable earnings in the last 2 years must be equal to at least 20 times basic insurable earnings. If the disability is caused by an accident, the same qualifying conditions apply as for the cash sickness benefit, below.

Weekly basic insurable earnings are £79.90.

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 insurable earnings, and weekly average earnings (paid and credited) since 1964 or since age 16 at least equal to 25% of basic insurable earnings.

Weekly basic insurable earnings are £79.90.

If the death is caused by an accident, the same qualifying conditions apply as for the cash sickness benefit, below.

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 weekly average insurable earnings of the deceased spouse were less than 25% of the weekly amount of the basic insurable earnings. The survivor must not receive the social pension.

Weekly basic insurable earnings are £79.90.

Missing person's allowance (social insurance): Payable to a dependent if the whereabouts of the insured 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 insurable earnings, plus a supplementary pension equal to 1.5% of insurable earnings exceeding basic insurable earnings.

Weekly basic insurable earnings are £79.90.

Past earnings are adjusted once a year according to changes in wages.

The maximum weekly earnings for benefit calculation purposes are £479.

The minimum pension is equal to 85% of the full basic pension.

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): At age 68, a lump sum equal to 15% of total paid and credited insurable earnings is paid.

Social pension (social assistance): £155.33 a month. If receiving another pension or a similar payment that is lower than the social pension, the difference between the two pensions is paid.

Special allowance to pensioners: Payable to all pensioners with pension income (excluding dependent supplements) up to £500.

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 insurable earnings, plus a supplementary pension equal to 1.5% of insurable earnings above basic insurable earnings.

Weekly basic insurable earnings are £79.90.

Past earnings are adjusted once a year according to changes in wages.

The maximum weekly earnings for benefit calculation purposes are £479.

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 insurable earnings, plus 60% of the insured's supplementary pension. The pension is payable to a dependent widow(er).

Weekly basic insurable earnings are £79.90.

Past earnings are adjusted once a year according to changes in wages.

The maximum weekly earnings for benefit calculation purposes are £479.

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 insurable earnings.

Orphan's pension (social insurance): The benefit is equal to 20% of the deceased's basic insurable earnings for one child, 30% for two children, and 40% for three or more

children; for full orphans, 40% of the deceased's basic insurable 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).

Termination settlement: A lump sum equal to 1 year's orphan's pension is payable on the termination of the orphan's pension because of age.

Weekly basic insurable earnings are £79.90.

The maximum weekly earnings for benefit calculation purposes are £479.

Schedule of payments: Thirteen times a year.

Survivor settlement (social insurance): A lump sum is paid equal to 15% of the deceased's basic insurable earnings plus 9% of the deceased's earnings exceeding the basic insurable earnings level.

Weekly basic insurable earnings are £79.90.

The maximum weekly earnings for benefit calculation purposes are £479.

Missing person's allowance (social insurance): The pension is equal to 60% of average basic insurable earnings, plus a supplementary pension equal to 1.5% of insurable earnings exceeding the basic insurable 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 insurable 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): £329 is payable for the death of the insured or a pensioner; £164.50 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 Services 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, members of the police and armed forces, 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, 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

Sickness benefits: Must have 26 weeks of paid contributions with 20 contributions paid or credited in the last year. After entitlement is exhausted, the insured can requalify after the payment of 26 additional contributions.

Maternity benefits: Must have 26 weeks of paid contributions with 20 contributions paid or credited in the last year.

Maternity grant: Must have 26 weeks of paid contributions with 20 contributions paid or credited in the last year. The grant is also payable to the nonworking wife of an insured man.

Medical benefits: Must reside in Cyprus.

Sickness and Maternity Benefits

Sickness benefit: The benefit is equal to 60% of average basic insurable earnings in the last year plus a supplement

equal to 50% of average earnings exceeding the basic amount in the last year, up to a maximum of twice basic insurable earnings. The benefit is payable 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 dependent if he or she is not working or is not receiving any benefit from the Social Insurance Fund.

Weekly basic insurable earnings are £79.90.

The maximum weekly earnings for benefit calculation purposes are £479.

Past earnings are adjusted once a year according to changes in wages.

Maternity benefit: The benefit is equal to 75% of average insurable earnings during the last year. The benefit is payable for 16 weeks beginning between the 6th and 2nd week before the expected date of childbirth.

The benefit is also payable for 14 weeks to a stepmother for a child adopted before age 13.

Weekly basic insurable earnings are £79.90.

The maximum weekly earnings for benefit calculation purposes are £479.

Past earnings are adjusted once a year according to changes in wages.

Maternity grant: A lump sum of £242.

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, members of the police and armed forces, recipients of social assistance and their dependents, single persons with annual income not exceeding £9,000, families with annual income not exceeding £18,000 plus £1,000 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 £9,001 and £12,000 and by families with total annual income between £18,001 and £22,000 plus £1,000 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 members of the police and armed forces, dependents of social assistance recipients, families with annual income not exceeding £18,000 plus £1,000 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 £18,001 and £22,000 plus £1,000 for each dependent child.

Administrative Organization

Directed by a tripartite advisory Social Insurance Board and a director, the Social Insurance Services 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, 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

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

The benefit is equal to 60% of average basic insurable earnings in the last year and is payable after a 3-day waiting period for up to 12 months.

Dependent's supplement: The supplement is equal to 1/3 of basic benefits 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 average insurable earnings exceeding basic insurable earnings in the last year, up to a maximum of twice basic insurable earnings.

Past earnings are adjusted once a year according to changes in wages.

The minimum benefit plus supplements is £79.90 a week.

Weekly basic insurable earnings are £79.90.

The maximum weekly earnings for benefit calculation purposes are £479.

Permanent Disability Benefits

Permanent disability pension: If the insured is 100% disabled, the weekly basic pension is equal to £47.94.

Supplementary permanent disability pension: The weekly pension is equal to 60% of average earnings exceeding basic earnings in the last 2 years.

Past earnings are adjusted once a year according to changes in wages.

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%.

Weekly basic insurable earnings are £79.90.

The maximum weekly earnings for benefit calculation purposes are £479.

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.

Constant-attendance supplement: £26.07 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 £47.94 a week plus 60% of the supplementary permanent disability pension.

The supplementary permanent disability pension is equal to 60% of average earnings exceeding basic earnings in the last 2 years.

Past earnings are adjusted once a year according to changes in wages.

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 insurable earnings for one child, 30% for two children, and 40% for three or more children; for full orphans, 40% of the deceased's basic insurable 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 serving in the National Guard, no limit if disabled).

Weekly basic insurable earnings are £79.90.

The maximum weekly earnings for benefit calculation purposes are £479.

Termination settlement: A lump sum equal to a year's orphan's pension is payable 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 insurable earnings plus 30% of the supplementary permanent disability pension.

Weekly basic insurable earnings are £79.90.

The maximum weekly earnings for benefit calculation purposes are £479.

Funeral grant: A lump sum of £329 is payable 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 Services 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: 1956.

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, 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: Must have 26 weeks of paid contributions with 20 contributions paid or credited in the last year. After entitlement is exhausted, requalification is possible 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 average basic insurable earnings in the last year, plus a supplement of 50% of average earnings exceeding the basic amount in the last year, up to maximum of twice basic insurable earnings. The benefit is payable after a 3-day waiting period (30 days for the voluntarily insured) for at least 156 days.

Weekly basic insurable earnings are £79.90.

The maximum weekly earnings for benefit calculation purposes are £479.

Dependent's supplement: The supplement is equal to 1/3 of basic benefits 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 Services 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: Payable to parents living with at least one dependent child. The child must be younger than age 15 (age 18 if unmarried; age 25 if in military service; age 25 (male) or age 23 (female) if a student; no limit if disabled).

Supplementary annual benefit: Payable to families based on gross family income in the 3 years before the claim to child benefit (income up to £18,000 in 2003).

Mother's allowance: Payable 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 payable 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 more than the maximum monthly rate of the basic old-age pension (£191.77).

Marriage grant: The spouse has been insured for at least 26 weeks and has paid contributions on insurable earnings that are at least 26 times the weekly amount of the basic insurable earnings and the claimant has paid or been

credited with insurable earnings in the previous contribution year that are at least 20 times the weekly amount of the basic insurable earnings.

Weekly basic insurable earnings are £79.90.

Family Allowance Benefits

Child benefit: The annual basic benefit is £218.48 for families with one eligible child, £436.97 for two eligible children, £1,310.89 for three eligible children, and £655.45 per child for families with four or more children.

Supplementary annual benefit: If the annual family income is less than or equal to £9,000, the benefit is £54.62 for one eligible child, £218.48 for two eligible children, £491.59 for three eligible children, and £218.48 per child for families with four or more children.

If the annual family income is between £9,000.01 and £18,000, the benefit is £27.31 for families with one eligible child, £163.86 for two eligible children, £409.65 for three

eligible children, and £136.55 per child for families with four or more children.

Mother's allowance: An eligible mother receives £35.20 a month regardless of the number of children.

Schedule of payments: Thirteen payments a year.

Marriage grant: £329 is paid a month 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 Services 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
23.96 koruna (CZK).

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 earnings; the voluntarily insured contribute 28% of 9,100 CZK.

There are no minimum earnings for contribution purposes.

There are no maximum earnings for contribution purposes.

Self-employed person: 28% of monthly declared earnings.

Declared earnings are equal to 50% of the difference between income and expenses; a flat-rate 4,709 CZK 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 average monthly wage, or 1,884 CZK.

The maximum annual earnings for contribution purposes are 486,000 CZK.

Employer: 21.5% of monthly payroll.

There are no minimum earnings for contribution purposes.

There are no maximum earnings for contribution purposes.

Government: Any deficit.

Qualifying Conditions

Old-age pension: Age 61 and 6 months with 25 years of insurance for men. Age 55 and 8 months to age 59 and 8 months with 25 years of insurance for women, according to the number of children reared.

Age 65 (men and women) with 15 years of insurance.

The retirement age is to be gradually increased by 2 months for men and 4 months for women each year until it reaches age 63 for men (2015) and women without children (2028) 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.

Pension supplement: The old-age pension is increased if the pensioner is disabled.

Old-age pensions are payable abroad.

Disability pension: Payable 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 insurance coverage, subject to the insured's age at the onset of disability: less than 1 year of insurance 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 it began before age 18.

District administrations assess the disability if it began before age 18.

Pension supplement: The disability pension is increased according to the assessed degree of disability.

Disability pensions are payable abroad if all gainful activity has ceased.

Survivor pension: The deceased qualified for a pension or 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.

A same-sex partner who cohabited with the deceased is not eligible.

Pension supplement: The survivor pension is increased if the survivor is disabled.

Survivor pensions are payable abroad.

Old-Age Benefits

Old-age pension: The pension consists of two elements: a basic flat-rate monthly amount of 1,470 CZK and an earnings-related amount calculated on the basis of 1.5% of the personal assessment base per year of insurance. 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 9,100 CZK, earnings for pension calculation purposes are considered as follows: 100% of earnings up to 9,100 CZK; 30% of earnings from 9,100 CZK to 21,800 CZK; and 10% of earnings over 21,800 CZK.

The minimum monthly old-age pension is 2,240 CZK, equal to the flat-rate basic amount (1,470 CZK) plus 770 CZK.

There is no maximum old-age pension.

Persons who first receive the old-age pension at the normal retirement age may continue in gainful activity.

Temporarily reduced early pension: Payable up to 2 years before the normal retirement age provided that the insured has a minimum of 25 years of insurance and has received a partial or a full disability pension for at least 5 years and that entitlement to a disability pension has expired within 5 years of reaching the normal retirement age. The pension is reduced by 1.3% of the personal assessment base for every (even incomplete) period of 90 days the pension is received before the normal retirement age, but the insured's full pension is paid upon reaching the normal retirement age.

Permanently reduced 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 every (even incomplete) period of 90 days 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 temporarily or permanently reduced early pension.

Deferred pension: The pension is increased by 1.5% of the personal assessment base for every 90 days of gainful activity during which the claim for an old-age pension is deferred.

Pension supplement: If the insured is partially disabled, the value of the benefit is increased by 20% of the subsistence minimum; by 40% for a severe but not total disability; or by 75% for a total disability.

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 basic flat-rate monthly amount of 1,470 CZK and an earnings-related amount based on 1.5% of the personal assessment base per year of insurance. The projected insurance period is credited from the onset of disability 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 9,100 CZK, earnings for pension calculation purposes are considered as follows: 100% of earnings up to 9,100 CZK; 30% of earnings from 9,100 CZK to 21,800 CZK; and 10% of earnings over 21,800 CZK.

The minimum monthly disability pension is 2,240 CZK, equal to the flat-rate basic amount (1,470 CZK) plus 770 CZK.

There is no maximum disability pension.

Partial disability: The monthly benefit is equal to the flat-rate basic amount (1,470 CZK) plus 0.75% of the personal assessment base for every year of insurance.

The minimum monthly partial disability pension is 1,855 CZK, equal to the flat-rate basic amount (1,470 CZK) plus 770 CZK.

There is no maximum partial disability pension.

Disabled from youth pension: The monthly full disability pension is calculated as a flat-rate basic amount (1,470 CZK) plus an earnings-related amount. The earnings-related amount is equal to 45% of the annual general assessment base, calculated using the national average monthly wage. The personal assessment base is based on average gross earnings in the last 10 years.

Total disability pensioners may engage in gainful activity; the partial disability pension is subject to an earnings test.

Pension supplement: If the insured is partially disabled, the value of the benefit is increased by 20% of the subsistence minimum; by 40% for a severe but not total disability; or by 75% for a total disability.

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 basic amount (1,470 CZK) plus 50% of the earnings-related amount paid or payable to the deceased. The pension is payable 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 for a disabled parent.

The minimum monthly survivor pension for a widow(er) is a flat-rate basic amount (1,470 CZK) plus 385 CZK.

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 basic amount (1,470 CZK) plus 40% of the earnings-related amount paid or payable to the deceased is paid to each dependent child. For full orphans, the basic amount is payable only once, plus 40% of the sum of the earnings-related amount paid or payable to both parents.

The minimum monthly orphan's pension is a flat-rate basic amount (1,470 CZK) plus 308 CZK.

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.

Pension supplement: If partially disabled, the value of the benefit is increased by 20% of the subsistence minimum; by 40% for a severe but not total disability; or by 75% for a total disability.

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 CZK is paid to the person who paid for the deceased's 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 gross earnings (cash sickness and maternity benefits) and 4.5% of monthly gross earnings (medical benefits).

There are no maximum earnings for contribution purposes.

Self-employed person: 4.4% of monthly declared earnings (cash sickness and maternity benefits) and 13.5% of monthly declared earnings (medical benefits).

Declared earnings are equal to 50% of the difference between income and expenses; a flat-rate 4,709 CZK 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 average monthly wage, or 1,884 CZK.

The maximum annual earnings for contribution purposes for a self-employed person are 486,000 CZK.

Employer: 3.3% of monthly payroll (cash sickness and maternity benefits) and 9% of monthly payroll (medical benefits).

There are no maximum earnings for contribution purposes.

Government: Any deficit for cash sickness and maternity benefits and medical benefits; 13.5% of a monthly reference wage equal to 3,520 CZK for special categories of persons.

Qualifying Conditions

Cash sickness benefits: The insured must have gross earnings greater than 400 CZK 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 insurance 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), and the mother must have undergone medical examination to confirm the pregnancy.

Maternity compensation benefits: Payable if the insured's earnings are reduced after transferring to another job as the result of pregnancy or childbirth.

Medical benefits: There is no minimum qualifying period.

Sickness and Maternity Benefits

Sickness benefit: The benefit for the first 3 days is equal to 25% of the daily assessment base; thereafter, 69%. The benefit is payable from the first day of incapacity for up to a year (up to 84 days per year for old-age or disability pensioners who are employed); up to 2 years if recovery is likely.

The calculation of the daily assessment base is based on a percentage of gross earnings: 90% of gross earnings for the first 14 days of incapacity; from day 15, 100% of gross earnings up to 510 CZK, plus 60% of gross earnings from 510 CZK up to 730 CZK. Gross earnings greater than 730 CZK are exempt.

The maximum daily assessment base for the calculation of sickness benefits is 591 CZK for the first 14 days of incapacity; thereafter, 642 CZK.

Maternity benefit: The benefit is equal to 69% of the daily assessment base and is payable for 28 weeks (37 weeks for a single mother and for multiple births), including at least 6 weeks before the expected date of childbirth.

The calculation of the daily assessment base is based on a percentage of gross earnings: 100% of gross earnings up to 510 CZK, plus 60% of gross earnings from 510 CZK up to 730 CZK. Gross earnings greater than 730 CZK are exempt.

The maximum daily benefit is 443 CZK.

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

Health care is provided free of charge under the scope and conditions stipulated by law. Benefits includes 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 enterprise and factory surgeries; transportation of the sick; 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.

There is no limit to duration.

Dependents' Medical Benefits

Health care is provided free of charge under the scope and conditions stipulated by law. The Czech health insurance system is based on individual insurance for each person.

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 onset of disability and is payable up to age 65.

Partial disability: Payable 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 50,000 CZK is paid for a spouse; a lump sum of 80,000 CZK for an orphan up to age 26; and a lump sum of 50,000 CZK 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 pensions.

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 2005 amendment.

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 earnings.

There are no maximum earnings for contribution purposes.

Self-employed person: 1.6% of monthly declared earnings.

Declared earnings are equal to 50% of the difference between income and expenses; a flat-rate 4,709 CZK 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 average monthly wage, or 1,884 CZK.

The maximum annual earnings for contribution purposes for self-employed persons are 486,000 CZK.

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 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 11,050 CZK; 12,376 CZK 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.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Child allowance: Dependent children in education (up to age 26) who reside permanently in the Czech Republic.

Family Allowance Benefits

Child allowance (income-tested): If family income is below 1.1 times the living minimum, the benefit is equal to 32% of the child living minimum for each child; if family income is from 1.1 times to 1.8 times the living minimum, 28% of the child living minimum for each child; if family income is from 1.9 times to 3 times the living minimum, 14% of the child living minimum for each child; if family income is over 3 times the living minimum, there is no entitlement.

The monthly child living minimum is equal to 1,750 CZK for children younger than age 6, 1,950 CZK for children aged 6 to 10; 2,310 CZK for children aged 11 to 15, and 2,530 CZK for children aged 16 to 26.

Child allowances are paid monthly.

Birth grant: The grant is equal to five times the child living minimum for one child, six times for two children, and 10 times if there are three or more children.

The monthly child living minimum is equal to 1,750 CZK for children younger than age 6, 1,950 CZK for children aged 6 to 10; 2,310 CZK for children aged 11 to 15, and 2,530 CZK for children aged 16 to 26.

Parent's allowance: If caring at home for a child up to age 4 (age 7 for a child suffering from a long-term incapacity), the allowance is 1.54 times the adult living minimum.

The adult living minimum is equal to 4,420 CZK for a person older than age 26 and living alone.

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 6.31 kroner.

Old Age, Disability, and Survivors

Regulatory Framework

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

Current laws: 1964 (ATP pension), with 1998 (SP pension) amendment; 1984 (universal pensions), with amendments; and 1986 (partial early retirement pension).

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 2008.)

Self-employed person

Universal basic pension: None.

ATP: Up to a maximum of 975 kroner a year.

SP: 1% of gross income. (Contributions are suspended until 2008.)

Employer

Universal basic pension: None.

ATP: Up to a maximum of 1,949 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 1,949 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 (age 67 for those who reached age 60 before July 1, 1999). For foreign nationals, a minimum of 10 years' residence including the last 5 years before the pensionable age.

Full pension: Must have 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 (age 67 for those who reached age 60 before July 1, 1999). For foreign nationals, a minimum of 10 years' residence including the last 5 years before the pensionable age.

Partial early retirement pension: Aged 60 to 65 (age 67 for those who reached age 60 before July 1, 1999), 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.

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): Payable to needy pensioners.

Disability pension

Disability (anticipatory) pension (income-tested): Working capacity is permanently reduced to the extent that the individual cannot assure his or her own subsistence from any kind of paid work. (If the insured's assessed working capacity can be improved through rehabilitation or other measures to the extent that it is likely that the insured will be capable of work, no pension is awarded.)

Danish nationals must have at least 3 years' residence between ages 15 and 65 (age 67 for those who reached age 60 before July 1, 1999). Foreign nationals must have a minimum of 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 59,000 kroner. If the annual income of a single person exceeds 622,800 kroner, the pension is not payable.

The pension for a married or cohabiting couple is reduced by 30% of income exceeding 93,600 kroner, up to a maximum equal to 20% of the pension. If the annual income of a married or cohabiting couple exceeds 1,052,000 kroner, the pension is not payable.

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: Payable 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: Payable 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 payable 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 187,358 kroner. No benefit is paid if annual income exceeds 292,745 kroner.

ATP: If the deceased had 2 full years of contributions after 2002, a lump sum is payable 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 payable to a surviving spouse (including a same-sex partner) and each child younger than age 19.

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

Old-Age Benefits

Old-age pension

Universal basic pension (earnings-tested): 4,836 kroner a month is paid for single, married, or cohabiting pensioners with 40 years of residence before the pensionable age. The full amount is reduced by 1/40 for each year of residence less than 40.

Earnings test: The benefit for a single pensioner may be reduced for annual earnings greater than 246,500 kroner; if living with a spouse or partner, the pension may be reduced for annual earnings greater than 167,200 kroner.

Universal pension supplement (income-tested): 4,868 kroner a month is paid for a single pensioner; 2,273 kroner a month for a pensioner living with a spouse or partner.

Earnings test: A single pensioner's annual income must not exceed 54,400 kroner; 109,200 kroner for a pensioner couple (if the spouse is not a pensioner, the first 170,200 kroner of his or her earnings are not earnings-tested).

Partial early retirement pension: The maximum annual pension is 86,892 kroner if work is reduced to 12 hours a week. The maximum annual pension for a self-employed person is 66,372 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 minimum annual pension is 1,240 kroner.

Denmark

The maximum annual pension for new pensioners who paid full contributions from April 1, 1964, to 2006 is 23,000 kroner.

Deferred ATP pension: The pension is increased for each year of contributions from age 67 to 70.

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): Payable 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: 173,472 kroner a year for a single person; 147,444 kroner a year for a married or cohabiting person. The pension is payable for up to 4 years; thereafter, social assistance may be provided.

The minimum pension is 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 8,100 kroner; 6,750 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 11,710 kroner.

Income test: To receive the full lump-sum benefit, the income of the surviving spouse or cohabiting partner must not exceed 187,358 kroner. No benefit is paid if annual income exceeds 292,745 kroner.

ATP: A lump sum of 45,000 kroner is payable 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 Affairs (<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: 1971 (sickness insurance), with amendments; and 1989 (sickness and maternity benefits), with 2004 amendment.

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: Must have 74 hours of employment in the previous 8 weeks (employer-financed sickness benefits). 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 (local government-financed sickness and maternity benefits). 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 payable to a parent to care for a seriously ill child younger than age 14.

Medical benefits: 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 3,332 kroner a week is paid, based on the hourly wage; for employees, the benefit is payable from the first day of incapacity; for self-employed persons, the benefit is payable 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 payable 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 3,203 kroner a week is paid. For employees, the benefit is payable 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 52-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 payable 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 above 520 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 above 520 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 Affairs (<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 county governments administer medical benefits at the local level.

Work Injury

Regulatory Framework

First law: 1898.

Current laws: 1933 (accidents), with amendments; 1978 (industrial injuries), with amendment; 1992 (insurance), with amendments; and 2003 (workers' compensation), with amendments.

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 injury or congenital disease resulting from the work or employment history of either parent.

Voluntary coverage for all self-employed persons and their spouses.

Special system for persons in military service.

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 3,113 kroner a week is paid, based on the hourly wage. For employees, the benefit is payable from the first day of incapacity; for self-employed persons, the benefit is payable 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 payable 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 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 148,000 kroner. The maximum annual earnings for benefit calculation purposes are 396,000 kroner. The maximum earnings are adjusted annually.

For an assessed permanent disability with an assessed loss in earning capacity of less than 50%, a lump sum is paid. If the loss in earning capacity is 50%, 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 659,500 kroner is paid; may be higher in special cases, up to a maximum of 791,400 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. The pension is payable to the spouse or to a cohabiting partner (including a same-sex partner) who lived with the deceased for at least 2 years. The pension is payable if the survivor (re)marries.

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 124,000 kroner is payable 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 Disease 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: 1970 (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 65, 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 (for instance, in industry, commerce, office work, agriculture, handicrafts, catering, transport, or quarrying).

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

Denmark

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

The benefit is equal to 90% of average earnings of the previous 12 weeks, up to 3,335 kroner a week. (Young unemployed persons who complete a period of vocational training or military service receive up to 2,735 kroner a week.) The benefit is payable 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, above.

Voluntary early retirement pay scheme: The maximum benefit is equal to 91% of the highest unemployment benefit, but not more than 3,035 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: 1986 (family allowance), 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 supple-

ment) 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 13,640 kroner for each child up to age 2, 12,234 kroner for each child aged 3 to 6, and 9,696 kroner for each child aged 7 to 17.

Benefits are paid quarterly.

Single parent's supplement: 4,324 kroner a year is paid for each child (for example, in the case of a family with a single breadwinner). Eligibility is assessed annually.

Benefits are paid quarterly.

Orphan's supplement: Full orphans receive 24,912 kroner a year; half orphans receive 12,456 kroner.

Children of pensioners supplement: Children of pensioners receive 11,040 kroner a year (one pensioner parent) or 16,780 kroner a year (two pensioner parents).

Study supplement: A total of 5,672 kroner is paid a year for each parent who is studying.

The supplement is paid quarterly.

Birth grant: For multiple births, 7,120 kroner is paid a year 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 41,022 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 Consumer and Family Affairs provides general supervision and national administration.

Local (municipal) governments administer the program.

Estonia

Exchange rate: US\$1.00 equals
13.25 kroons (EEK).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1924.

Current laws: 1992 (pensions), with 2005 amendment; 1992 (pensions); 2000 (funeral benefit); 2001 (funded pensions); 2003; 2004 (individual accounts); and 2004 (investments).

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

Note: Membership 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 earnings.

The maximum monthly declared earnings for contribution purposes for a self-employed person are 12,276 EEK.

Employer: 20% of 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 payroll. (The contribution is taken from the 20% of payroll used to finance old-age, disability, and survivor pensions, above.)

Government: None.

Qualifying Conditions

Social insurance

Old-age pension: Age 63 with 15 years of service (men) or age 59 and 6 months with 15 years of service (women). (The retirement age for women is to be 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 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 15 years of service (men or 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 Defense Force.

Disability pension: Payable from age 16 to the retirement age with an insured 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 insured period required from age 16 to age 20.

The pension is payable 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; 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: 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 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 an insured 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 insured period required from age 16 to age 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 onset of the incapacity was 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: Payable 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 15 years of service (men) or age 59 and 6 months with 15 years of service (women), receiving the old-age social insurance pension, and first contributed to the individual account at least 5 years before the date of retirement.

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 basic amount of 1,001.41 EEK (April 2006) 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 48.51 EEK (April 2006) 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 48.51 EEK (April 2006). 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 retire from work.

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 1,268.55 EEK (April 2006).

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 1,268.55 EEK (April 2006).

Benefit adjustment: The national pension is adjusted annually by the Estonian parliament.

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 Defense Force receive 10% of the national pension rate.

The monthly national pension rate is 1,268.55 EEK (April 2006).

Mandatory individual account

Old-age pension: The value of the pension is dependent 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 (317.14 EEK).

The first payments 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 basic amount of 1,001.41 EEK (April 2006) plus a length-of-service component based on 30 years of insurance coverage times the assessed degree of disability, whichever is higher.

The monthly length-of-service component is 48.51 EEK (April 2006) times the number of years of service up to December 31, 1998.

The minimum monthly disability pension is the national pension rate of 1,268.55 EEK (April 2006).

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 national pension rate is 1,268.55 EEK (April 2006).

Benefit adjustment: The national pension rate is adjusted annually by the Estonian parliament.

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 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 national pension rate is 1,268.55 EEK (April 2006).

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 or more survivors 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 basic amount of 1,001.41 EEK (April 2006) plus a length-of-service component based on 30 years of insurance coverage (see the 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 insurance 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 insurance 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 or more survivors, 100%. The amount is split equally among eligible survivors.

Benefit adjustment: The national pension rate is adjusted annually by the Estonian parliament.

Death grant: A lump sum of 2,000 EEK 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

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>) opens a pension account for each member. The Registrar maintains an account in the Bank of Estonia where all contributions are received from the Tax Board.

Ministry of Finance (<http://www.fi.ee>) supervises the Financial Supervisory Authority and the Registrar of the Estonian Central Register of Securities.

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 2004 and 2005 amendments.

Type of program: Social insurance system.

Coverage

Cash benefits: Insured employees, insured employers, and insured 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 947 EEK (2005).

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: 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 illness.

Medical benefits: 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 payable 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 childbirth; and for up to 70 calendar days for the adoption of a child younger than age 1.

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 2 months after the payment of contributions has stopped.

Pharmaceutical products: Patients suffering from 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 EEK; a 50% discount, 50 EEK. 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 EEK, but not more than 200 EEK per prescription.

The Health Insurance Fund also compensates the insured for the annual cost of medicines between 6,000 EEK and 20,000 EEK. If the insured has paid between 6,000 EEK and 10,000 EEK during a calendar year, the Fund compensates 50% of the cost up to a maximum of 2,000 EEK; if the insured has paid between 10,000 EEK and 20,000 EEK, the Fund compensates 75% of the cost up to a maximum of 7,500 EEK.

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 EEK is made for each home visit or for a visit for specialized outpatient care and up to 25 EEK 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 EEK 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), 1992 (work injuries and occupational diseases), 2001 (pension insurance), and 2002 (health insurance).

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 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 a flat-rate basic amount of 1,001.41 EEK (April 2006) plus the length-of-service component based on 30 years of insurance coverage times the assessed degree of loss of earning capacity, whichever is higher.

The monthly length-of-service component is 48.51 EEK (April 2006) times the number of years of service up to December 31, 1998.

The minimum monthly pension is equal to the national pension rate of 1,268.55 EEK (April 2006).

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 average gross earnings in the last 12 months before the onset of the disability or occupational disease 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 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 or more survivors 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 a flat-rate basic amount of 1,001.41 EEK (April 2006) plus a length-of-service component based on 30 years of insurance coverage.

The monthly length-of-service component is 48.51 EEK (April 2006) 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 insurance 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 insurance coverage.

Death grant: A lump sum of 2,000 EEK 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).

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, noncitizens residing temporarily in Estonia, and refugees.

Source of Funds

Unemployment insurance benefit

Insured person: 1% of gross earnings.

Self-employed person: None.

Employer: 0.5% of 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):

Must be aged 16 up to the retirement age (except for early pensioners) and registered as unemployed with the employment service. The insured must be involuntarily unemployed with at least 12 months of work in the 24 months before registering as unemployed.

There is a waiting period of 7 calendar days.

The benefit is suspended if the person does not attend the local employment office at least once every 30 calendar days or refuses a suitable job offer.

Unemployment allowance (social assistance): Must be aged 16 up to the retirement age (except for early pensioners) and registered as unemployed with the employment service. The claimant must 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 an insurance period of up to 5 years; for 270 calendar days with 5 to 10 years; or for 360 calendar days with 10 or more years.

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 three times the national average daily income for the previous calendar year.

Unemployment allowance (social assistance): A monthly allowance of 400 EEK is paid for 180 calendar days; 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 three or more 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 2005 amendment; and 2001 (family benefits), with 2005 amendment.

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 EEK 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 EEK.

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 EEK.

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 EEK and is set periodically by parliament.

Large family supplement: Payable for families with three or more 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 EEK.

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 three or more children.

The child care allowance rate is 1,200 EEK.

Supplementary child care allowance: As a supplement to the child care allowance, a monthly allowance of 100 EEK is paid to a parent rearing children for up to a year at home.

Disabled study 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 EEK 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 EEK.

Child's school allowance: A lump sum is paid at twice 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 EEK.

Foster care allowance: A monthly allowance is paid at six 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 EEK.

Start in independent life allowance: A lump sum of 5,000 EEK 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 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 2,200 EEK.

The maximum parental benefit is 15,741 EEK.

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 0.84 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1937.

Current laws: 1956 (universal pensions), implemented in 1957, with 1978, 1982, 1995, and 1996 amendments; 1961 (earnings-related pensions); 1969 (survivor pensions), with 1990 (widowers) amendment; and 1986 (partial pension and early pension), with 1996, 1998, 2000, 2002, and 2003 amendments.

Type of program: Universal and social insurance system.

Coverage

Universal pension (income-tested): All Finnish citizens residing in Finland after age 16 for a total of at least 3 years as well as citizens of other countries residing in Finland for 5 years or more immediately before reaching the pensionable age or before the pension starts.

Earnings-related pension: All regular employees aged 14 or older, 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 seasonal and part-time workers, maritime workers, public-sector employees, farmers, and self-employed persons.

Source of Funds

Insured person

Universal pension: None.

Earnings-related pension: 4.6% of monthly earnings for employees younger than age 53; 5.8% of monthly earnings for employees aged 53 or older.

The minimum annual earnings for contribution purposes for employees are €235.76.

There are no maximum earnings for contribution purposes for employees.

Self-employed person

Universal pension: None.

Earnings-related pension: 21.4% of declared monthly earnings if younger than age 53; 22.6% of declared monthly earnings if aged 53 or older.

The average contribution for farmers is 10.5% of declared monthly earnings. Contributions increase with income.

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 €5,658.27.

The minimum annual earnings for contribution purposes for self-employed farmers are €2,829.14.

The maximum annual earnings for contribution purposes for self-employed persons are €94,391.37.

Employer

Universal pension: From 0.898% to 3.998% of monthly payroll (private employers, depending on the capital of the employer); 1.948% of monthly payroll (local and central government).

Earnings-related pension: The average monthly contribution is 21.6% for employers with fewer than 50 employees. For employers with more than 50 employees, the monthly contribution varies from 19.75% to 23.3%, according to the age of the employee.

The minimum annual earnings for contribution purposes are €235.76.

There are no maximum earnings for contribution purposes.

Government

Universal pension: About 40% of the cost of universal pensions and the total cost of the housing allowance, child care subsidies, disability allowance, survivor pension, and war veterans' benefits.

Earnings-related pension: The total cost of the earnings-related pension for self-employed persons and for farmers not covered by their own contributions. 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 not payable abroad after a year unless the person was a resident of Finland for at least 10 years before receiving the pension or is abroad for medical reasons.

Early pension (universal): Aged 62 to 64. The pension is reduced.

Deferred pension (universal): A deferred pension is possible from age 65.

Unemployment pension (universal): Payable between ages 60 and 64 after exhausting entitlement for the unemployment basic benefit (after at least 500 days of benefit or

reaching age 60) and having worked at least 5 of the previous 15 years. The pension is payable only to persons born before 1950.

Special assistance for immigrants: Immigrants aged 65 or older are eligible for special assistance. Assistance is payable if the person is permanently residing in Finland, has been residing in Finland for at least 5 years before the benefit payment starts, but does not satisfy the residence conditions for a universal pension.

Earnings-related old-age pension: The full benefit is payable between ages 63 and 68. Retirement from covered employment is necessary.

Early pension (earnings-related): 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 (earnings-related): Aged 58 to 64 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 (earnings-related): A deferred pension is possible after age 68.

Unemployment pension (earnings-related): Payable at age 60 after exhausting entitlement 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 payable only to persons born before 1950.

Disability pension

Universal disability pension (income-tested): Assessed with a permanent incapacity for suitable work and 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. (Payable only to persons born in 1943 or earlier.)

Disability allowance: Payable to disabled nonpensioners 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 their entitlement. The review is made by SII doctors on the basis of medical reports by the insured's doctor. The insured's annual earnings are also subject to review, based on information on the insured's taxable income provided by the tax administration.

Child care allowance: Payable for children younger than age 16 with a disability or a long-term illness.

Rehabilitation benefit: Payable to an insured person undergoing rehabilitation for an assessed disability. The rehabilitation period must last more than 30 days.

Special assistance for immigrants: Disabled immigrants aged 16 to 64 are eligible for special assistance. Assistance is payable if the person is permanently residing in Finland, has been residing in Finland for at least 5 years before the benefit payment starts, but does not satisfy the residence conditions for a universal pension.

Earnings-related disability pension: The full earnings-related disability pension is payable to persons aged 18 to 63 with an assessed loss of working capacity of at least 60%. The pension is payable after a maximum period of cash sickness allowance (300 days excluding Sundays) has been paid. The pension is replaced by the old-age pension at age 63.

Partial disability: Payable with an assessed loss of working capacity of 40% to 59%.

Rehabilitation benefit: Payable to a disabled employee or a self-employed person who has a temporary loss of working capacity of at least 60% (40% to 59% loss for partial disability) and is undergoing treatment or rehabilitation.

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 average rehabilitation period lasts 2 years. The pension provider assesses the insured's capacity for work.

Survivor pension

Universal survivor pension (income-tested): The insured was a Finnish citizen who had lived in Finland after age 16 for at least 3 years (if not a Finnish citizen, 5 years before the date of death). The widow(er), if a Finnish citizen, 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 (a noncitizen must have lived in Finland for 5 years before the date of death). The initial pension, paid for a 6-month period, includes a flat-rate basic amount and an additional amount. The basic amount ceases unless the recipient has a dependent child younger than age 18. The additional amount of the pension continues to be paid but is income tested if the recipient has no dependent children younger than age 18.

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 before the deceased spouse's 65th birthday. If childless, the couple must have been married for at least 5 years and the survivor must have been 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: Payable to a child younger than age 18.

Old-Age Benefits

Old-age pension

Universal old-age pension (income-tested): The pension varies from €11.38 to €510.80 a month, according to municipality, 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 €47.25 a month; the pension is not payable if other pension income is between €889.33 and €1,046.08 a month, according to marital status and municipality. The amount is also adjusted for the length of residence in Finland, with the full amount payable after 40 years of residence; a reduced pension is paid for residence of less than 40 years.

Early pension: Payable from age 62; the pension is reduced by 0.4% for each month the claim is made 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 €11.38 to €510.80 a month, according to municipality, marital status, and the value of other pension income received.

Child's supplement: A flat rate of €18.68 a month is paid for a child younger than age 16.

Housing allowance: The allowance is proportional to income and housing expenses up to a maximum of €506.61 a month, according to municipality, marital status, and the number of family members.

Pensioner care allowance: The allowance is €52.55, €130.83, or €261.64 a month, according to the extent of care needed.

Special assistance for immigrants (income-tested): The benefit varies from €11.21 to €496.38 a month, according to municipality, 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: The pension accrues 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%. Pensionable earnings are calculated on the basis of average lifetime earnings (including periods of study that resulted in the award of a degree or qualification and periods receiving parent's allowance).

There is no maximum earnings-related pension.

Early pension: The pension is reduced by 0.7% for each month the pension is taken before age 63, up to a maximum of 8.4%. The old-age pension is payable 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.

Persons born in 1946 or earlier can receive a part-time pension calculated on the basis of current accrual conditions: the accrual rate on earnings from part-time work is 1.9% a year between ages 58 and 62 and 4.5% a year from age 63. For persons born in 1947 or later, pension rights accrue from part-time earnings at a rate of 0.75% a year.

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 onset of unemployment and 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 €11.38 to €510.80 a month, according to municipality, marital status, and the value of other pension income received.

The pension ceases if the insured begins new employment.

Individual early retirement pension: The pension varies from €11.21 to €496.38 a month, according to municipality, marital status, and the value of other pension income received.

Disability allowance: The lower rate is €78.46 a month, the higher rate is €183.09 a month, and the special rate is €340.03 a month.

Child care allowance: The lower rate is €78.46 a month, the higher rate is €183.09 a month, and the special rate is €340.03 a month.

Child's supplement: A flat rate of €18.68 a month is paid for a child younger than age 16.

Housing allowance: The allowance is proportional to income and housing expenses up to €506.61 a month, according to municipality, marital status, and the number of family members.

Pensioner care allowance: The allowance is €52.55, €130.83, or €261.64 a month, according to the extent of care needed.

Rehabilitation benefit: The allowance is equal to 10% of the universal disability pension.

Special assistance for immigrants (income-tested): The benefit varies from €11.21 to €496.38 a month, according to municipality, 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: Pensionable earnings 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 onset of disability until age 63. The accrual rate for projected service is 1.5% of salary a year until age 50 and 1.3% a year thereafter.

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 payable if the assessed loss of working capacity is between 40% and 59%. The insured can receive earnings from employment equal to up to 60% of the pension.

Rehabilitation benefit: The benefit (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 arranged for the insured by the pension insurance company.

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): Payable to a widow(er) for the first 6 months following the spouse's death. The maximum basic pension is €355.47 a month, plus a means-tested supplement up to €241.84 a month and a housing allowance according to the geographic area. From the 7th month, the pension is income tested, except if the surviving spouse is caring for a dependent child. The value of the pension varies according to the deceased's length of residence in Finland.

Orphan's universal pension: Up to €50.82 a month for a child younger than age 18 (age 20 if a full-time student); up to €118.71 a month for a full orphan.

Orphan's pension supplement (income-tested): The pension for a half or full orphan may be increased up to a maximum of €67.89 a month; the increase is not payable to a student aged 18 to 20.

Income test: The pensions for a widow(er) and orphans are reduced to 50% of the difference between other pension income and €47.25 a month; the income-tested widow(er)'s pension is not payable if other monthly pension or other income is between €462.33 and €530.92 (during the first 6 months) or €716.33 and €896.75 (after the first 6 months), according to marital status and municipality. The orphan's pension supplement is not payable if other pension income exceeds €83 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 payable after 40 years of residence or if the deceased was older than age 65 at the time of death. If the deceased was younger than age 65, the full pension is paid if he or she had lived in Finland at least 80% of the time between the 16th birthday and the beginning of the pension.

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.

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 personally accrued by the surviving spouse (even if not in payment) reduces the amount of the earnings-related survivor pension.

Orphan's earnings-related pension: 1/3 of the deceased's pension is paid for one orphan; up to 5/6 of the deceased's pension is paid for four orphans or more; the pension is increased by another 1/6 for a full orphan.

The maximum earnings-related survivor pension is 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 of the private-sector statutory 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.

Operating as a tripartite board, the Finnish Centre for Pensions (<http://www.etk.fi>) is the statutory central body of the private-sector earnings-related pension system.

Carriers for earnings-related pension plans are approved private insurance companies, pension funds, and foundations.

Insurance Supervision Authority supervises the carriers.

Local Government Pensions Institute (<http://www.keva.fi>), under the general supervision of the Ministry of the Interior, administers the pension programs in the public sector.

State Treasury Office, under the general supervision of the Ministry of Finance, administers pension programs for state employees.

Sickness and Maternity

Regulatory Framework

First and current laws: 2004 (sickness), implemented in 2005; 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 benefits (earned income insurance): All employees, self-employed persons, and students aged 16 to 64.

Medical benefits: All persons residing in Finland.

Source of Funds

Insured person

Cash benefits (earned income insurance): 0.77% of monthly earnings.

Medical benefits: 1.33% of monthly earnings; 1.5% of monthly earnings for pensioners and other beneficiaries.

There are no minimum or maximum earnings for contribution purposes.

Self-employed person

Cash benefits (earned income insurance): 1.02% of monthly earnings or 0.77% of monthly earnings.

Medical benefits: 1.33% of net monthly earnings (earnings minus deductions).

There are no minimum or maximum earnings for contribution purposes.

Employer

Cash benefits (earned income insurance): 2.06% of monthly payroll.

Medical benefits: None.

Government

Cash benefits (earned income insurance): Necessary subsidies; 100% of the cost of minimum daily allowances; contributes between 1.614% and 2.864% of payroll as an employer.

Medical benefits: 50% of the cost of medical benefits.

Qualifying Conditions

Cash sickness benefits: Employed during the last 3 months, unless involuntarily unemployed. Incapacity for work must be certified by a doctor from the 9th day.

Cash sickness allowances (means-tested): The allowance is payable after 55 days of incapacity provided that annual earnings are less than €1,090. 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 payable to parents helping to care for a sick child younger than age 16 in hospital or at home.

Cash maternity benefits: Residing in Finland; immigrants must complete a 180-day waiting period.

Medical benefits: Residing in Finland.

Sickness and Maternity Benefits

Sickness benefit: The benefit is equal to 70% of daily earnings for annual earnings up to €28,403, plus 40% of daily earnings for annual earnings between €28,404 and €43,698 and 25% of daily earnings for annual earnings of €43,699 or more.

The minimum benefit is €2.40 a day. The benefit is payable 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.

Sickness allowance (means-tested): The allowance is payable after 55 days of incapacity provided that annual earnings are less than €1,090. The daily benefit is €15.20.

Rehabilitation benefit: The benefit is equal to 70% of daily earnings for annual earnings up to €28,403, plus 40% of daily earnings for annual earnings between €28,404 and €43,698 and 25% of daily earnings for annual earnings of €43,699 or more.

Special sickness benefit: The allowance is payable 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 €28,403, plus 40% of daily earnings for annual earnings between €28,404 and €43,698 and 25% of daily earnings for annual earnings of €43,699 or more. The minimum daily benefit is €2.40.

Maternity benefit: The benefit is equal to 70% of daily earnings for annual earnings up to €28,403, plus 40% of daily earnings for annual earnings between €28,404 and €43,698 and 25% of daily earnings for annual earnings of €43,699 or more. The minimum daily benefit is €15.20.

The benefit is payable 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 payable throughout the pregnancy if the mother is exposed to risk factors that cannot be eliminated.

Paternity allowance: Payable for a maximum of 18 days; may be extended by an additional 1 to 12 days.

Parent's allowance: After entitlement to maternity benefit ceases, the parent's allowance is payable to either parent for 158 days (excluding Sundays). The allowance is payable 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 over €13.46 is deductible; 42% of the cost of medicines is deductible (72% to 100% refund for drugs used to treat grave and prolonged illnesses; 100% if the annual cost of prescription drugs exceeds €616.72); and 100% of transportation expenses in excess of €9.25 (a full refund is provided if annual deductible expenses exceed €157).

Sickness insurance also covers 50% of the occupational health care costs incurred by the employer.

Under municipal health services, a €22 fee is charged for the first annual visit; subsequent visits are free.

Hospital care is free, except for a €22 fee per outpatient visit, a €26 fee per inpatient day, and a €72 fee 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 over €13.46 is deductible; 50% of the cost of medicines over €10 is deductible (75% to 100% refund for drugs used to treat grave and prolonged illness priced over €5 is deductible; a full refund if the annual cost of prescription drugs exceeds €604.72); and 100% of transportation expenses in excess of €9.25 (a full refund is provided if annual deductible expenses exceed €157).

Under municipal health services, a €22 fee is charged for the first annual visit; subsequent visits are free.

Hospital care is free, except for a €22 fee per outpatient visit, a €26 fee per inpatient day, and a €72 fee 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 private-sector statutory 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 equal to 70% of daily earnings for annual earnings up to €26,720, plus 40% of daily earnings for annual earnings between €26,721 and €41,110 and 25% of daily earnings for annual earnings of €41,110 or more. The benefit is payable from the day after the accident occurred (unless the duration of incapacity is less than 3 days) for the first 4 weeks; thereafter, the daily benefit is equal to 1/360 of annual earnings.

Partial disability: The benefit is proportionally reduced for a partial disability of 10% or more.

The degree of disability is assessed by the Social Insurance Institution on the basis of a statement issued by the insured's doctor.

Benefit adjustment: Benefits are adjusted annually according to a weighted index for changes in the consumer price index and wages (80:20).

Permanent Disability Benefits

Permanent disability pension: If the insured is totally disabled, the basic pension is equal to 85% of annual earnings up to age 65; thereafter, 70% of earnings.

Annual earnings are the earnings the insured would have earned if it were not for the onset of disability but must not be less than €9,750.

Partial disability: The pension is proportionally reduced for a partial disability of 10% or more.

The degree of disability is assessed by the Social Insurance Institution on the basis of a statement issued by the insured's doctor.

Supplementary handicap benefit: Payable for a total and permanent disability. The maximum daily benefit is €24.02.

Inconvenience allowance: The allowance is payable 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 (€9,750).

Benefit adjustment: Benefits are adjusted annually according to a weighted index for changes in the consumer price index and wages (80:20).

Workers' Medical Benefits

Free medical care and the cost of rehabilitation.

Sickness insurance covers 50% of the occupational health care costs incurred by the employer.

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 or more children share 55%.

The maximum total survivor pension is equal to 70% of the deceased's earnings.

Funeral grant: A lump sum of €3,950 is normally paid to the deceased's estate.

Benefit adjustment: Benefits are adjusted annually 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, including the supervision of private-sector statutory pensions.

Federation of Accident Insurance Institutions (<http://www.vakes.fi>) is the legal coordinating body for the application of statutory accident insurance legislation among member companies and for collecting statistics from member companies.

Insurance is administered by licensed private companies.

Unemployment

Regulatory Framework

First laws: 1917 (unemployment insurance) and 1960 (unemployment assistance).

Current laws: 2002 (unemployment) 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 0.25% of salary.

Unemployment assistance: None.

Self-employed person

Basic unemployment benefit: None.

Earnings-related unemployment benefit: 3% of chosen income.

Unemployment assistance: None.

Employer

Basic unemployment benefit: None.

Earnings-related unemployment benefit: Mandatory contributions of 0.75% of payroll when the total amount of all salaries is €840,940 or less; or 2.5% of payroll when the total amount of all salaries is greater than €840,940.

Unemployment assistance: None.

Government

Basic unemployment benefit: Total cost.

Earnings-related unemployment benefit: A percentage of the total cost (38.9% in 2002).

Unemployment assistance: Total cost.

Qualifying Conditions

Basic and earnings-related unemployment benefits:

Must reside in Finland and have worked at least 43 weeks in the 24 months before unemployment. 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): 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): €23.50 a day.

Child's supplement: A daily supplement of €4.45 is paid for one dependent child, €6.54 for two, or €8.43 for three or more dependent children.

Earnings-related benefit (unemployment fund): If monthly earnings are less than €2,228.65, the basic daily benefit is €23.50 plus 45% of the daily wage; if monthly earnings are €2,228.65 or more, the daily benefit is €57.19 plus 20% of daily earnings in excess of €103.66.

Increased earnings-related benefit (unemployment fund): The benefit is payable 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 €2,228.65, 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 payable 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 €2,228.65, 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 €4.45 is paid for one dependent child, €6.54 for two, or €8.43 for three or more dependent children.

The maximum benefit, including the dependent child's supplement, is 90% of the insured's daily wage.

All unemployment benefits are payable after a 7-day waiting period. The benefit is payable 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 payable 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 €23.16 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 €4.45 is paid for one dependent child, €6.54 for two, or €8.43 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: 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: Payable 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): €439.20 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.

Child home care allowance: A basic amount of €3,027 a year is paid for one child younger age 3 who is cared for at home; a supplement of €600 a year is paid for each additional child younger than age 7.

Means-tested supplement: Up to a maximum of €135 a month.

Partial home care allowance: €70 a month is payable 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 0.84 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1910.

Current laws: 1945 (nonagricultural employees); 1975 (handicapped 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 gross earnings (subject to a ceiling) for old-age benefits, plus 0.1% of total gross earnings (without a ceiling) for the survivor allowance. (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 €2,589.

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 payroll (subject to a ceiling) for old-age benefits, plus 1.6% of total payroll (without a ceiling) for the survivor allowance.

The maximum monthly earnings for contribution purposes are €2,589.

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 insurance coverage under any scheme or 150 quarters of insurance coverage under the general scheme only. Persons who began working at age 14, 15, or 16 and who have 160 quarters of insurance coverage can 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 insurance period. Insurance 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 handicapped 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 insurance 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 €7,223.45; less than €12,652.36 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 insurance before the onset of disability and 800 hours of employment in the last 12 months, including 200 hours in the last 3 months.

Survivor pension (means-tested): The survivor must be aged 52 (age 51 as of July 1, 2007; age 50 as of July 1, 2009) or older. (The age condition will cease to apply beginning January 1, 2011.) The benefit is also payable to 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 (€15,828.80 a year); €25,326.08 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: Payable if a survivor is younger than age 65, not eligible for a pension from the general system, and has given birth or reared three or more children.

Survivor allowance (means-tested): Paid if the deceased had at least 3 months of compulsory or voluntary insurance during the last 12 months before death. The survivor must be younger than age 52 (age 51 as of July 1, 2007; age 50 as of July 1, 2009), 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 be withdrawn beginning January 1, 2011.

Means test: Personal income is less than €1,986.90 per quarter.

Death allowance: The deceased was in paid 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 average earnings.

Average earnings are based on adjusted earnings in the best 23 years (24 years beginning in 2007 and 25 years beginning in 2008).

The maximum monthly earnings for benefit calculation purposes are €2,589.

Partial pension: If the total insurance 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 reference salary. (The minimum partial pension rate is being raised gradually to 37.5% of the reference salary.)

Deferred pension: The pension amount is increased by 0.75% for each quarter of activity beyond the number of

quarters required for a full pension, or 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 payable 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 €6,840.51 a year is paid to insured persons who qualify for a full-rate pension. The minimum pension is reduced proportionately if the total insurance coverage period is less than 160 quarters. (The minimum pension is being adjusted gradually to make the total base and complementary minimum pension equal to 85% of the net legal minimum wage by 2008.)

Constant-attendance allowance: Equal to €11,577.44 a year.

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 insurance coverage in the general system. The pension is reduced proportionately if the total insurance 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 €7,223.45 a year; up to €12,652.36 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 average earnings; 30% if capable of some gainful activity.

Average earnings are based on earnings in the best paid 10 calendar 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 insurance coverage, the minimum annual pension is €3,009.45; the pension is reduced proportionately for insurance coverage of less than 60 quarters.

The maximum annual pension is €8,388.36.

Child's supplement: Equal to 10% of the survivor pension. The minimum annual supplement is €300.94. If the survivor pension is reduced according to a means test, the supplement is correspondingly reduced.

Survivor allowance (income-tested): €519.46 a month is payable for up to 2 years following the insured's death. If the survivor is at least age 50, the payment is extended until age 55.

Death allowance: The benefit is 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 benefit is €310.68.

The maximum benefit is €7,767.

Benefit adjustment: Benefits are adjusted periodically for changes in the cost of living.

Administrative Organization

Ministry of Health and Solidarity (<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.cnav.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% for the dependency assistance program, plus 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. The CSG is calculated as 7.5% of 97% of gross salary; 6.2% of cash sickness benefits; 6.25% of 97% of unemployment allowances (low benefits are exempt); 6.6% of the old-age pension, nonoccupational disability pension,

and preretirement allowance; and 8.2% of certain asset income. An additional tax of 0.5% is also levied on individual income to finance the social security deficit. 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 payable for up to 6 months if the insured has at least 200 hours of paid employment in the last 3 months; payable for more than 6 months but less than 3 years with 800 hours of paid employment in the last 12 months, including 200 hours in the first 3 months. Jobseekers who are currently receiving, or who have received during the last 12 months, an unemployment benefit 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 paid 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 during the last 12 months, an unemployment benefit 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 father does not have to be married to the child's mother. Male jobseekers receiving, or who have received during the last 12 months, an unemployment benefit 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 paid 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 paid 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 paid 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 onset of incapacity and is payable for the first 30 days of sick leave; thereafter, 66.6% if the insured has at least three dependent children. The benefit is payable 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 €2,589.

The minimum daily benefit is €8.24 (€10.98 if the insured has dependent children).

The maximum daily benefit is €43.15 (€57.53 if the insured has dependent children).

A partial or full benefit is payable 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 payable for 6 weeks before and 10 weeks after the expected date of childbirth for the first and second child; for 8 weeks before and 18 weeks after the expected date of childbirth for the third child; for 12 weeks before and 22 weeks after the expected date of childbirth for twins; for 24 weeks before and 22 weeks after the expected date of childbirth for multiple births of three or more children.

The benefit is payable for 2 additional weeks if maternity hospital care is required as the result of complications arising from the pregnancy, 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 payable is based on the duration of 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 €2,589.

The minimum daily benefit is €8.24.

The maximum daily benefit is €69.31; in Alsace-Moselle, €67.89.

Paternity benefit: 100% of the insured's average earnings in the 3 months before paternity leave begins is payable 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 €2,589.

The minimum daily benefit is €8.24.

The maximum daily benefit is €69.31; in Alsace-Moselle, €67.89.

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 flat-rate daily contribution of €15 (€16 in 2007); 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 2/3 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 €15 (€16 in 2007); 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 and Solidarity (<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 General Sickness Insurance Funds register the insured, pay cash benefits, and administer refunds of medical expenses.

Contributions are collected by 103 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.

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 payable from the day after the incapacity for work begins until recovery or certification of permanent disability.

The maximum daily earnings for benefit calculation purposes (€259.1 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 the part of earnings beyond €31,947.56.

The minimum annual earnings for benefit calculation purposes are €15,973.78.

The maximum annual earnings for benefit calculation purposes are €127,790.24.

Constant-attendance supplement: Equal to 40% of the pension but not less than €11,577.44 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 above 50%.

Reference earnings are equal to total earnings during the last 12 months up to €31,947.56, plus 33.33% of the part of earnings beyond €31,947.56.

A lump sum of €361.06 is paid for an assessed degree of disability of 1% up to €3,609.15 for an assessed degree of disability of 9%.

Schedule of payment: Benefits are paid quarterly; monthly if the assessed degree of disability is greater than 30%.

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

Workers' Medical Benefits

All necessary care, including medical treatment and surgery, hospitalization, medicines, appliances, rehabilitation, and transportation. Services are paid for directly by the fund.

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 during the last 12 months of work. The benefit is payable to a nondivorced or separated spouse or partner whose marriage or partnership had been contracted before the accident or the onset of occupational disease that resulted in the insured's death. The condition is waived if the couple had a child. A divorced or separated spouse receiving alimony is eligible to receive a pension equal to the amount of alimony but not exceeding 20% of the insured's average earnings during 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%.

France

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 during 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 during the last 12 months of work for each dependent parent, up to a maximum of 30%.

The total survivor pension must not exceed 85% of the deceased's average earnings during the last 12 months of work; otherwise, pensions are reduced proportionately.

Schedule of payment: 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 and Solidarity (<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 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 have exhausted entitlement 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 gross earnings.

The maximum monthly earnings for contribution purposes are €10,064.

Self-employed person: Not applicable.

Employer: 4% of payroll; 0.35% of payroll finances the salary guarantee fund in the event the employer becomes bankrupt.

The maximum monthly earnings for contribution purposes are €10,064.

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 during the last 22 months. 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 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 also payable 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): Must have 5 years of employment during the last 10 years before unemployment. The insured must have exhausted entitlement to unemployment benefits and must 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) during 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 illness, 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 (excluding social benefits, savings, and alimony) during 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): 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 has exhausted entitlement to receive social insurance and social assistance benefits.

Means test: The household's average monthly income (including salaries, social benefits, and alimony) during 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): Payable 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) during 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 6 months during the last 22 months; 12 months, with 12 months during the last 20 months; 23 months, with 16 months during 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 27 of the last 36 months.

The maximum monthly earnings for benefit calculation purposes are €10,064.

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 in order 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 salary during the last 12 months up to a limit of €2,516, plus 50% of the part of the average salary exceeding €2,516. A half-rate benefit is payable 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 €837.

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 €420 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 (€980 for a single person; €1,540 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 benefi-

ciary 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 payable if also receiving a work injury pension.

Schedule of payment: The benefit is paid monthly, with an additional payment in December.

Insertion allowance (means-tested): The monthly benefit is €295.50 if the household's income is less than €591.60 for a single person or €1,479 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 payable if also receiving a work injury pension.

Schedule of payment: The benefit is paid monthly, with an additional payment in December.

Insertion minimum income (means-tested): €425.40 for a single person, €638.10 for a two-member household, €765.72 for a three-member household, €893.34 for a couple with two children, and €935.88 for a single person with three children. A supplement of €170.16 is paid for each additional member in a family with more than four members. 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 payable if also receiving a work injury pension.

Schedule of payment: The benefit is paid monthly, with an additional payment in December.

Activity minimum income: The employer receives, under certain conditions and for a maximum of 18 months, the equivalent of the insertion minimum income corresponding to a single person (€425.40).

Unemployed retirement-equivalent allowance (means-tested): The monthly benefit is €919 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 (€1,451.04 for a single person; €2,085.87 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.

The means-tested unemployed retirement-equivalent allowance can be combined with earnings up to a maximum. The full benefit is payable 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 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 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 payable 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 number of children and the family situation (a single person, a couple with a sole breadwinner, or a couple with two incomes). A couple with a sole breadwinner and one child may receive the benefit from July 1, 2005, to June 30, 2006, if family income in 2004 was no greater than €25,005.

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 number of children and the family situation (a single person, a couple with a sole breadwinner, or a couple with two incomes). A couple with a sole breadwinner and one child may receive the benefit from July 1, 2005, to June 30, 2006, if family income in 2004 was no greater than €25,005.

Supplement for reduced work: Paid to parents who decide to suspend or reduce work in order to rear a child younger than age 3. The parent must have contributed for 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.

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: Awarded 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 handicapped child.

Special parental allowance for a handicapped 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 handicapped 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 during 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 number of children and the family situation (a single person, a couple with a sole breadwinner, or a couple with two incomes). A couple with a sole breadwinner and one child may receive the benefit from July 1, 2005, to June 30, 2006, if family income in 2004 was no greater than €26,285. 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.

Home moving allowance: Awarded to large families with three or more children who move to another 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: €117.14 a month is paid for two children; €267.21 for three children; €417.28 for four children, plus €150.08 for each subsequent child.

A supplement of €32.95 is paid for children older than age 11 and €58.57 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

Birth grant (means-tested): A lump sum of €840.96 is paid for each child at the 7th month of pregnancy (€1,681.91 for an adopted child).

Base allowance (means-tested): €168.20 a month is paid from the month of childbirth up to the month preceding the child's 3rd birthday. In the case of adoption, the benefit is paid for 3 years but no later than the child's 20th birthday.

Supplement for reduced work: The full rate payable is €353.67 a month. The supplement is €228.63 if the insured person works less than half the normal working period (nonsalaried persons must work less than 77 hours a month) or €131.88 if working between 50% and 80% of the normal working period (less than 122 hours a month for a nonsalaried person). If the beneficiary is not entitled to the base allowance, the supplement is raised to €521.85, €396.82, or €300.08 according to the number of hours worked.

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 rate.

The receipt of the supplement for reduced work can be combined with the supplement for child care, subject to conditions.

Supplement for child care: An income-related cash benefit calculated according to the number of children and family income is paid in order 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: €856.55, €428.29, or €260.94 a month is paid according to the percentage reduction in working time. A supplement is paid for single-

parent families. The benefit is payable for up to 12 months. A reduced benefit is payable to each of the parents if both reduce their activity in order to take care of the child.

Beginning May 1, 2006, parents can opt for a new parental leave period of 310 working days in any 3-year period to provide care for a sick child. In addition, a means-tested health care cost supplement is provided.

Special parental allowance for a handicapped child: €117.72 a month is paid. A supplement varying between €88.29 and €982.15 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 €551.81 for a pregnant woman or €735.75 for a single-parent with one child, plus a supplement of €183.94 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: €82.36 is paid for a single parent caring for a child; €109.81 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): €268.01 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 €152.46 is paid per family.

Housing allowance (means-tested): A variable monthly amount is paid depending on rent level, income, and the number of children.

The minimum housing allowance is €24.

Home moving allowance: The benefit covers the cost of moving to another home, up to a maximum of €882.89 for a family with three children, plus €73.57 for each additional child.

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 and Solidarity (<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 0.84 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1889 (old-age and disability), implemented in 1891; and 1911 (survivors), implemented in 1914.

Current law: 2005 (pension insurance), with 2005 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 were in place on January 1, 2005, 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 noncontributory 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, unless they are covered under another country's program.

Special systems for certain self-employed persons, miners, public-sector employees (supplementary insurance), civil servants, and farmers.

Source of Funds

Insured person: 9.75% of 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 €63,000 (E - €52,800) (€5,250 per month, E - €4,400) in the German Pension Insurance; €77,400 (E - €64,800) (€6,450, E - €5,400 per month) in the German Pension Insurance for Miners-Railwaymen-Seamen.

Self-employed person: 19.5% of income.

Employer: 9.75% of payroll; 12% of earnings for employees with monthly earnings less than €400; 16.15% of payroll for employees covered under the German Pension Insurance for Miners-Railwaymen-Seamen.

The maximum annual earnings for contribution purposes are €63,000 (E - €52,800) (€5,250 per month, E - €4,400) in the German Pension Insurance; €77,400 (E - €64,800) (€6,450, E - €5,400 per month) in the German Pension Insurance for Miners-Railwaymen-Seamen.

Government: A subsidy to compensate for the cost of benefits not covered by contributions.

Qualifying Conditions

Old-age pension: Age 65 with 5 years of contributions.

Age 60 with an assessed degree of disability of at least 50% and a minimum of 35 years of coverage; age 60 with 15 years of contributions and unemployed for at least 52 weeks after age 58 and 6 months; age 60 with 15 years of contributions for employees in part-time work for at least 24 months before the normal retirement age (this retirement age is increasing from age 60 to age 63 between 2006 and 2008); from age 60 for women born before 1952 with 10 years of contributions after age 40; from age 60 for miners with 25 years of contributions from employment in permanent underground work.

Earnings test: The pension payable for pensioners younger than age 65 depends on the level of individual earnings: if monthly earnings are less than €350, the full pension is paid; if earnings are greater than €350, a partial pension is paid at 2/3, 1/2, or 1/3 depending on the level of individual earnings.

Early pension: Retirement is possible from age 63 with 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 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.

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 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 supplement: Payable 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 calculated on the basis of 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 correspondent 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, 2003, to June 30, 2006, the pension value is €26.13 (E - €22.97).

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 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 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 a 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. (Pensions were not adjusted in July 2005.)

Permanent Disability Benefits

Disability pension: The total of 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 insured 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, 2003, to June 30, 2006, the pension value is €26.13 (E - €22.97).

If disability occurs before age 60, the period from the onset 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. (Pensions were not adjusted in July 2005.)

Survivor Benefits

Survivor pension: The pension payable 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 insured 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, 2003, to June 30, 2006, the pension value is €26.13 (E - €22.97).

The small widow(er) pension is payable 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 net income above a specified ceiling is deducted from the widow(er) pension.

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.

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 points 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 payable in full if net income is less than a set limit; for income above the set limit, 40% is offset against the pension. (Special rules apply to persons insured under 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. (Pensions were not adjusted in July 2005.)

Administrative Organization

Federal Ministry of Labor and Social Policy (<http://www.bmas.bund.de>) provides general supervision.

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>) provide supervision.

Benefits for employees, workers, and miners are administered by different pension insurance institutions. Since October 1, 2005, administrative responsibilities have been set by a special procedure providing for an equal 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 €47,250 a year (€42,750 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 7.55% 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 7.55% 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. Insured workers pay an additional contribution of 0.9% of covered earnings to subsidize nonwage labor costs.

The maximum annual earnings for contribution purposes are €47,250 (€42,750 if insured through private sickness insurance before 2003).

Self-employed person: Not applicable.

Employer: Contributions vary according to the fund. The average contribution is 6.65% of covered earnings, up to a ceiling; 11% of covered earnings for employees with monthly earnings of less than €400.

The maximum annual earnings for contribution purposes are €47,250 (€42,750 if insured through private sickness insurance before 2003).

Government: Subsidy for maternity benefits and for pensioned farmers' and students' health benefits. The cost of benefits for unemployed persons and persons in authorized training.

Long-term care benefits

Insured person: 0.85% of earnings in most federal states; 1.35% of earnings in one federal state. Pensioners contribute 1.7% 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 €47,250 (€42,750 if insured through private sickness insurance before 2003).

Self-employed person: Not applicable.

Employer: 0.85% of earnings in most federal states; 0.35% of earnings in one federal state.

The maximum annual earnings for contribution purposes are €47,250 (€42,750 if insured through private sickness insurance before 2003).

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: Payable to members of sickness funds. No minimum membership period is required for medical benefits.

Cash sickness benefits: Payable to insured persons who are caring for a sick child younger than age 12.

Cash maternity benefits: Payable to female members of sickness funds.

Long-term care benefits: The insured must have at least 5 years of insurance coverage in the last 10 years. Benefit entitlement varies according to the required need for care: a substantial need for care requiring at least one daily procedure (degree of care 1), a severe need for care requiring procedures 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 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 payable 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 payable 6 weeks before and 8 weeks after the expected date of birth; other fund members receive the same amount as for sickness benefit. If net earnings are higher than the payable maximum maternity benefit, the employer must pay the difference as a subsidy.

Long-term care allowance: A carer's allowance is payable to insured persons who organize care provision 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 employed for more than 30 hours a week. The paid contributions depend on the level of care required.

Insurance coverage for work injury is also provided. When care giving ceases, former carers have the right to a cost-of-living allowance in order 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 1.33% (2004).

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. (Insurance 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 the continuous wage payment is exhausted (in most cases, after 6 weeks), the accident insurance fund pays benefits. The benefit is payable from the day after the onset of disability from 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 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 €17,640 (E - €14,868).

The maximum annual earnings for benefit calculation purposes vary depending on the accident insurance fund but must not be less than €54,000 or more than €88,800.

Permanent Disability Benefits

Permanent disability pension: If the insured is assessed as totally disabled (100%), the pension is equal to 2/3 of the previous year's earnings.

Partial disability: If the assessed loss of earning capacity is 20% or more, a percentage of the full pension is paid in proportion 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 €295 to €1,180 a month (E - €256 to €1,023).

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 payable 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 payable 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.

The maximum survivor pension is 80% of the deceased's earnings.

Death grant: €4,200 (E - €3,540).

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 home 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: 3.25% of covered earnings.

The maximum annual earnings for contribution purposes are €63,000 (E - €52,800).

Self-employed person: 6.5% of the monthly reference value (€2,450; E - €2,065).

Employer: 3.25% of covered earnings.

The maximum annual earnings for contribution purposes are €63,000 (E - €52,800).

Government: Loans or subsidies to cover any deficit and the cost of noncontributory unemployment benefits.

Qualifying Conditions

Unemployment benefit: Must have 12 months of insured employment in the last 2 years, be registered at an employment office, and be capable of, available for, and actively seeking employment.

Persons registered as unemployed before January 31, 2006, must have 12 months of insured employment in the last 3 years (6 months for seasonal workers).

In certain cases, the right to unemployment benefit can be suspended (for up to 12 weeks).

Noncontributory unemployment benefit (means-tested):

Payable to all needy unemployed persons between ages 15 and 65. The person must be ineligible for, or have exhausted the right 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 payable 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: Payable to workers who lose working hours as a result of economic restructuring in the workplace.

Bad weather allowance: Payable to construction workers whose work is halted because of bad weather.

Cost-of-living allowance: Payable to persons registered as unemployed before January 1, 2005, who have participated in occupational training, retraining, and rehabilitation.

Unemployment Benefits

The benefit is equal to 67% of net earnings for unemployed persons with children; 60% if without children. The benefit is payable for 6 to 12 months, according to the length of the insured employment period and the claimant's age. The benefit is payable for 15 months to unemployed persons older than age 55 with 30 months of insured employment; for 18 months with 36 months of insured employment.

For persons registered as unemployed before January 31, 2006, and older than age 45, the benefit is payable for up to 18 months; if older than age 47, up to 22 months; if older than age 52, up to 26 months; or if older than age 57, up to 32 months. Seasonal workers with 6 months of insured employment receive benefits for up to 3 months; with 8 months of insured employment, up to 4 months.

Benefit adjustment: Standard flat-rate 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 (€345, E - €331 monthly); 90% if the claimant has a partner aged 19 or older (€311, E - €298 monthly per person); 80% for children between ages 15 and

18 (€276, E - €265 monthly); 60% for children younger than age 15 (€207, E - €199 monthly).

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 (€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% of the difference between previous and current income and is paid for up to 6 months if the worker has children; 60% if without children.

Bad weather allowance: The allowance is payable after the 100th hour of stoppage between November 1 and March 31. The allowance is equal to 67% of the difference between previous and current income if the worker has children; 60% if without children.

Cost-of-living allowance: A cash benefit is provided.

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 the administration of benefits. 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) and 2005 (child 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 or voluntary work, no limit if disabled). For children older than age 18, the benefit ceases if the child's own annual income is greater than €7,680.

Child allowance (means-tested): Payable to parents with at least one child younger than age 18, 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): Payable to parents rearing a child younger than age 2. 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). If income exceeds the annual income ceiling after the first 6 months, the allowance is reduced by at least 5.2% (7.2% if opting for a 1-year benefit) of income above the specified limit.

The income ceiling increases by €3,140 for each additional child.

Family Allowance Benefits

Child benefit: €154 a month is paid for the first, second, and third child; €179 for each subsequent child. (Lower rates may be paid if the children of workers employed in Germany reside in countries where the cost of living is lower.) If a child supplement from a statutory work accident or pension program is also paid, only the portion of the child benefit higher than the supplement is payable.

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

Germany

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.

Administrative Organization

Federal Ministry for Family, Seniors, Women, and Youth (<http://www.bmfsfj.de>) provides general supervision.

Federal Finance Office (Family Fund) (<http://www.bff-online.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. Child-rearing centers administer the program.

Administrative costs are reimbursed by the federal government.

Greece

Exchange rate: US\$1.00 equals 0.84 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 establishment 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 monthly earnings; 8.87% of monthly earnings if in arduous or unhealthy employment.

There are no minimum earnings for contribution and benefit purposes.

The maximum earnings for contribution and benefit purposes for persons who were first insured after December 31, 1992, are €68,337.92 a year, or 14 monthly salaries of €4,881.28.

Self-employed person: 6.67% of monthly earnings; 8.87% of monthly earnings if in arduous or unhealthy employment.

There are no minimum earnings for contribution and benefit purposes.

The maximum earnings for contribution and benefit purposes for persons who were first insured after December 31, 1992, are €68,337.92 a year, or 14 monthly salaries of €4,881.28.

Employer: 13.33% of monthly payroll; 14.73% if the employee is in arduous or unhealthy work.

There are no minimum earnings for contribution and benefit purposes.

The maximum earnings for contribution and benefit purposes for persons who were first insured after December 31, 1992, are €68,337.92 a year, or 14 monthly salaries of €4,881.28.

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 4,500 days of contributions. Age 62 (men) or age 57 (women) with 10,000 days of contributions. Age 58 (men and women) with 10,500 days of contributions. The full pension is also payable 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 4,500 days of contributions of which at least 3,600 days were in arduous or unhealthy employment, including at least 1,000 days in the last 10 years. Age 58 (men) or age 53 (women) with 4,500 days of contributions of which at least 3,600 days were in the construction or technical sector, including at least 1,000 days in the last 10 years. Age 58 (men) or age 53 (women) with 4,500 days of contributions in the construction or technical sector, including at least 500 days in the last 10 years. Age 55 (men and women) with 10,500 days of contributions, including at least 7,500 days in arduous or unhealthy employment. Age 55 (women with dependent or disabled children) with 5,500 days of contributions.

The pension is suspended if the pensioner is younger than age 55 and working. The pension is earnings tested.

Early pension: Must be first insured before January 1, 1993. Age 60 (men) or age 55 (women) with 4,500 days of contributions, including 100 days' work in the last 5 years; age 60 (men) or age 55 (women) with 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): Aged 60 or older and residing in Greece. 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 as 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 onset of disability. (For insured persons who began working after 1993, the contribution days in the 5 years before the onset of disability can include credited days of contributions.)

Partial disability: The insured must be assessed as at least 50% disabled.

No benefit is payable 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: Payable if the insured is assessed as totally blind with 4,050 days of contributions. There is no age requirement.

Benefits are payable abroad under a reciprocal agreement.

Special allowance: Payable 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 onset of disability, 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 as at least 50% disabled and 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 (see above).

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 alimony; 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 €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.

A surviving divorced spouse who is eligible for a survivor pension is not eligible to receive the survivor social solidarity grant.

Old-Age Benefits

Old-age pension: The basic pension is based on the length of the insurance 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 beyond 7,800 days. (For persons who started working after 1993, the pension is calculated as 2% of adjusted average earnings during the last 5 years.)

Early pension: The pension is reduced by 1/267 for each month of early retirement.

The minimum pension for a single person is €428.24 a month; €459.74 with a spouse; €480.20 with a spouse and one child; €500.40 with a spouse and two children; €520.67 with a spouse and three children; €449.39 with one child; €470.05 with two children; or €490.30 with three children.

The total maximum pension is €3,239.

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 earn 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): €149.67 a month is paid with net income up to €6,215.12; €112.25 with net income from €6,215.13 to €6,458.88; €74.84 with net income from €6,458.89 to €6,621.33; €37.42 with net income from €6,621.34 to €6,824.45.

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 insurance 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 beyond 7,800 days. (For persons who started working after 1993, the pension is calculated as 2% of adjusted average earnings during the last 5 years.)

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 insurance coverage and the disability is the result of a psychiatric condition).

Constant-attendance allowance: Payable 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 €428.24 plus supplements for a dependent spouse and children.

For persons who were first insured after December 31, 1992, the minimum monthly pension is €436.26; €458.06 if the insured has one child; €484.24 with two children; €514.78 with three children; €545.32 with four children; €575.86 with five children.

The maximum monthly pension is €2,088.75.

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): €149.67 a month is paid with net income up to €6,215.12; €112.25 with net income from €6,215.13 to €6,458.88; €74.84 with net income from €6,458.89 to €6,621.33; €37.42 with net income from €6,621.34 to €6,824.45.

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 survivor social solidarity grant.

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 25% 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.

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 €385.70 a month for persons first insured before January 1, 1993; €349 a month for persons first insured after December 31, 1992.

The maximum survivor pension is 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 €668.40 is paid to the person who paid for the funeral.

Pensioner social solidarity grant (survivors): €149.67 a month is paid with net income up to €6,215.12; €112.25 with net income from €6,215.13 to €6,458.88; €74.84 with net income from €6,458.89 to €6,621.33; €37.42 with net income from €6,621.34 to €6,824.45.

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 establishment 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 monthly earnings (cash benefits) and 2.15% of monthly earnings (medical benefits). Pensioners contribute 4% of the monthly pension.

The insured's contributions also finance work injury benefits.

The maximum earnings for contribution and benefit purposes for persons who were first insured after December 31, 1992, are €68,337.92 a year, or 14 monthly salaries of €4,881.28.

Self-employed person: 0.4% of monthly earnings (cash benefits) and 2.15% of monthly earnings (medical benefits).

The maximum earnings for contribution and benefit purposes for persons who were first insured after December 31, 1992, are €68,337.92 a year, or 14 monthly salaries of €4,881.28.

Employer: 0.8% of monthly payroll (cash benefits) and 4.3% of monthly payroll (medical benefits).

The employer's contributions also finance work injury benefits.

The maximum earnings for contribution and benefit purposes for persons who were first insured after December 31, 1992, are €68,337.92 a year, or 14 monthly salaries of €4,881.28.

Government: Guaranteed annual state subsidy.

Qualifying Conditions

Cash sickness benefits: The insured must have at least 100 days of contributions in the calendar year preceding the onset of incapacity or 100 days of contributions in the last 15 months excluding the last quarter. The benefit is payable 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 €14.07; from the 16th day to the 30th day, €25.86; 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 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. The benefit is payable 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 €41.78 with no dependents; €58.49 a day with a maximum of four dependents.

Birth grant: €792.30 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 are covered.

Exclusions: Employed persons covered by approved occupational and establishment 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: Benefit is payable after a 1-day waiting period. 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 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 dependents' supplements, for the first 15 days must not exceed €14.03; from the 16th day to the 30th day, €25.86; 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 6,000 days of insurance 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 payable 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: Payable with an assessed degree of disability of at least 67%; the amount paid is 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. 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 reaching age 65 and working or receiving a pension; 50% is paid if the spouse is younger than age 65 and working or receiving a pension; or 70% is paid 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 survivor social solidarity grant.

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 25% 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.

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 €385.70 a month for persons first insured before January 1, 1993; €349 a month for persons first insured after December 31, 1992.

The maximum survivor pension is 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 €668.40 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 earnings.

The maximum earnings for contribution and benefit 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 payroll.

The maximum earnings for contribution and benefit 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: Aged 20 to 29 and have never worked.

Special unemployment benefit (means-tested): Payable if not eligible for unemployment benefit or if entitlement is exhausted. The insured must remain 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

The benefit is equal to 40% of daily wages (blue-collar workers) or 50% of monthly salary (white-collar workers). The benefit is payable 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: 10% of earnings is paid for each dependent, up to a maximum of 40%.

Young person's benefit: Payable 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 (€12.45), 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 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 1980, 1984, and 1985 amendments; and 1999.

Type of program: Employment-related system.

Coverage

Employees in industry, commerce, and related occupations are covered.

Exclusions: Employed persons covered by approved occupational and establishment 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 earnings.

The maximum earnings for contribution and benefit 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 payroll.

The maximum earnings for contribution and benefit 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 0.58 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, married women, and widows who were covered by their husband's insurance.

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 gross earnings.

The minimum weekly earnings for contribution purposes are £97.

The maximum weekly earnings for contribution purposes are £693.

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 £12,610.

The maximum annual earnings for contribution purposes are £36,036.

Self-employed person: 10.5% of gross earnings.

The minimum annual earnings for contribution purposes are £5,044.

The maximum annual earnings for contribution purposes are £36,036.

The self-employed person's contributions also finance sickness, maternity, and work injury benefits; prescription medicines; long-term care; and some medical services.

Employer: 5.5% of payroll.

The minimum weekly earnings for contribution purposes are £97.

The maximum weekly earnings for contribution purposes are £693.

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 50% of total contribution receipts and the total cost of social assistance and other noncontributory 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 has been resident in Guernsey for at least 5 years. The allowance is subject to an annual income ceiling of £69,000.

Invalid care allowance (income-tested): Paid to a person caring for a severely disabled person for 35 or more hours a week and earning less than £97 a week from employment. The allowance is subject to an annual income ceiling of £69,000.

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 payable 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 payable 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 payable 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): Payable 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 £287.

Old-Age Benefits

Old-age pension: The full weekly pension is £146.50 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 in the test period, the full weekly pension is proportionately reduced and varies between £31.10 and £143.50.

Dependent's supplement: The full weekly supplement for a dependent adult is £73.50; £9 is payable for each dependent child. The reduced weekly supplement varies between £16.25 and £72.00 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 £287 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 £131.46 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 £72.24 and £127.68.

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 £75.25.

Invalid care allowance: A weekly allowance of £60.75.

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 £287 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 £1,330 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 £266 and £1,303.

Widowed parent's allowance: The weekly allowance is £154.25 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 £65.75 and £152.

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 £132.50 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 £26.50 and £129.75.

The bereavement allowance is replaced by the old-age pension at age 65.

Death grant: A lump sum of £420 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; £315

with 30 to 44 paid or credited weekly contributions; £210 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 £275 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 £97 or more.

Voluntary coverage for nonemployed persons younger than age 20, married women, and widows who were covered by their husband's insurance.

There are no special systems for any specified groups of employees.

Long-term care benefit: All persons resident 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: 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: 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 resident.

Long-term care benefit: The insured has been resident in Guernsey for 5 years at any time and 1 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 £107.94 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 £59.22 and £104.58.

The benefit is payable for up to 26 weeks.

Maternity allowance: The full weekly benefit is £107.94 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 £59.22 and £104.58.

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 £271.

Long-term care benefit: The benefit is £312.50 a week for residential home care and £581 a week for nursing home care. (The beneficiary must make a weekly copayment of £140.)

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 £2.50 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 nonworking spouses are covered in their own right.

Cost sharing: A flat-rate fee of £2.50 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 £107.94 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's assessed degree of disability is 100%, the weekly pension is £118; 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 £1,330 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 £266 and £1,303.

Widowed parent's allowance: The weekly allowance is £154.25 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 £65.75 and £152.

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 £132 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 £26.50 and £129.75.

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 £97 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: 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 £103.74 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 £59.22 and £104.58.

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: 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

Guernsey

has been resident in Guernsey for at least 52 weeks in the last 2 years.

Family Allowance Benefits

Family allowance: £12.75 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 213.99 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; members of handicraft and agricultural cooperatives; self-employed persons; apprentices of 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: 8.5% of gross monthly earnings.

Social insurance and individual account: 0.5% of gross monthly earnings for social insurance and 8% of gross monthly earnings for the individual account, plus a percentage of contributions and account balance for administrative fees.

The minimum earnings for contribution purposes are equal to the monthly minimum wage of 62,500 forints.

The maximum daily earnings for contribution purposes are 17,330 forints.

The insured's contributions also finance work injury benefits.

Self-employed person

Social insurance only: 26.5% of declared monthly earnings.

Social insurance and individual account: 18.5% of declared monthly earnings for social insurance and 8% of

declared monthly earnings for the individual account, plus a percentage of contributions and account balance for administrative fees.

The minimum declared earnings for contribution purposes are equal to the monthly minimum wage of 62,500 forints.

The self-employed person's contributions also finance work injury benefits.

Employer: 18% of monthly payroll for social insurance only.

The minimum earnings for contribution purposes are equal to the monthly minimum wage of 62,500 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 20 years of service for men. Age 60 (rising to age 61 by 2007 and age 62 by 2009) with 20 years of service for 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 additional year for each additional 5-year period (men) or 4-year period (women) of arduous or unhealthy work.

Advanced pension: Paid from age 60 for men born before 1939 who have at least 37 years of insurance coverage or born after 1938 who have at least 38 years of insurance coverage. Paid up to 5 years before the normal retirement age to women born after 1945 who have at least 38 years of insurance coverage; born in 1945 and with at least 37 years of insurance coverage; born in 1944 and with at least 36 years of insurance coverage; born in 1943 and with at least 35 years of insurance coverage; born before 1943 and with at least 34 years of insurance coverage. A reduced advanced pension is payable to insured persons who require no more than 5 more years of insurance coverage to qualify for the full advanced pension.

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 insurance coverage period at the onset of disability varies from at least 2 years of insurance coverage if younger than age 22 up to a maximum of 20 years of insurance 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 insurance 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 payable 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 insurance coverage, plus 2% for each additional year between 11 and 25 years of insurance coverage, plus 1% for each additional year between 26 and 36 years of insurance coverage, and 1.5% for each additional year exceeding 36 years of insurance 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 25,800 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 or 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 insurance

coverage ranges from 37.5% to 63% of average earnings (Group III); with 25 or more years of insurance coverage, the pension is equal to 33% of average earnings for the first 10 years of insurance coverage, plus 2% for each additional year between 11 and 25 years of insurance coverage, plus 1% for each additional year between 26 and 36 years of insurance coverage, and 1.5% for each year exceeding 36 years of insurance 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 27,950 forints (Group I), 25,960 forints (Group II), or 25,800 forints (Group III).

The maximum monthly disability pension is equal to 100% of average earnings (17,330 forints a day).

Disability annuity (social insurance): 28,630 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 (23,060 forints).

Regular social annuity (social insurance): 20,390 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 onset of disability.

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 50% of the deceased's old-age pension or the 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 55% of the deceased's old-age pension or the 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.

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 55% of the deceased's old-age pension or the 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 insured'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 21,900 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 pregnant employed or self-employed women who have worked for at least 180 days in the 2 years before 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 but 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; voluntary contributors or persons in an exempted activity contribute a flat rate equal to 11% of the minimum monthly wage; 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 62,500 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: 11% of monthly payroll 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 or has a loss of earning capacity resulting from an incapacity in the first 3 days after insured employment ceases.

If the insured has less than a year of continuous insurance coverage, the benefit is proportionally reduced.

The loss of earning capacity must be assessed, certified, and periodically reviewed by a doctor.

Cash maternity benefits

Maternity allowance: Must be insured or the expected date of childbirth is in the first 42 days after insured employment ceases (28 days if currently receiving sickness benefits) and the insured has at least 180 days of insurance coverage in the last 2 years.

Child care fee: Must have at least 180 days of insurance 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 insurance coverage; 60% with up to 2 years of insurance 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 payable for up to 1 year; for a period equal to the duration of the continuous insurance coverage period immediately before the incapacity began if the insurance coverage period is less than a year.

Sickness benefits are also paid in the case of pregnancy where the insured is not entitled to 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 payable 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 62,500 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 87,500 forints a month (70% of twice the minimum monthly wage). The benefit is payable until the child is age 2.

The minimum monthly wage is 62,500 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: 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); for accommodation, nursing, pharmaceuticals, and meal when the care is provided for designated ailments (as certified by a primary health care provider); or for orthodontic braces and dental prostheses.

The value of cost sharing paid by the patient is fixed by the service provider and may be reduced by the National Health Insurance Fund on an individual basis.

There is free provision of pharmaceutical products used during inpatient treatment and for treatment for low-income elderly or disabled persons. There is free provision of life-saving medicines and other medicines for 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 to receive inpatient or outpatient treatment at a health care institution not served by local means of transport.

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 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); for accommodation, nursing, pharmaceuticals, and meal when the care is provided for designated ailments (as certified by a primary health care provider); or for orthodontic braces and dental prostheses.

The value of cost sharing paid by the patient is fixed by the service provider and may be reduced by the National Health Insurance Fund on an individual basis.

There is free provision of pharmaceutical products used during inpatient treatment and for treatment for low-income elderly or disabled persons. There is free provision of life-saving medicines and other medicines for 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 to receive inpatient or outpatient treatment at a health care institution not served by local means of transport.

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.apeh.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. Benefits are paid for occupational diseases, according to a schedule in law set by the National Health Insurance Fund. Accidents that occur while commuting to and from work are covered.

Temporary Disability Benefits

The benefit is equal to 100% of average daily gross earnings and is payable for up to 1 year; may be extended to 2 years, subject to a medical decision.

Average daily gross earnings are based on earnings since January 1 of the previous year.

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 insurance coverage ranges from 37.5% to 63% of average earnings (Group III); with 25 years or more of insurance coverage, the pension is equal to 33% of average earnings for the first 10 years of insurance coverage, plus 2% for each additional year between 11 and 25 years of insurance coverage, plus 1% for each additional year between 26 and 36 years of insurance coverage, and 1.5% for each additional year exceeding 36 years of insurance 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 27,950 forints (Group I), 25,900 forints (Group II), or 25,800 forints (Group III).

The maximum monthly disability pension is equal to 100% of average 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.

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: Payable 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 55% of the deceased's old-age pension or the 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: Payable 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 55% of the deceased's old-age pension or the 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 before reaching the normal retirement age.

There is no minimum pension.

There is no maximum pension.

Grandparent's and parent's pension: The pension is payable to dependent parents and grandparents who are disabled or aged 65 or older. The pension is equal to 55% of the deceased's old-age pension or the 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 21,900 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.apeh.hu>) collects contributions.

Central Administration of National Pension Insurance Directorate (<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 (unemployment), with 2005 amendment.

Type of program: Social insurance system.

Coverage

Employed and self-employed persons.

Source of Funds

Insured person: 1% 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 monthly payroll.

There are no maximum earnings for contribution purposes.

Government: None.

Qualifying Conditions

Jobseeker's benefit: Must have at least 365 days of insurance 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: Must have received the jobseeker's benefit for at least 180 days and entitlement is exhausted; must have at least 200 days of insurance coverage in the last 4 years before unemployment and is not entitled to the 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 the gross average salary 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 payable for every 5 days of insurance 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 62,500 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 62,500 forints.

Administrative Organization

Ministry of Social Affairs and Labor (<http://www.szmum.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) or for grandparents who care for their grandchildren between ages 1 and 3 in the household of the parent. 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: Payable 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, 11,000 forints a month is paid (12,000 forints for a single parent); for two children, 12,000 forints a month is paid per child (13,000 forints for a single parent); and for three or more children, 14,000 forints a month is paid per child (15,000 forints for a single parent).

For families with a child with a long-term illness or serious disability, 21,000 forints a month is paid per child (23,000 forints per child for a single parent).

For a child in a foster home or living with foster parents, 13,000 forints a month is paid per child.

Schedule of payments: Benefits are paid monthly with an additional payment in July to support schooling costs.

Child home care allowance: The allowance is equal to the minimum monthly old-age pension of 25,800 forints (the allowance is doubled for twins).

Child-rearing support: The allowance is equal to the minimum monthly old-age pension of 25,800 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: The benefit is equal to 5,000 forints.

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.allamkincstar.gov.hu>) pay benefits.

Iceland

Exchange rate: US\$1.00 equals 63.14 Icelandic kronur (IKr).

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1909 and 1980.

Current laws: 1992 (disability); 1993 (social security), with amendments; 1993 (social assistance); and 1997 (pension funds).

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 wages, plus charges for asset management and administrative fees.

There are no maximum earnings for contribution purposes.

Self-employed person

Universal pension: A social security contribution of 5.79% (the contribution rate is for the income year 2004 and the assessment year 2005) is imposed on the presumptive income of self-employed persons. (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/paternity benefits, work injury benefits, and unemployment benefits.

Mandatory occupational pension: 10% of earnings, plus charges for asset management and administrative fees.

Employer

Universal pension: A social security contribution of 5.79% is imposed on all remuneration paid for employment.

The employer's contributions also finance maternity/paternity benefits, work injury benefits, and unemployment benefits.

Mandatory occupational pension: 6% 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 40 years.

Age 60 for some categories of seamen, subject to conditions.

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: Must be between ages 16 and 66 and must have resided in Iceland for a minimum of 3 years before the claim to benefit. The insured must have an assessed degree of permanent disability as a result of a medically recognized disease or disability of at least 75% and have annual income below a certain ceiling.

A disability allowance is payable with an assessed degree of permanent disability of 50% to 74%.

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: Payable for the loss of 50% or more 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 resided in Iceland for at least 3 years.

Eligible survivors are orphans.

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 Ikr274,476 a year. The benefit is reduced when annual income exceeds Ikr1,894,254 and ceases when annual income exceeds Ikr2,809,713. The pension is paid monthly.

Pension supplement: Ikr538,056 a year is paid for a single person. The supplement is reduced when annual income exceeds Ikr607,850 and ceases when annual income exceeds Ikr1,803,503. The supplement is paid monthly.

Additional pension supplement: Ikr265,308 a year is paid for a single person. The supplement is reduced if the insured has other income and ceases when annual income exceeds Ikr589,573. The supplement is paid monthly.

The maximum pension is paid if the insured has resided in Iceland for 40 years; the pension is reduced according to the number of years of residency less than 40 (for example, 3 years' residency gives entitlement to 3/40 of the full amount).

Different amounts apply for married or cohabiting couples.

Child's supplement: Ikr17,249 a month is paid for each child younger than age 18.

Social assistance allowances (means-tested): Means-tested allowances contribute toward certain living expenses such as housing and medicine costs.

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.

Mandatory occupational pension: The pension is based on total individual contributions and the length of the contribution period. The minimum pension payable 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 Ikr7,890 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 Ikr274,476 a year. The pension is reduced when annual income exceeds Ikr1,930,279 and ceases when annual income exceeds Ikr3,028,184. 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 Ikr205,860 a year.

Pension supplement: Ikr551,268 a year is paid for a single person. The supplement is reduced when annual income exceeds Ikr627,629 and ceases when annual income exceeds Ikr1,852,669. The supplement is paid monthly.

Additional pension supplement: Ikr265,308 a year is paid for a single person. The additional supplement is reduced if the insured has other income and ceases when annual income exceeds Ikr589,573. The supplement is paid monthly.

Age-related pension supplement: From a minimum of Ikr4,116 to a maximum of Ikr274,476 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 40 years, with coverage projected up to age 67; the pension is reduced according to the number of years of residency less than 40 (for example, 3 years' residency gives entitlement to 3/40 of the full amount).

Different amounts apply for married or cohabiting couples.

Child's supplement: Ikr17,249 a month is paid for each dependent child younger than age 18; the supplement is doubled if both parents are disabled.

Social assistance allowances (means-tested): Means-tested allowances contribute toward certain living expenses such as housing and medicine costs.

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.

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: Ikr7,890 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 Ikr17,249 a month. The pension is doubled for full orphans.

Death allowance (social assistance): A survivor who is widowed before age 67 may receive Ikr25,876 a month for a maximum of 6 months; a reduced allowance of Ikr19,401 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 deceased was receiving a pension from the fund at the time of death or had paid contributions for a specified period before death. 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: Pensions are paid to orphans younger than age 18. Different maximum amounts apply for the orphan of an old-age pensioner and the orphan of a disability pensioner. The minimum pension is Ikr10,759 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 Health and Social Security (<http://heilbrigdisraduneyti.is>) provides general supervision.

State Social Security Institute (<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), 1975 (maternity leave and benefits), and 1973 (health service).

Current laws: 1990 (health service); 1993 (social security), with amendments; and 2000 (maternity/paternity leave).

Type of program: Universal and social insurance system.

Coverage

Cash sickness benefit: 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, above, for cash maternity/paternity benefits.

Employer: None for cash sickness and medical benefits. See source of funds under Old Age, Disability, and Survivors, above, for cash maternity/paternity benefits.

Government: The total cost of cash sickness and medical benefits; the remaining costs for cash maternity/paternity benefits.

Qualifying Conditions

Sickness benefits: 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/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/paternity grants: Must have resided in Iceland for 12 months before the expected date of childbirth (for new residents).

Medical benefits: Must have resided in Iceland for 6 months (for new residents).

Sickness and Maternity Benefits

Sickness benefit: A minimum of Ikr911 a day is paid for persons who have to give up full-time gainful employment; Ikr456 a day is paid for persons who have to give up at least 50% of employment. The benefit is payable 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 payable until wages have ceased.)

The duration of benefits is 52 weeks in any one 24-month period.

Child's supplement: Ikr249 a day is paid for each child younger than age 18.

Maternity/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.

Either a mother or a father has the right to 3 months' leave. 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 Ikr70,543 a month; if employed between 50% and 100%, the minimum benefit is Ikr97,769 a month.

The maximum benefit is Ikr504,000 a month.

Maternity/paternity grants: Ikr42,662 a month is paid to parents working less than 25% time or who are nonactive. The grant for a parent attending a full-time education program is Ikr95,441 a month.

Workers' Medical Benefits

A minimum fee is necessary for a doctor's consultation. 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.

Dependents' Medical Benefits

A minimum fee is necessary for a doctor's consultation. 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 and Social Security (<http://heilbrigdisraduneyti.is>) and the Ministry of Social Affairs (<http://felagsmalaraduneyti.is>) provide general supervision.

State Social Security Institute (<http://www.tr.is>) administers the programs through local offices.

Work Injury

Regulatory Framework

First law: 1925.

Current laws: 1992 (disability); 1993 (social security), with amendments; and 1993 (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, above.

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

Government: Work injury insurance is partly financed through general taxation.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

A daily cash benefit of Ikr1,117 is paid. The benefit is payable after a 7-day waiting period if the incapacity for work lasts for at least 10 days, for a maximum of 52 weeks.

Child's supplement: Ikr2,249 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 and salaries 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 according to 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%, Ikr274,476 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: Ikr551,268 a year is paid for a single person.

Additional pension supplement: Ikr265,308 a year is paid for a single person.

Age-related pension supplement: From a maximum of Ikr274,476 to a minimum of Ikr4,116 a year is paid, depending on the insured's age when entitlement to a disability pension was first established.

Child's supplement: Ikr19,249 a month is paid for each child younger than age 18 supported by the insured at the onset of disability. If the assessed degree of disability is 75% or more, a supplement is also paid for dependent children older than age 18.

Social assistance allowances (means-tested): Means-tested allowances contribute toward certain living expenses such as housing and medicine costs.

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.

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 injury occurred or the occupational disease was diagnosed, the surviving spouse receives Ikr25,876 a month for 8 years.

Orphan's pension: Each orphan younger than age 18 receives Ikr17,249 a month; the pension is doubled for full orphans. Children older than age 16 who, because of a disability, were supported by the deceased when the injury occurred receive a benefit of between Ikr323,373 and Ikr970,119, depending on the degree of necessary support.

In the absence of other surviving relatives, a lump sum of Ikr452,726 is paid to the deceased's surviving children or, otherwise, to the estate.

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.

Administrative Organization

Ministry of Health and Social Security (<http://heilbrigdisraduneyti.is>) provides general supervision.

State Social Security Institute (<http://www.tr.is>) administers the programs through local offices.

Unemployment

Regulatory Framework

First law: 1956.

Current laws: 1997 (unemployment), with amendments; and 1997 (self-employed persons), with amendments.

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, above.

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

Government: None.

Qualifying Conditions

Unemployment benefits: Must be aged 16 to 69, reside in Iceland, and have at least 10 weeks of insurable employment in the previous 12 months. Must be registered at an employment office and actively seeking, and available for, work. The insured must 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 Ikr4,324 a day. The minimum benefit, after 10 weeks of full employment, is Ikr1,081 a day.

Benefits are reduced proportionally if the insured is in part-time work.

Income test: Income from work reduces the benefit according to certain rules when income exceeds Ikr52,032.

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 5 years.

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 according to 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 (<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: 1981 (income tax), with amendments; and 1993 (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 16 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 2006 is IKr46,747 for children younger than age 7 at the end of the 2005 income year.

In addition, married or cohabiting parents receive a supplement of IKr139,647 for the first child and IKr166,226 for the second and each additional child. Single parents receive a supplement of IKr232,591 for the first child and IKr238,592 for the second and each additional child.

Income test: Benefits are reduced according to certain rules when income exceeds IKr1,859,329 for married or cohabiting parents; IKr929,665 for single parents.

Child education grant: IKr17,249 a month is paid to children aged 18 to 20 who are in full-time education or vocational training, subject to one or both parents being deceased or an old-age or disability pensioner.

Social assistance 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.

Ministry of Health and Social Security (<http://heilbrigdisraduneyti.is>) supervises benefits administered by the State Social Security Institute (<http://www.tr.is>). The Ministry of Social Affairs (<http://felagsmalaraduneyti.is>) supervises benefits administered by local authorities.

State Social Security Institute (<http://www.tr.is>) and local authorities administer social assistance benefits.

Directorate of Inland Revenue (<http://rsk.is>) administers benefits in the form of tax reductions.

Ireland

Exchange rate: US\$1.00 equals 0.84 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 pensionable before April 6, 1995; and casual domestic workers.

There are no special systems for any specified groups of employees.

Source of Funds

Insured person: No contributions are payable by the insured if weekly earnings are €300 or less.

If weekly earnings exceed €300, no contributions are payable for the first €127, with 4% paid on the remaining balance of covered weekly earnings up to a ceiling of €46,600.

If weekly earnings are higher than €440, an additional 2% health levy is payable. There is no ceiling on this levy. If the insured has a means-tested medical card or receives specified benefits or allowances, the health levy is waived.

The insured's contributions also pay for sickness and maternity, medical, work injury, unemployment, and adoptive benefits.

Self-employed person: For annual income of €22,880 or less, the contribution is 3% of gross income; for annual income greater than €22,880, the contribution is 5% of total gross income (including a 2% health levy).

The self-employed person's contributions are paid annually and are based on gross income minus capital allowances and allowable superannuation.

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 wages; for employees with weekly earnings higher than €356, the contribution is 10.75% of 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

Retirement pension: Age 65 with social insurance 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 (beginning as of 1953 or the date of entry into insurable employment, whichever is later, up to the end of the last tax year before reaching age 65).

The maximum pension is payable with an annual average of at least 48 weeks of paid or credited contributions.

The insured must be retired 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 retirement pension is payable abroad.

Old-age contributory pension: Age 66 with social insurance 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 insurable employment, whichever is later, up to the end of the last tax year before reaching age 66).

There is no retirement test.

The old-age contributory pension is payable abroad.

There is a special provision as of May 5, 2000, for persons who contributed before 1953 and who have at least 260 weeks of paid contributions.

Any years since 1994 spent caring for children younger than age 12 (no limit for disabled children) are disregarded when calculating the annual average contribution.

Credited contributions that count toward the qualifying conditions for certain benefits are awarded if receiving the retirement pension or cash benefits for sickness, maternity, permanent disability, unemployment, or work injury.

Old-age noncontributory pension (means-tested):

Payable to residents aged 66 or older with limited means.

Preretirement allowance (means-tested): Payable 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.

Carer's benefit: Payable 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 10 hours a week outside the home (15 hours as of June 2006). The carer must have at least 156 paid contributions with 39 paid in the relevant tax year or 39 paid in the 12 months before applying or 26 paid in the relevant tax year with 26 paid in the relevant tax year before that.

Carer's allowance (means-tested): Payable 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 10 hours a week (15 hours as of June 2006) but must not be receiving any other benefits.

Disability pension (invalidity pension): Assessed with a permanent incapacity for work. The benefit is payable after a year's ordinary sickness benefit (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 degree of incapacity for work is assessed by the Department of Social and Family Affairs following a medical examination. The degree of incapacity is reviewed periodically.

The disability pension is payable abroad.

Blind person's pension (means-tested): Payable to residents aged 18 or older with severely reduced vision and limited means.

Disability allowance (means-tested): Payable 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 fiscal 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).

Orphan's contributory allowance: Payable 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: Payable 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: Payable 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): Payable to widowed residents with limited means who are not cohabiting.

Orphan's noncontributory pension (means-tested): Payable 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

Retirement pension: The maximum weekly pension is €193.30.

The pension is reduced to €189.50 a week with an annual average of between 24 and 47 weeks of contributions.

Qualified adult supplement: The maximum supplement is €128.80 a week for a qualified adult or €149.30 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 €250 a week; no supplement is paid if the qualified adult has earnings or income greater than €250 a week), plus €19.30 a week for each dependent child younger than age 18 (age 22 if a full-time student) or €9.70 if the qualified adult increase is not payable.

Old-age contributory pension: The maximum weekly pension is €193.30.

The pension is reduced with an annual average of less than 48 weeks of contributions: €189.50 a week is paid for an

annual average of between 20 and 47 weeks; €96.70 is paid for an annual average of between 10 and 14 weeks.

Qualified adult supplement: The maximum supplement is €128.80 a week for a qualified adult or €149.30 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 €250 a week; no supplement is paid if the qualified adult has earnings or income greater than €250 a week), plus €19.30 a week for each dependent child younger than age 18 (age 22 if a full-time student) or €9.70 if the qualified adult increase is not payable.

Old-age noncontributory pension (means-tested): Up to €182 a week is paid, plus up to €120.30 for a qualified adult and €16.80 for each child dependent or €8.40 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 €165.80 a week.

Dependent's supplement: €110 a week is paid for a qualified adult and €16.80 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 €8.40 if the qualified adult increase is not payable.

Carer's benefit: €180.70 a week is paid, plus €16.80 for a dependent child younger than age 18 (age 22 if a full-time student) or €8.40 per child for carers living with their spouse or partner or €271.10 if caring for more than one person.

Carer's allowance (means-tested): Up to €180 a week is paid; €200 a week if aged 66 or older. An additional 50% is payable if the carer is caring for two persons. An additional €16.80 is payable for each dependent child; €8.40 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): €171.30 a week is paid; €193.30 a week if aged 65 or older.

Dependent's supplement: €122.20 a week is paid for a qualified adult (€149.30 if aged 66 or older), plus €19.30 a week for each dependent child younger than age 18 (age 22 if a full-time student) or €9.70 if the qualified adult increase is not payable.

Blind person's pension (means-tested): Up to €165.80 a week is paid (€182 if aged 66 or older), plus €110.10 a week for a qualified adult; €120.30 if aged 66 or older.

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 €165.80 a week, plus €110.10 a week for a qualified adult and €16.80 for each dependent child younger than age 18 (age 22 if a full-time student); €8.40 if the qualified adult increase is not payable.

Benefit adjustment: Benefits are normally adjusted annually.

Survivor Benefits

Widow(er)'s contributory pension: Up to €171.30 a week is paid; €193.30 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: €21.60 is paid for each dependent child younger than age 18 (age 22 if a full-time student).

Orphan's contributory allowance: €138 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 €635 is payable to the next of kin.

Widowed parent's grant: A lump sum of €2,700 is payable if the deceased's spouse has at least one dependent child.

Widow(er)'s noncontributory pension (means-tested): Up to €165.80 a week is paid; €182 if aged 66 or older.

Additional increases: €7.70 a week is paid for a pensioner aged 66 or older who lives alone; €10 a week for a pensioner aged 80 or older.

Orphan's noncontributory pension (means-tested): Up to €138 a week.

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: Total cost for low-income residents and part of the cost for the remainder of the population.

Qualifying Conditions

Cash sickness benefits (disability benefit): 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: Must be in covered employment at least 14 weeks before the expected date of childbirth, with 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 fiscal 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.

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 and high income.

Sickness and Maternity Benefits

Sickness benefit (disability benefit): Up to €165.80 a week is paid, depending on weekly income. The benefit is payable after a 3-day waiting period for up to 52 weeks; may be extended if the insured has 260 or more contribution weeks.

Dependent's supplement: Up to €110 a week is paid for a qualified adult dependent; €16.80 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 €8.40 if the qualified adult increase is not payable.

Maternity benefit: Employed women receive 80% of weekly earnings for 18 weeks, including at least 4 weeks (up to 10 weeks) before the expected date of childbirth.

The minimum weekly maternity benefit is €182.60 (sickness benefit replaces maternity benefit if the benefit payable is greater).

The maximum weekly benefit is €265.60.

Health and safety benefit: Up to €165.80 a week is paid, depending on earnings. The first 21 days are paid by the employer. The benefit is payable until the insured becomes eligible for maternity benefits; payable for 14 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 €110 a week is paid for a qualified adult dependent; €16.80 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 €8.40 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 €55 applies only to a first visit for an accident or emergency that is not referred by a

general practitioner. Inpatient care is €55 a night, subject to a maximum of €550 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 €55 applies only to a first visit for an accident or emergency that is not referred by a general practitioner. Inpatient care is €55 a night, subject to a maximum of €550 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.

Exclusions: Self-employed persons, domestic workers, and members of the security and defense forces.

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: Assessed with a work injury or an occupational disease. There is no minimum qualifying period.

Temporary Disability Benefits

Injury benefit: €165.80 a week is paid after a 3-day waiting period for up to 26 weeks starting from the onset of the accident or disease. (Disability benefit may be paid after 26 weeks, see cash sickness benefits under Sickness and Maternity, above).

Dependent's supplement: Up to €110 a week is paid for a qualified adult dependent; €16.80 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 €8.40 if the qualified adult increase is not payable.

Permanent Disability Benefits

Disablement benefit: €196.90 a week is paid if the insured is assessed as more than 90% 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 €13,780 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 €110 a week is paid for a qualified adult dependent; €16.80 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 €8.40 if the qualified adult increase is not payable.

Constant-attendance allowance: €180.70 a week.

Unemployability supplement: €165.80 a week is paid if the insured is not eligible for a disability benefit (see cash sickness benefits under Sickness and Maternity, above) and is permanently incapable of work.

Dependent's supplement: Up to €110 a week is paid for a qualified adult dependent; €16.80 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 €8.40 if the qualified adult increase is not payable.

Constant-attendance allowance: €180.70 a week.

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: €194.60 a week is paid to a widow or dependent disabled widower younger than age 65; €197.70 if aged 66 or older.

Dependent's supplement: €21.60 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: €141.80 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, €194.60 a week is paid to the first parent and €94.10 a week to the other parent. If the deceased was married, €94.10 a week is paid to each parent.

Funeral grant: A lump sum of €635.

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 pensionable before 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

Unemployment 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).

Unemployment assistance (means-tested): A resident with limited means, aged 18 to 65, unemployed for at least 3 days in 6 consecutive days, and not eligible for an unemployment 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).

Preretirement allowance (means-tested): See Old Age, Disability, and Survivors, above.

Unemployment Benefits

The maximum benefit is €165.80 a week and is payable 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 payable subject to a minimum of 3 days of unemployment in a week.

Dependent's supplement: €110 a week is paid for a qualified adult and €16.80 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 €8.40 if the qualified adult increase is not payable.

Unemployment assistance (means-tested): Up to €165.80 a week.

Dependent's supplement: €110 a week is paid for a qualified adult and €16.80 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 €8.40 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 payable subject to a minimum of 3 days of unemployment in a week.

Preretirement allowance (means-tested): See Old Age, Disability, and Survivors, above.

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: Total cost, except for adoptive benefits. See source of funds under Old Age, Disability, and Survivors, above.

Qualifying Conditions

Child benefit: Payable for a child younger than age 16 (age 19 if a student or disabled).

Multiple births: Special grants are payable 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 €375 or less.

Widowed parent's grant: Payable on the death of a spouse to a person widowed on or after December 1, 1999, who is entitled to 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 fiscal year (self-employed persons must have 52 weeks of paid contributions in either of the last 2 fiscal years).

Family income supplement (income-tested): Payable to parents in full-time employment (at least 19 hours a week or 38 hours every 2 weeks) who have an average weekly joint income below €465 for one child or €510 for two children; increasing to €905 in the case of a family with eight or more children (the joint-income threshold increase varies between €60 and €75 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): Payable for full-time care and attention given at home to a disabled child younger than age 16.

Family Allowance Benefits

Child benefit: €150 a month is paid for the first and second child; €185 a month for the third and each additional child. For twins, the child benefit is payable at 1.5 times the monthly rate for each child. For the birth of triplets or more, the benefit is doubled for each child.

Multiple birth grant: €635 is paid for each child. The grant is payable at birth and again at ages 4 and 12.

One-parent family payment (means- and earnings-tested): Up to €165.80 a week is paid (€182 if aged 66 or older).

Dependent's supplement: €19.30 is paid for each dependent child.

Special allowance: €10 a week is paid for a pensioner aged 80 or older.

Widowed parent's grant: A lump sum of €2,500.

Adoptive benefit: 80% of weekly earnings is payable for 16 weeks.

The minimum weekly benefit is €182.60.

The maximum weekly benefit is €265.60.

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 payable for 52 weeks while the parent or parents are employed.

The minimum weekly supplement is €20.

Home care allowance (domiciliary care): €225.20 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 0.58 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 £84 (from April 2006).

Self-employed persons aged 16 to 65 (men) or aged 16 to 60 (women) with net annual income of at least £4,465 are covered for all benefits except the state second pension, work injury benefits, and contributory jobseeker's allowance.

Voluntary coverage for the basic retirement pension for nonemployed persons.

Noncontributory benefits: All persons residing in Isle of Man.

Source of Funds

Insured person: 10% of weekly earnings between £97 and £645 (from April 2006); certain married women and widows pay 3.85% of weekly earnings.

Around 16% of the insured's contribution is allocated to the Health Services Division 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 £2.75 a week. In addition, self-employed persons with annual profits between £5,035 and £33,540 (from April 2006) pay an earnings-related contribution of 8%.

Voluntary contributors pay a flat-rate £7.55 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 Division to assist with 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 £97 (from April 2006).

Around 16% percentage of the employer's contribution is allocated to the Health Services Division 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.

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: Payable if ordinarily residing in Isle of Man, has at least 10 years of contributions paid in 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 £4,368 (from April 2006).

The annual upper earnings limit is £33,540 (from April 2006).

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): Payable at age 80 or older if the insured receives less than 60% of the full basic retirement pension. The insured must be ordinarily residing in Isle of Man and must have lived in 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: Must be older than age 75, ordinarily residing in Isle of Man, and eligible for or

receiving a retirement pension. The insured must have at least 10 years of contributions paid in Isle of Man.

Long-term incapacity benefit: Payable 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 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 payable 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 benefit is also payable under specific conditions to persons who became incapable of work in their youth, became incapable of work and whose spouse died before April 9, 2001, or are incapable of work and are aged 16 to 19 (in some cases, age 24).

Pension supplement: Payable if older than age 45, ordinarily residing in Isle of Man, with at least 10 years of contributions paid in Isle of Man, and entitled to the long-term incapacity benefit.

Disability living allowance (noncontributory, no means test): Payable if the date of onset of disability was before age 65. The person must reside permanently in Isle of Man and have lived in 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 payable after 3 months of disability (except if terminally ill).

Attendance allowance (noncontributory, no means test): Payable if the date of onset of disability was at age 65 or older and the person needs a high level of care. The person must reside permanently in Isle of Man and have lived in Isle of Man or the United Kingdom for at least 6 of the last 12 months. The allowance is usually payable after 6 months of disability (except if terminally ill).

Disability working allowance (noncontributory, means-tested): Payable 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. The person receives a qualifying benefit (such as 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 his or her partner must have been born in Isle of Man, qualify as an Isle of Man worker, or have resided in Isle of Man for at least 6 months. The income 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):

Payable to an insured 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 earn more than £84 a week. The carer must reside permanently in Isle of Man and have lived in 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 to widows and for transitionally protected cases only. The pension is payable abroad.

Widowed parent's allowance: For 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 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 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 payable 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: Payable if older than age 45, ordinarily residing in Isle of Man, with at least 10 years of contributions paid in Isle of Man, and entitled to the widow's pension, widowed parent's allowance, or basic bereavement allowance.

Bereavement payment: Payable to widow(er)s younger than age 60 or for a survivor whose spouse was not entitled to the basic state 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 caused by their job. The survivor must have been married to the deceased at the time of death.

Guardian's allowance: Payable 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 Isle of Man or spent 52 weeks of any 2-year period after age 16 in Isle of Man. The allowance is payable in addition to child benefits for the same child.

Funeral grant (universal benefit): The deceased ordinarily resided in Isle of Man.

Income support (noncontributory, means-tested social assistance): The benefit is payable to those with income below prescribed levels and who ordinarily reside in Isle of Man. Certain income (including child benefits) may be

disregarded when calculating entitlement. The benefit is payable to unemployed persons not required to seek employment, such as elderly, sick, or disabled persons; single parents; and carers. Assistance can be given with housing costs, and single payments can be made to cover urgent and exceptional needs. Personal savings over £12,000 may reduce the benefit payable. The benefit is not payable to persons working for more than 16 hours a week (or whose partner is working 24 or more hours a week).

Old-Age Benefits

Basic state retirement pension (flat-rate): The maximum weekly pension is £84.25 (from April 2006).

Dependent's supplement: £50.50 a week is paid for each dependent adult (from April 2006). 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 retirement pension.

A person who qualifies for both the basic 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 retirement pension, up to a maximum of £42.13 (from April 2006).

State second pension (S2P): The pension is based on average indexed earnings.

Retirement pension premium: £12.40 a week is paid (from April 2006), minus any entitlement from the state second pension or old person's pension.

Old person's pension: £50.50 a week (from April 2006), minus any basic state pension entitlement. The pension is paid weekly or monthly.

Benefit adjustment: Benefits are adjusted annually in April according to increases in the United Kingdom retail price index.

Income support (noncontributory, means-tested social assistance): Cash benefits are payable 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 United Kingdom retail price index.

Permanent Disability Benefits

Long-term incapacity benefit: £78.50 a week (from April 2006) is payable 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 payable if the disability began before age 45.

Dependent's supplement: £50.50 a week is paid for each dependent adult (from April 2006).

Pension supplement: The weekly rate is equal to 50% of the long-term incapacity benefit, up to a maximum of £39.25 (from April 2006).

Disability living allowance (noncontributory, no means test): The care component is £62.25, £41.65, or £16.50 a week according to needs (from April 2006). The mobility component is £43.45 or £16.50 a week according to needs (from April 2006). The benefit is paid weekly or monthly.

Attendance allowance (noncontributory, no means test): £41.65 or £62.25 a week according to needs (from April 2006).

Disability working allowance (noncontributory, means-tested): The claimant is employed for at least 16 hours a week and has an illness or disability that puts the person at a disadvantage in securing employment. 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 over £12,000 may reduce the benefit payable. The allowance is paid weekly and is awarded for between 4 and 26 weeks; thereafter, the award may be renewed.

Carer's allowance (noncontributory, earnings-tested): £46.95 is paid weekly to an insured person who earns less than £84 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 2006). The payment of the benefit may continue for up to 8 weeks after the death of the person cared for.

Benefit adjustment: Benefits are adjusted annually in April according to increases in the United Kingdom retail price index.

Income support (noncontributory, means-tested social assistance): Cash benefits are payable 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 United Kingdom retail price index.

Survivor Benefits

Widow's pension: Up to a maximum of £84.25 is paid a week (from April 2006).

Pension supplement: The weekly rate is equal to 50% of the widow's pension, up to a maximum of £42.13 (from April 2006).

Widowed parent's allowance: Up to a maximum of £84.25 is paid a week (from April 2006).

Pension supplement: The weekly rate is equal to 50% of the widowed parent's allowance, up to a maximum of £42.13 (from April 2006).

Bereavement allowance: The allowance varies according to the survivor's age when widowed, up to a maximum of £84.25 a week (from April 2006).

Pension supplement: The maximum weekly rate is equal to 50% of the maximum bereavement allowance (from April 2006).

Bereavement payment: A lump sum of £2,000.

Guardian's allowance: £12.20 a week is paid for each child.

Universal funeral payment: £210 is paid if the death occurs in Isle of Man; £350 is paid if the death occurs outside Isle of Man and burial or cremation is to take place within Isle of Man (from April 2006). Additional support is provided to persons receiving income-related benefits and whose savings are less than £12,000.

Benefit adjustment: Benefits are adjusted annually in April according to increases in the United Kingdom retail price index.

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), 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 at the onset of incapacity.

Maternity allowance: All women who satisfy certain employment and earnings rules.

Payment for maternity expenses: Expectant mothers who receive, or whose partner receives, income-related benefits.

Medical benefits: All persons residing in 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 (£84 from April 2006) 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 (£84 from April 2006) in both of the last 2 tax years before the claim starts.

The insured must be younger than the state pension age of 65 (men) or 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 the adoption of 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 Isle of Man. The insured's weekly earnings must be at least equal to the lower earnings limit (£84 from April 2006) in any 8 weeks of the 26-week period. The beneficiary is the child's father, is married to the child's

mother or the person adopting the child, or is 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 residents.

Income support (noncontributory, means-tested social assistance): The benefit is payable, depending on circumstances, to those with income below prescribed levels who ordinarily reside in Isle of Man. Certain income, including child benefits, may be disregarded when calculating entitlement. The benefit is also payable to unemployed persons who are not required to seek employment, such as elderly, sick, or disabled persons; single parents; and carers. Assistance can be given with housing costs, and single payments can be made to cover urgent and exceptional needs. Personal savings over £12,000 may reduce the benefit payable. The benefit is not payable to persons who are working 16 hours or more a week.

Sickness and Maternity Benefits

Short-term incapacity benefit: The benefit is payable after a 3-day waiting period at a lower and a higher rate. The lower rate is payable for the first 28 weeks at £59.20 (from April 2006), plus £36.60 a week for a dependent adult. The higher rate is payable from the 29th to the 52nd week at £70.05 a week (from April 2006), plus £36.60 a week for a dependent adult.

Maternity/adoption allowance: The allowance is payable for up to 26 weeks starting no earlier than 11 weeks before the expected date of childbirth or 2 weeks before the child is placed for adoption. The standard rate is 90% of average earnings.

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 maximum weekly benefit is £174.65 (from April 2006); £108.85 for a self-employed person.

Dependent's supplement: £36.60 a week is paid for a dependent adult (from April 2006).

Paternity allowance: The allowance is equal to 90% of the insured's average earnings and is payable for up to 2 weeks in the first 8 weeks following the date of birth or adoption of the child (beneficiaries may opt to claim the benefit for only 1 week).

The maximum weekly benefit is £174.65 (from April 2006).

Benefit adjustment: The standard rates of the short-term incapacity benefit and the maternity allowance 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 are adjusted annually according to the increase in average earnings on the Isle of Man.

Income support (noncontributory, means-tested social assistance benefit): Cash benefits are payable 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 are paid at the full rate for the first 52 weeks of hospitalization; thereafter, may be reduced to £16.40 a week.

Cost sharing: Patients pay £3 for each prescription and 80% of the cost of dental work, up to a maximum of £390 (periodic check-ups are free). Exemptions from prescription and dental charges are available to those receiving income-related benefits and their dependents, students younger than age 19, nursing mothers, all people aged 60 or older (prescription charges only), and war pensioners. Women aged 60 or older and men aged 65 or older are exempt from dental charges.

There is no limit to duration.

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.

Dependents' supplements are paid at the full rate for the first 52 weeks of hospitalization; thereafter, may be reduced to £16.40 a week.

Cost sharing: Patients pay £3 for each prescription and 80% of the cost of dental work, 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 case of work-related injury, the insured must be an employee and must ordinarily reside in Isle of Man.

Income support (noncontributory, means-tested social assistance): Payable to persons with income below prescribed levels who ordinarily reside in Isle of Man. Certain income, including child benefit, may be disregarded when calculating entitlement. The benefit is also payable to unemployed persons not required to seek employment, such as sick or disabled persons or carers. Assistance can be given with housing costs, and single payments can be made to cover urgent and exceptional needs. Personal savings exceeding £12,000 may reduce the benefit payable. Benefits are not payable to persons working 16 hours or more a week.

Temporary Disability Benefits

Short-term incapacity benefit: The benefit is payable after a 3-day waiting period at a lower and a higher rate. The lower rate is payable for the first 28 weeks at £59.20 (from April 2006), plus £36.60 a week for a dependent adult. The higher rate is payable from the 29th to the 52nd week at £70.05 a week (from April 2006), plus £36.60 a week for a dependent adult.

Income support (noncontributory, means-tested social assistance): 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 £127.10 a week is payable from the 90th day after the accident or the onset of the disease (from April 2006). 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 £25.42 a week for an assessed degree of disability of at least 15% up to a maximum of £114.39 a week for an assessed degree of disability of at least 90% (from April 2006).

No benefit is payable 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 £25.45, £50.90, £76.35, or £101.80 according to attendance needs (from April 2006). (Other complementary benefits are payable under certain conditions to persons with severe disabilities, with difficulties finding any form of suitable employment, or disabled from a young age.)

The industrial injuries disablement benefit is payable 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 £84.25 a week is paid to a widowed parent with at least one dependent child for whom he or she receives child benefits (from April 2006). The allowance is paid weekly or monthly.

Pension supplement: The weekly rate is equal to 50% of the widowed parent's allowance, up to a maximum of £42.13.

Partial allowance: A reduced allowance is payable if the deceased made contributions for between 25% and 90% of his or her working life.

The allowance ceases on reaching the state pension age of 65 (men) or 60 (women) or on remarriage. The allowance is suspended if the survivor is cohabiting with a life partner.

Bereavement allowance: The allowance varies according to the survivor's age when widowed: the maximum rate of £84.25 a week is paid if aged 55 or older (from April 2006); a percentage of the full rate is paid if aged 45 to 54. The allowance is paid weekly or monthly 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 life partner.

Bereavement payment: A lump sum of £2,000 is payable immediately to help with costs arising on the death of a spouse.

Guardian's allowance: £12.50 a week is paid per child (from April 2006).

Universal funeral payment: £210 is paid if the death occurs in Isle of Man; £350 is paid if the death occurs outside Isle of Man and burial or cremation is to take place within Isle of Man (from April 2006). Additional support is provided to persons receiving income-related benefits and whose savings are less than £12,000.

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. (Excluded persons may qualify for assistance under the social assistance program.)

Social assistance: All persons residing in Isle of Man with income below prescribed levels.

Exclusions: Persons working 16 or more hours a week or whose partner works 24 or more hours 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 pension 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 (£84 from April 2006) 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.

Must be registered as unemployed, be capable of and actively seeking employment, be earning less than a prescribed amount, be physically present in 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 Isle of Man.

Jobseeker's allowance (social assistance): The allowance is payable to those not entitled to jobseeker's allowance (social insurance) or if the allowance payable is less than a prescribed amount. Income must not exceed a prescribed amount, and personal savings over £12,000 may reduce the benefit payable. Certain income, including child benefits, may be disregarded when calculating entitlement.

Must be registered as unemployed, be capable of and actively seeking employment, be earning less than a prescribed amount, be physically present in Isle of Man, and have a current Jobseeker's Agreement. There is no entitlement if a partner works 24 or more hours a week.

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 £57.45 a week is paid for up to 6 months if aged 25 or older, £45.50 a week if aged 18 to 24, or £34.60 a week if younger than age 18 (from April 2006). The allowance is payable after a 3-day waiting period.

Jobseeker's enhanced allowance: In addition to any entitlement to the jobseeker's allowance (social insurance), £57.45 a week is paid if aged 25 or older and £45.50 a week is paid if between ages 18 and 24 (from April 2006). The allowance is payable for up to 52 weeks after a 3-day waiting period. A supplement is also payable for an eligible adult dependent.

Jobseeker's allowance (social assistance): The allowance varies depending on the claimant's age, family income, and household composition. The claimant must be ordinarily residing in Isle of Man. Assistance can be given with housing costs, and single payments can be made to cover urgent and exceptional needs. Personal savings over £12,000 will reduce or eliminate the benefit payable. Benefits are not payable to persons working 16 or more hours a week (or whose partner works 24 or more hours a week).

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 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 19 if a student). Parents must have resided in Isle of Man or the United Kingdom for at least 182 days in the last 52 weeks or fulfill certain special conditions.

Maternity grant: Payable 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): Payable to employed or self-employed single or unmarried persons responsible for a child or a disabled adult and to married persons working at least 16 hours a week. The claimant was born in Isle of Man, is an Isle of Man worker, or permanently resided in Isle of Man during the last 6 months.

Income test: The family income threshold varies according to the number of children, housing costs, the number of hours worked, and child care charges. Certain income, including child benefits, may be disregarded when calculating family income.

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 18 (from April 2006). The benefit is paid weekly or monthly.

Maternity grant: A lump sum of up to £380.

Family income supplement (income-tested): The supplement is £0.70 for every £1 that income falls below the assessed family income threshold for receiving the supplement. The benefit is paid weekly or monthly.

Income test: The family income threshold varies according to the number of children, housing costs, the number of hours worked, and child care charges. Certain income, including child benefits, may be disregarded when calculating family income.

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 0.84 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, and 2003.

Type of program: Social insurance system.

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 daily earnings for contribution purposes are €40.62 or the minimum daily wage, whichever is higher.

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 €85,478 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 daily earnings for contribution purposes are €40.62 or the minimum daily wage, whichever is higher.

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 €85,478 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 57 (men and women) with at least 5 years of paid contributions. The pension payable must not be less than 120% of the value of the social allowance. There is no entitlement to a pension below this level (€458 a month), unless the insured is aged 65 or older or has 40 years of contributions.
- Category 2. Insured persons with less than 18 years of contributions as of December 31, 1995. Age 65 (men) or age 60 (women) with 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 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 according to the benefit calculation method.

Seniority pension: Age 57 with 35 years of contributions; regardless of age with 38 years of contributions. The contribution period will rise gradually to 40 years by 2007.

Persons with 40 years of contributions or aged 58 with 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: Payable 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 residence permit. Income, including that of a partner, must not exceed a government-set level.

Disability pension: Payable for a total and permanent incapacity to perform any work with at least 5 years of contributions, including 3 in the 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): Payable for the loss of 2/3 of working capacity with at least 5 years of contributions, including 3 in the 5 years before the claim. The allowance is payable for 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 (€22,234.16) or by 50% if the insured's annual income exceeds five times the legal minimum wage (€27,792.70).

Survivor pension (means-tested): The deceased received an old-age, seniority, or disability pension and had 15 years of contributions or 5 years of contributions, including 3 in the 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 (€16,675.62, €22,234.16, or €27,792.70).

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: Payable 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. On 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 €85,478 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 wage (€427.58 a month).

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 15 years of contributions, including at least 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 €427.58 for a single pensioner with annual income lower than €5,558.54 (if the insured's annual income is between €5,558.54 and €11,117.08, a reduced minimum pension is paid; if the insured's annual income is higher than €11,117.08, no minimum pension is paid) or for a couple with annual income lower than €16,675.62 (if the household's annual income is between €16,675.62 and €22,234.16, a reduced minimum pension is paid; if the household's annual income is higher than €22,234.16, no minimum pension is paid). The minimum monthly pension for a single pensioner aged 70 or older with annual income lower than €7,162.22 is €550.94; €12,124.58 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. The value of the adjustment awarded varies according to the value of the pension from 100% of the calculated adjustment for pensions lower than twice the legal minimum

pension to 75% for pensions higher than three times the legal minimum pension.

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 40 years of contributions or aged 58 with 37 years of contributions can continue to work with no restrictions on earnings.

Benefits are payable abroad.

Benefit adjustment: Benefits are adjusted annually according to the average change in the cost-of-living index.

Social allowance: The annual benefit is €4,962.36 for a single pensioner with annual income lower than €4,962.36 or for a couple with an annual income lower than €9,924.72; may be increased to €541.35 a month if aged 70 or older, single, and with annual income lower than €7,167.55; €12,129.91, 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 onset of disability is 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 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 15 years of contributions, including at least 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 that the onset of disability occurs before the insured reached 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 lower than €7,162.22; €12,124.58 for a couple.

Constant-attendance supplement: €450.78 a month.

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 onset of disability occurs 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 15 years of contributions, including at least 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 date of the onset of disability and the normal retirement age.

The minimum monthly pension is €427.58.

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.

The total survivor pension must not exceed 100% of the deceased's pension.

Death grant: A lump sum equal to 45 times the total amount of paid contributions is paid.

The minimum grant is €22.31.

The maximum grant is €66.93.

For the death of an insured person who entered the labor force on or after January 1, 1996, a lump-sum benefit 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 Welfare (<http://www.welfare.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: Must be currently covered; self-employed persons and contract workers must meet contribution conditions and a means test.

Tuberculosis benefits: Must have 1 year of coverage.

Medical benefits: There is no minimum qualifying period.

Sickness and Maternity Benefits

Sickness benefit: 50% of average daily earnings is paid for the first 20 days of incapacity; thereafter, 66.6%. The benefit is payable 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 amount varies according to the number of contributions made in the 12 months before hospitalization. The benefit is payable for 180 days of hospitalization a year.

Maternity benefit: The benefit is equal to 80% of average daily earnings in the last month before the leave period and is payable 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 payable from 2 months before the expected date of childbirth and for 3 months after childbirth.

Parental leave: Six months' leave must be taken before the child is age 3 and is paid to either parent; a self-employed mother receives 3 months' leave to be taken before the child is age 1. The benefit is equal to 30% of earnings. Parents are entitled to an additional 6 months' leave 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 €11.21 (€5.60 if the beneficiary is a pensioner or the insured's dependent) is paid while receiving institutional care.

Postsanatorium benefit: A daily benefit of €18.67 (€9.34 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 €75.28 is paid for a renewable 2-year period if the insured person has lost at least 50% of earning capacity.

Christmas allowance: A supplementary 30 days' benefit is paid in addition to the benefits already received.

Workers' Medical Benefits

Services are provided by doctors and pharmacists under contract with, and paid directly by, the National Health Service. Benefits are paid for by the Health Service or by hospitals, most of which are public. Benefits include general and specialist care, hospitalization, prescribed medicines, dental care, the attendance of 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 Welfare (<http://www.welfare.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), 2000 (disability benefits), and 2000 (domestic accidents).

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: Finances administrative costs.

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 payable after a 3-

day waiting period. The employer must pay 100% of earnings to the insured for the day on which the accident or the onset of an 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 calculated on the basis of 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 calculated on the basis of 50% to 98% of reference earnings; for an assessed degree of disability greater than 64%, the pension is calculated on the basis of 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 €12,608.40.

The maximum annual earnings for benefit calculation purposes are €23,415.60.

Reference earnings are equal to an annual fixed amount of €19,028.11 for agricultural fixed-term contract workers; €12,608.40 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: €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 (for incidents on or after July 25, 2000): Two types of compensation are paid:

- Compensation for an illness is paid in the form of a lump sum or a pension. The amount is calculated on the basis of 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.

Transitional compensation for silicosis and asbestosis:

Benefits are payable for 1 year to compensate insured workers who are forced to abandon a harmful work position in order to avoid aggravating 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.

Unemployability pension: A monthly payment of €214.64 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.

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 in full-time education, 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.

The maximum survivor pension is equal to 100% of the deceased's earnings.

Funeral grant: A lump sum of €1,663.34 is paid to the person who paid for the funeral expenses.

Administrative Organization

Ministry of Labor and Social Welfare (<http://www.welfare.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 insurance coverage with 52 weeks of contributions in the last 2 years; construction workers must have 43 weeks of contributions during 2 years of employment in the sector. Insured persons with 2 years of insurance 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 insurance 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 payable for a maximum of 7 months; 10 months for beneficiaries aged 50 or older. Daily benefits are equal to 50% of the gross average daily wage for the first 6 months and 40% for the 7th month. Beneficiaries aged 50 or older receive 50% of the gross average daily wage during the first 6 months, 40% for the next 3 months, and 30% for the 10th month.

The gross average daily wage is based on earnings in the previous 3 months.

The maximum monthly benefit is €830.77; €998.50 if the insured's gross earnings before unemployment were more than €1,797.31 a month.

Construction workers receive 80% of earnings during the first 12 months of unemployment; thereafter, 64% 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 30% of the gross average daily wage. 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 156 days.

The maximum reduced benefit is €819.62 a month; €985.10 if the insured's gross earnings before unemployment were more than €1,797.31 a month.

Mobility allowance: 80% of the insured's last earnings are paid for up to 12 months; thereafter, 64%. 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 €830.77; €998.50 if the insured's gross earnings before unemployment were more than €1,797.31 a month.

Partial unemployment benefit

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 €830.77; €998.50 if the insured's gross earnings before unemployment were more than €1,797.31 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 €830.77; €998.50 if the insured's gross earnings before unemployment were more than €1,797.31 a month.

Administrative Organization

Ministry of Labor and Social Welfare (<http://www.welfare.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 daily earnings for contribution purposes are €40.62 or, if higher, the minimum wage.

Government: Subsidies, including 1.8% of the employer contribution.

Qualifying Conditions

Family allowances (means-tested): The insured is 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 €21,671.69.

Family Allowance Benefits

Family allowances (means-tested): The monthly benefit varies from €10.33 to €965.26, 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): The benefit is €120.39.

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 Welfare (<http://www.welfare.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 0.58 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); 1997 (disability transport allowance); and 2002 (incapacity).

Type of program: Social insurance (social security benefits) and social assistance (disability benefits) 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: 5.2% of gross earnings (old-age and survivor pensions).

The minimum monthly earnings for contribution purposes are £663.

The maximum monthly earnings for contribution purposes are £3,138.

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 contribute 12.5% of gross earned income (old-age and survivor pensions and medical benefits). Does not apply to 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.

The minimum annual earned income for contribution purposes for nonemployed persons is £7,308.

The maximum annual earned income for contribution purposes for nonemployed persons is £37,656.

The maximum total earned and unearned income for contribution purposes is £50,208.

Self-employed person: 10.5% of gross earnings.

The minimum monthly earnings for contribution purposes are £663.

The maximum monthly earnings for contribution purposes are £3,138.

The self-employed person's contributions also finance sickness, maternity, and work injury benefits and part of the cost of medical benefits.

Employer: 5.3% of gross payroll.

The minimum monthly earnings for contribution purposes are £663.

The maximum monthly earnings for contribution purposes are £3,138.

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-tested disability benefits.

Qualifying Conditions

Old-age pension: Payable at 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: Payable 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 payable from age 63. The option to receive an early pension cannot be reversed.

The pension payable 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.

Disability pension: The insured is assessed as permanently incapable of any work (including voluntary work) with 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 of the onset of disability.

The disability pension is payable abroad.

The disability pension is payable with income-tested social assistance disability benefits, subject to eligibility.

Long-term incapacity allowance: Payable with an assessed degree of disability of at least 5% with 6 months of contributions, including contributions paid on earnings above £663 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 is payable with income-tested social assistance disability benefits, subject to eligibility.

Attendance allowance (income-tested): Payable to a severely disabled person or a disabled child aged 4 or older who requires extra care and attention. The allowance is paid after 6 months of disability. The allowance is subject to an annual income ceiling of £51,511.

Invalid care allowance (income-tested): Payable to a person who cares for a beneficiary of attendance allowance. The allowance is subject to an annual income ceiling of £51,511.

Adult disablement allowance (income-tested): Payable to persons who are disabled from birth and have no contribution record. The allowance is paid after 6 months of disability. The allowance is subject to an annual income ceiling of £51,511.

Child disablement allowance (income-tested): Payable to severely disabled children younger than age 16 who do not qualify for attendance allowance. The allowance is paid after 6 months of disability. The allowance is subject to an annual income ceiling of £51,511.

Disability transport allowance (income-tested): Payable to a person or child (from age 4) residing in Jersey who has a physical or mental disability and requires help to travel outside of the home. The allowance is payable 3 months after the onset of the assessed disability if the disability is likely to continue for a further 9 months. The allowance is subject to an annual income ceiling of £51,511.

Survivor allowance: The deceased was a pensioner at the time of death or had 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 over the period.

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.

Survivor pension: The deceased was a pensioner at the time of death or had 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 over the period.

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.

Death grant: The deceased had 1 year of contributions or less than 1 year of contributions, but a contribution was payable in the month the death occurred. A noncontributory grant can also be paid, subject to conditions.

Old-Age Benefits

Old-age pension: The full weekly pension is £153.23. 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 £101.15 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 social security benefit; 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 £153.23 if the insured has 45 years of paid or credited contribution (contributions for the years between the date of onset of disability until retirement age are credited). The pension is reduced proportionately for less than 45 years of contributions. The pension is payable after the 1-year entitlement to sickness benefit has expired up to age 65. The pension is paid monthly.

The minimum weekly pension is £23.

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: £101.15 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 social security benefit; 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 £153.23. The allowance is payable after the 1-year entitlement to sickness benefit has expired up to age 65. The allowance is paid monthly.

Partial disability allowance: If the assessed degree of disability is between 15% and 100%, the allowance is reduced in proportion to the assessed degree of disability.

Dependent's supplement: £101.15 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.

The degree of disability is assessed periodically by the medical board, with the possibility of making an indefinite award.

Attendance allowance (income-tested): The monthly allowance is £412.80.

Invalid care allowance (income-tested): The monthly allowance is £663.36.

Adult disablement allowance (income-tested): The monthly allowance is £339.16.

Child disablement allowance (income-tested): The monthly allowance is £226.02.

Disability transport allowance (income-tested): The monthly allowance is £167.56.

Benefit adjustment: Benefits are adjusted annually according to a formula reflecting changes in the earnings index and retail price index.

Survivor Benefits

Survivor allowance: The weekly allowance is £183.89 and is payable for the first 52 weeks after the insured's death.

The allowance ceases on remarriage or cohabitation with another person.

Survivor pension: The full weekly pension is £153.23 and is payable 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 with another person.

Death grant: A lump sum of £612.80.

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

Administrative Organization

Employment and Social Security Department (<http://www.ess.gov.je>) 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 care) 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 care: The total cost of hospital care.

Qualifying Conditions

Cash sickness benefits: The insured must have at least 3 months of contributions, including paid contributions on earnings above £663 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 £663 in only 1 or 2 months of the qualifying quarter.

Cash maternity allowance: The insured must have at least 13 weeks of contributions, including paid contributions in the calendar-year quarter 1 year before the expected date of childbirth.

Maternity (adoption) grant: One year of contributions must be paid by at least one of the parents.

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

Sickness benefit: The weekly benefit is £153.23 and is payable for a minimum of 2 days up to a maximum of 364 days.

Dependent's supplement: £101.15 a week is paid for a dependent spouse or partner.

After a year of entitlement to sickness benefit, a long-term incapacity allowance or a disability pension (see Old Age, Disability, and Survivors, above) may be payable.

Maternity allowance: The weekly allowance is £153.23 and is payable for 18 weeks, starting between 6 and 11 weeks before the expected date of childbirth.

Maternity (adoption) grant: A lump sum of £459.60 is paid for each birth or adoption.

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

Workers' 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, and the cost of each prescription of pharmaceuticals is limited to £2.10 an item. Low-income families and persons with low income who are older than age 65 are exempt from the costs of some medical care services.

Dependents' 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, and the cost of each prescription of pharmaceuticals is limited to £2.10 an item. Low-income families and persons with low income who are older than age 65 are exempt from the costs of some medical care services.

Administrative Organization

Employment and Social Security Department (<http://www.ess.gov.je>) administers social security and health insurance.

Department of Health and Social Services (<http://www.health.gov.je>) administers hospital treatment.

Work Injury

Regulatory Framework

First law: 1930.

Current law: 1974 (social security), implemented in 1975.

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

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

The weekly benefit is £153.23 and is payable for 1 year.

Dependent's supplement: £101.15 a week is paid for a dependent wife or partner.

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

Permanent Disability Benefits

Permanent disability pension: The weekly pension is £153.23.

Dependent's supplement: £101.15 a week is paid for a dependent wife or partner.

Attendance allowance: £422.52 a month.

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.

Work injury benefits can be paid with social assistance disability benefits (see Old Age, Disability, and Survivors, above).

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

Workers' 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, and the cost of each prescription of pharmaceuticals is limited to £2.10 an item. Low-income families and persons with low income who are older than age 65 are exempt from the costs of some medical care services.

Survivor Benefits

Survivor allowance: Paid for the first year of widowhood if the deceased met the contribution requirements for the old-age pension.

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.

Survivor pension: The deceased met the contribution requirements for the old-age pension. The pension is paid when entitlement to the survivor allowance ceases.

The eligible survivor must be younger than age 65 and have been married to the deceased at the time of death.

The survivor pension ceases at age 65 and is replaced by the old-age pension.

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

Administrative Organization

Employment and Social Security Department (<http://www.ess.gov.je>) administers social insurance benefits.

Department of Health and Social Services (<http://www.health.gov.je>) administers hospital treatment.

Unemployment

Regulatory Framework

First and current law: 1930.

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

Welfare grant (income-tested): The claimant must have resided in Jersey for at least 5 years and be actively seeking employment and be involuntarily unemployed.

Unemployment Benefits

Welfare grant (income-tested): The benefit depends on individual circumstances, including the level of housing rent paid.

There is no limit to duration.

Administrative Organization

The program is administered by 12 separate parish authorities and coordinated by the Committee of Constables.

Family Allowances

Regulatory Framework

First and current law: 1972 (family allowances), with 2002 (children) amendment, implemented in 2005.

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

Family allowances (income-tested): The child must be younger than age 16 or in full-time education in Jersey.

Income test: The annual income limit varies according to the number of children, from £14,032 for one child to £29,495 for eight children.

Family Allowance Benefits

Family allowances (income-tested): The allowance is calculated in relation to the previous year's income tax return, with the maximum rate being paid to a family with income of less than £6,950 in the previous year.

Jersey

The maximum annual allowance is £3,138 for the first child, £2,704 for the second child, and £2,557 for each subsequent child.

For a married couple, the allowance is usually paid to the woman.

An income-tested child care allowance may also be paid for the cost of child care at a registered nursery, play group, or child minder.

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

Administrative Organization

Employment and Social Security Department (<http://www.ess.gov.je>) administers the program.

Latvia

Exchange rate: US\$1.00 equals 0.58 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: Membership in an individual account 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, active military personnel, persons caring for a child younger than 18 months, 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 have not already been granted an old-age pension; the spouse of a self-employed person younger than the retirement age; and students.

Special supplementary systems for public prosecutors and the police and armed forces.

Disability pension: Employed and self-employed persons.

Voluntary coverage for all persons aged 15 years or older residing permanently in Latvia who are not subject to compulsory insurance and have not already been granted 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.

Source of Funds

Insured person: 9% of earnings.

Of the total employer/employee contribution of 33.09% of earnings, 18% of earnings finances the NDC scheme and 2% the individual account. The remainder finances sickness and maternity benefits, work injury benefits, and

unemployment benefits. (The individual account contribution rate will rise to 4% in 2007 and by an additional 2% each year up to 10% 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 1,320 lats.

The maximum annual earnings for contribution purposes are 20,700 lats.

Self-employed person: 30.2% of declared earnings.

Of the total contribution, 24.79% finances old-age and survivor benefits and 3.03% disability benefits. The remainder finances sickness and maternity benefits.

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 1,320 lats.

The maximum annual declared earnings for contribution purposes are 20,700 lats.

Employer: 24.09% of earnings.

Of the total employer/employee contribution of 33.09% of earnings, 18% of earnings finances the NDC scheme and 2% the individual account. The remainder finances sickness and maternity benefits, work injury benefits, and unemployment benefits. (The individual account contribution rate will rise to 4% in 2007 and by an additional 2% each year up to 10% in 2010. The total contribution rate will remain the same.)

The minimum annual earnings for contribution purposes are 1,320 lats.

The maximum annual earnings for contribution purposes are 20,700 lats.

Government: Contributes 10 lats on behalf of active military personnel, persons residing in Latvia caring for a child younger than 18 months, and spouses of diplomatic staff and of military personnel residing abroad. Also contributes on behalf of recipients of unemployed benefits, unemployed disabled persons, and recipients of maternity benefits. Contributes as an employer. Finances the total cost of the state social security benefit (see below).

Qualifying Conditions

Old-age pension (social insurance and mandatory individual account): Age 62 (men) or age 60 and 6 months (women) with 10 years of insurance coverage. The

age requirement for women will increase by 6 months each year up to age 62 by 2009.

Retirement from insured employment is not necessary.

Special conditions apply to persons disabled for life and certain persons with specific disabilities; to men or women who have raised 5 or more children up to age 8 or a disabled child; to persons who before 1996 worked under hazardous or dangerous conditions; and to persons who participated in 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 58 (women) with 30 years of insurance coverage. The early pension is a transitional benefit in force until June 1, 2008.

Deferred pension: The pension may be deferred after retirement age without limit.

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 insurance coverage or without insurance coverage.

Disability pension (social insurance): The insured must be assessed as disabled and must have 3 years of insurance 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: Payable 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.

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, grandchildren, stepsons, and stepdaughters younger than age 18 (age 25 if a student, no limit if disabled) who do not have parents capable of work.

Survivor benefits are payable abroad.

Survivor pension (social insurance): Payable to eligible survivors if the deceased did not satisfy qualifying conditions for a pension.

Death allowance (social insurance): Payable for the death of an insured person; an unemployed person; a pensioner; and an insured's dependent family member. In the case of an insured or an insured's family member, 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.

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 remaining life expectancy.

The monthly minimum pension is equal to the state social security benefit increased by 1.1% (49.50 lats a month or 55 lats if disabled since childhood) for an insurance period of up to 20 years; increased by 1.3% (58.50 lats a month or 65 lats if disabled since childhood) for an insurance period from 21 to 30 years; or increased by 1.5% (67.50 lats a month or 75 lats if disabled since childhood) for an insurance period of 31 years or more.

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: Benefits are adjusted in April according to changes in the consumer price index and in October according to changes in the consumer price index and changes in average contributory earnings.

Mandatory individual account: The pension is based on the amount of the insured's contributions plus annual capital growth. At retirement, the insured can purchase an annuity or have the funds credited to his or her NDC account.

State social security benefit: The monthly state social security benefit is 45 lats (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 total possible number of years between age 15 and retirement.

The minimum pension is 1.6 times the state social security benefit (72 lats a month 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 total possible number of years between age 15 and retirement.

The minimum pension is 1.4 times the state social security benefit (63 lats a month or 70 lats if disabled since childhood).

Group III: The monthly pension is equal to the state social security benefit of 45 lats (50 lats if disabled since childhood).

The minimum annual earnings for benefit calculation purposes are 1,320 lats.

The maximum annual earnings for benefit calculation purposes are 20,700 lats.

Benefit adjustment: Benefits are adjusted in April according to changes in the consumer price index and in October according to changes in the consumer price index and changes in average contributory earnings.

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 survivor pension is equal to 65% of the state social security benefit for each eligible survivor (29.25 lats a month or 32.50 lats if disabled since childhood).

The minimum total survivor pension is equal to the state social security benefit of 45 lats a month (50 lats if disabled since childhood).

Benefit adjustment: Benefits are adjusted in April according to changes in the consumer price index and in October according to changes in the consumer price index and changes in average contributory earnings.

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. In the case of the death of a dependent family member or an unemployed person, the allowance is three times the state social security benefit of 45 lats.

Administrative Organization

Ministry of Welfare (<http://www.lm.gov.lv>) provides general supervision.

State Social Insurance Agency (<http://www.vsaa.gov.lv>) and its local offices award and pay cash benefits.

Financial and Capital Market Commission supervises private pension funds.

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 subject to compulsory insurance and have not already been granted 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 citizens residing in Latvia and foreigners with term-residence permission.

Source of Funds

Insured person: See source of funds under Old Age, Disability, and Survivors, above; voluntary contributors pay 3.16% of earnings.

The minimum annual earnings for contribution purposes are 1,320 lats.

The maximum annual earnings for contribution purposes are 20,700 lats.

Self-employed person: 2.38% of declared earnings is taken from the total contributions rate of 30.2% of declared earnings made 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 during the last 6 months (last 12 months for a self-employed person). The benefit is payable 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 are 1,320 lats.

The maximum annual earnings for benefit calculation purposes are 20,700 lats.

The sickness benefit is paid after being certified 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 during the last 6 months (last 12 months for a self-employed person) and is payable from the first day up to the 21st day if caring for a child younger than age 14. The benefit is also payable for a child receiving treatment in hospital.

Maternity benefit: The benefit is equal to 100% of the insured's average earnings during the last 6 months (last 12 months for a self-employed person). The benefit is payable for 112 consecutive days (56 days before and 56 days after the expected date of childbirth); 14 additional days are paid for multiple births.

The minimum annual earnings for benefit calculation purposes are 1,320 lats.

The maximum annual earnings for benefit calculation purposes are 20,700 lats.

The benefit may be paid for 14 additional consecutive days as the result of complications during pregnancy, delivery, or the postnatal period and in cases where inpatient medical care associated with pregnancy began before the 12th week of pregnancy.

Maternity benefit must be claimed within 12 months after the first day of the maternity leave period.

Maternity benefit is paid after being certified incapable of work by the State Social Insurance Agency.

Paternity benefit: The benefit is equal to 80% of the insured's average earnings during the last 6 months. The benefit is payable for 10 consecutive days.

The minimum annual earnings for benefit calculation purposes are 1,320 lats.

The maximum annual earnings for benefit calculation purposes are 20,700 lats.

Maternity benefit must be claimed within 12 months after the first day of the paternity leave period.

Workers' Medical Benefits

Benefits are provided by state-owned and private hospitals under contract with a sickness fund. Benefits include general and specialist care, medicines, hospitalization, maternity care, dental care for children younger than age 19 and for Chernobyl victims, 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 consultation with a general practitioner and 2 lats for a consultation with a specialized physician.

Fees for inpatient care are 3 to 5 lats from the second day of treatment, but no more than 80 lats per month.

Free treatment is provided for emergency treatment; for children younger than age 19; for pregnant women and women with a newborn child (for up to 42 days); for low-income persons; for persons with serious diseases (tuberculosis, psychiatric treatment, and chronic hemodialysis); for Chernobyl victims; 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 a sickness fund. Benefits include general and specialist care, medicines, hospitalization, maternity care, dental care for children younger than age 19 and for Chernobyl victims, 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 consultation with a general practitioner and 2 lats for a consultation with a specialized physician. Fees for inpatient care are 3 to 5 lats from the second day of treatment, but no more than 80 lats per month.

Free treatment is provided for emergency treatment; for children younger than age 19; for pregnant women and women with a newborn child (for up to 42 days); for low-income persons; for persons with serious diseases (tuberculosis, psychiatric treatment, and chronic hemodialysis); for Chernobyl victims; 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.vsa.gov.lv>) and its local offices award and pay cash benefits.

Health Compulsory Insurance State Agency (<http://www.voava.gov.lv>) and its three local branches and three municipal sickness funds administer 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.

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 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.

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 during the last 6 months (last 12 months for a self-employed person). The benefit is payable 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 if the incapacity for work recurs). The employer pays the benefit in the waiting period (the benefit must not be less than 75% of the insured's 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 are 1,320 lats.

The maximum annual earnings for benefit calculation purposes are 20,700 lats.

The sickness benefit is paid after being certified incapable of work by the State Social Insurance Agency.

Permanent Disability Benefits

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 minimum annual earnings for benefit calculation purposes are 1,320 lats.

The maximum annual earnings for benefit calculation purposes are 20,700 lats.

Partial disability pension: The monthly pension is equal to 75% of the insured's average monthly earnings for a loss of earning capacity from 90% to 99%; 70% for a loss from 80% to 89%. The pension decreases by 5% for each successive

10% reduction in earning capacity, down to a minimum of 25% of the insured's average monthly earnings for a loss of earning capacity from 10% to 14%.

The minimum annual earnings for benefit calculation purposes are 1,320 lats.

The maximum annual earnings for benefit calculation purposes are 20,700 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 of 45 lats a month.

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>) and local insurance offices award and pay benefits.

Unemployment

Regulatory Framework

First law: 1991.

Current law: 1999 (unemployment insurance), with 2000, 2002, and 2005 amendments.

Type of program: Social insurance system.

Coverage

Employed persons, active military personnel, and persons residing in Latvia caring for a child younger than 18 months.

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 for active military personnel and for persons residing in Latvia caring for a child younger than 18 months. Contributes as an employer.

Qualifying Conditions

Unemployment benefit: The insured must have a year of contributions, including 9 months in the last 12 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, formally disabled persons who have regained the capacity to work, and persons in military or alternative service.

Unemployment Benefits

The monthly benefit varies according to the length of the covered insurance 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 insurance coverage, 55% with 10 to 19 years, 60% with 20 to 29 years, and 65% with 30 years or more. The full amount is paid for the first 3 months, 75% for the 4th to the 6th month, and 60% for the 7th to the 9th month.

The benefit is paid for a maximum duration of 9 months in any 12-month period.

The minimum annual earnings for benefit calculation purposes are 1,320 lats.

The maximum annual earnings for benefit calculation purposes are 20,700 lats.

Twice the monthly state social security benefit of 45 lats is paid to persons caring for a child younger than 18 months, caring for a disabled child younger than age 16, formally disabled persons who have regained the capacity to work, and persons in the military or alternative service before becoming unemployed.

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 award and pay 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 1998 (social benefits), with amendments.

Type of program: Universal system.

Coverage

All citizens and foreigners with term-residence permission.

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 15 (age 20 if a full-time student).

Foster family allowance: The allowance is payable to families for foster care.

Child-rearing allowance (flat-rate benefit): The child must be younger than age 2. The person rearing a child must not be employed or must not be employed full time. Family allowances are also paid. May not receive the allowance while receiving maternity benefits (see *Sickness and Maternity*, above).

Child-rearing allowance (earnings-related benefit): The child must be younger than age 1. The woman or man must be under insured employment before the date of childbirth and must be on maternity or paternity leave or employed on a part-time basis. May not receive the allowance while receiving maternity benefits (see Sickness and Maternity, above).

Childbirth allowance: Paid to one of the parents (or guardian) of a child younger than age 1.

Family Allowance Benefits

Family allowance: The monthly benefit is equal to 6 lats for the first child, 7.20 lats for the second, 9.60 lats for the third, and 10.80 lats for the fourth and each subsequent child.

Disabled child supplement: The monthly supplement is 50 lats and is payable until the child reaches age 18.

Foster family allowance: The monthly allowance is 70 lats regardless of the number of foster children and is payable for the duration of the child's stay with the family.

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 (earnings-related benefit): The benefit is equal to 70% of the insured's average earnings during the 12 months ending 3 months before the date of childbirth.

The minimum monthly allowance is 56 lats.

The maximum monthly allowance is 392 lats.

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.

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>) and local insurance offices award and pay benefits.

Liechtenstein

Exchange rate: US\$1.00 equals 1.31 francs.

Old Age, Disability, and Survivors

Regulatory Framework

First and current laws: 1952 (old-age and survivors), implemented in 1954; 1960 (disability), implemented in 1960; and 1988 (mandatory occupational pensions), with 2005 amendment.

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

Coverage

Social insurance: All persons residing in Liechtenstein and employed and self-employed nonresidents.

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 for excluded employees and self-employed persons.

Source of Funds

Social insurance

Insured person: 3.8% of earnings for old-age and survivors and 0.75% of earnings for disability.

A nonemployed person pays variable annual contributions according to income, between 228 francs and 7,600 francs for old-age and survivors and between 45 francs and 1,500 francs for disability, plus an additional 4% 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 survivors if annual income is between 3,000 francs and 6,000 francs; 3.8% to 7.5% of annual income for old-age and survivors if annual income is between 6,000 francs and 26,000 francs; 7.6% of annual income for old-age and survivors and 1.5% of annual income for disability if annual income is greater than 26,000 francs.

There is no maximum income for contribution purposes.

Self-employed persons pay an additional 4% of their total contribution amount for administrative costs.

Employer: 3.8% of payroll for old-age and survivors and 0.75% of payroll for disability, plus an additional 4% 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 survivors; any deficit up to 50% of annual expenditure for disability.

Mandatory occupational pension

Insured person: At least 6% of covered earnings. Normally, covered earnings include income between 19,350 francs and 77,400 francs, minus a tax allowance of 12,900 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 6% of covered earnings. The employer's contribution must be at least equal to the value of the insured's contribution. Normally, covered earnings include income between 19,350 francs and 77,400 francs, minus a tax allowance of 12,900 francs. In addition, the employer pays at least 50% of the cost of administrative fees.

Government: None.

Qualifying Conditions

Old-age pension

Social insurance old-age pension: 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: Payable from age 60 (men and women).

Deferred pension: The pension may be deferred up to age 70.

Child's supplement: Payable 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

Social insurance disability pension: The full pension is paid with at least 1 year of contributions and a permanent loss of at least 66.6% in working capacity.

Partial pension: A half pension is paid with at least 1 year of contributions and a permanent loss of 50% to 66.6% 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: Payable for insured persons younger than age 45 at the onset of disability.

Child's supplement: Payable for each dependent child younger than age 18 (age 25 if a student or in vocational training).

Mandatory occupational disability pension: The onset of disability must be before the pensionable age for the old-age pension. The degree of disability is assessed according to the loss in earning capacity. The pension ceases when the insured reaches retirement age.

Survivor pension

Social insurance survivor pension: 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

Social insurance old-age pension: For a full pension based on a complete insurance period for the insured's age cohort (defined by the year of birth), the pension is between 1,075 francs and 2,150 francs a month depending on the yearly average earnings during the total insurance period.

Yearly 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 yearly average earnings are split equally between both partners for the marriage period.

Child's supplement: 40% of the old-age pension 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 (transitional provision), 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 value of the reduced pension depends on when the pension is first received. If the pension is first received up to 1 year before the normal retirement age, the

pension is reduced by 3%; if 2 years earlier, by 7%; if 3 years earlier, by 11.5%; or if 4 years earlier, by 16.5%. For women born before 1952 who retire at age 62 or older, 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. If the annual consumer price index increases by more than 4%, the adjustment may be brought forward. 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

Social insurance disability pension: The full pension is based on a complete insurance period for the insured's age cohort (defined by the year of birth). If the level of disability is at least 66.6% (total disability), the pension is between 1,075 francs and 2,150 francs a month depending on yearly average earnings during the total insurance period.

Yearly 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 yearly average earnings are split equally between both partners for the marriage period.

If the onset of disability was before age 25 and the insured has at least the minimum required contribution period, the disability pension amounts to 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. If the annual consumer price index increases by more than 4%, the adjustment may be brought forward. 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 covered earnings.

Partial disability: If the insured has an assessed degree of disability of at least 25%, a reduced pension is paid for a partial disability.

Child's supplement: Up to 6% of covered earnings is paid for each child younger than age 15 (age 25 if a student).

Benefit adjustment: Benefits are adjusted according to the financial situation of each institution.

Survivor Benefits

Survivor pension

Social insurance survivor pension: The full pension is based on a complete insurance 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 payable 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.

Social insurance orphan's pension: 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. If the annual consumer price index increases by more than 4%, the adjustment may be brought forward. 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 covered earnings for the spouse and 6% of covered earnings for each orphan.

The survivor pension ceases if the surviving spouse remarries or on the date the deceased would have attained retirement age, with the surviving spouse receiving a lump sum equal to the value of the insured's vested old-age pension rights.

Benefit adjustment: Benefits are adjusted according to the financial situation of each institution.

Administrative Organization

Social insurance: Old Age, Survivor, and Disability Insurance Institute (<http://www.ahv.li>) administers the program. The institute is responsible for registering affiliates, regulating and collecting contributions, and providing benefits.

Mandatory occupational pension: Mandatory occupational pension plans are administered by private pension institutions under government supervision.

Financial Market Authority, Office for the Economy (<http://www.fma-li.li>) supervises and regulates pension institutions and ensures compliance.

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 in Liechtenstein.

Source of Funds

Insured person: A variable percentage of earnings (the average is between 1.5% and 2%) or a fixed sum (on average, 204 francs for adults or 102 francs for young persons between ages 17 and 20 in 2004); 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 106,800 francs.

Self-employed person: Voluntary contributions.

Employer: The contribution must be equal to 50% of the insured employee's contribution (on average, 102 francs for adults and 52 francs for young persons between ages 17 and 20 in 2004).

The maximum annual earnings for contribution purposes are 106,800 francs.

Government: Varying contributions are made toward the cost of medical benefits and are payable 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, subsidizes contributions for low-income insured persons, and pays the full cost of the maternity allowance.

Qualifying Conditions

Cash sickness benefits: Membership in a health insurance fund.

Cash maternity benefits: 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 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 partial (at least 50%) incapacity.

Maternity benefit: The benefit is equal to at least 80% of covered earnings. The benefit is payable 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 unmarried) is payable to a woman who is not eligible for the maternity benefit. If eligible for maternity benefits under the 1971 law and if the maternity benefit 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 recognized sanatoriums.

Medical benefits include primary and specialist treatment, hospitalization, ambulance services, pharmaceuticals, maternity care, and convalescence.

There is no limit to duration.

Cost sharing: Cost sharing by patients includes a set fee of up to 800 francs per calendar year and a 10% copayment for all costs exceeding the set fee. Cost-sharing rates are halved for pensioners and adolescents older than age 15 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 under separate insurance coverage. Medical services are provided by approved doctors, public hospitals, private hospitals, clinics under contract with health insurance funds, and recognized sanatoriums.

Medical benefits include primary and specialist treatment, hospitalization, ambulance services, pharmaceuticals, maternity care, and convalescence.

There is no limit to duration.

Cost sharing: Cost sharing by patients includes a set fee of up to 800 francs per calendar year and a 10% copayment for all costs exceeding the set fee. Cost-sharing rates are halved for pensioners and adolescents older than age 15 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

Registered Compulsory Health Insurance Funds administer contributions and benefits.

Financial Market Authority, Office for the Economy (<http://www.avw.llv.li>) supervises and regulates Health Insurance Funds and 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 106,800 francs.

Employer: Premiums vary according to the assessed degree of risk.

The maximum annual earnings for contribution and benefit purposes are 106,800 francs.

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

If the insured has a loss in working capacity of at least 25%, the benefit is equal to 80% of earnings. The benefit is payable after a 2-day waiting period.

The maximum annual earnings for benefit calculation purposes are 106,800 francs.

Permanent Disability Benefits

Permanent disability benefits: The full pension is equal to 80% of earnings and is paid for a reduction in working capacity of more than 50%.

The maximum annual earnings for benefit calculation purposes are 106,800 francs.

Partial disability: 50% of the pension is paid for a reduction in working capacity of 25% to 50%.

Constant-care allowance: Payable if the insured requires constant care or assistance to complete daily tasks. Between 586 francs and 1,758 francs a month is paid, depending on the level of dependency and care required.

Integrity damage grant: The grant is payable 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 106,800 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 106,800 francs.

The pension is payable 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 earnings. The pension is payable 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 106,800 francs.

The maximum survivor pension is equal to 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 the amounts is payable. (Survivors also receive cost-of-living allowances that are incorporated into the pension.)

Benefit adjustment: Benefits are adjusted every 2 years for changes in the consumer price index and wage index. If the annual consumer price index increases by more than 8%, the adjustment may be brought forward. 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

Registered Compulsory Accident Insurance Funds administer contributions and benefits.

Office for the Economy (<http://www.avw.llv.li>) supervises and regulates Accident Insurance Funds and ensures compliance.

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 earnings.

The maximum annual earnings for contribution purposes are 97,200 francs.

Self-employed person: Not applicable.

Employer: 0.25% of 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: Must have at least 6 months of insurance coverage in the last 2 years before claiming unemployment benefits. The insured 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 payable 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 payable 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 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 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 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 covered earnings for the period of lost working time and is payable for up to 3 months. The national unemployment insurance fund pays 80%, and the employer pays 20%, of the total benefit.

Administrative Organization

National Unemployment Insurance Fund administers contributions and benefits.

Office for the Economy (<http://www.avw.llv.li>) supervises and regulates the National Unemployment Insurance Funds and ensures compliance.

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 in Liechtenstein and employed and self-employed nonresidents.

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.

Liechtenstein

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 4% of payroll for administrative costs.

There are no maximum earnings for contribution purposes.

Government: Any deficit.

Qualifying Conditions

Family allowances: Payable for children younger than age 18.

Family Allowance Benefits

Family allowance: 260 francs a month per child is paid for the first two children younger than age 11; 310 francs a month per child is paid for the first two children older than

age 10; 310 francs a month per child for the third and each subsequent child or for twins. The same rules apply to full orphans.

Single-parent allowance: 100 francs a month is paid per child (in addition to family allowances).

Birth grant: 2,100 francs is paid per child; 2,600 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 payable.

Administrative Organization

National Family Allowances Fund (<http://www.ahv.li>) administers contributions and benefits.

Lithuania

Exchange rate: US\$1.00 equals 2.92 litas.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1922.

Current laws: 1994 (social insurance), with 2005 amendment; 1994 (social assistance), with 2004 amendment; 1999 (pension funds), implemented in 2004; 2002 (pension system), implemented in 2004; 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, and self-employed 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 230 litas (July 2006).

The minimum earnings for contribution purposes are equal to the minimum monthly wage (550 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 230 litas (July 2006).

The minimum declared earnings for contributions purposes are equal to the monthly minimum wage (550 litas).

There are no maximum declared earnings for contribution purposes.

Employer: 23.6% of payroll.

The minimum earnings for contributions purposes are equal to the minimum monthly wage (550 litas).

Government: Any deficit; contributes as an employer.

Qualifying Conditions

Old-age pension (social insurance): Age 62 and 6 months with 30 years of contributions (men) or age 60 with 30 years of contributions (women).

A partial pension is paid at the normal retirement age with 15 years of contributions.

Early pension: Retirement is possible up to 5 years before the normal retirement 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 30 years of contributions at the normal retirement age, the pension may be deferred for at least 1 year and up to 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 with at least a 45% loss in working capacity. The required insurance coverage period increases with age. If younger than age 22, the insured must have at least 2 months of contributions; thereafter, the required insurance 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. An increased pension is paid for longer periods of insurance coverage to insured persons in specified age groups. If younger than age 25, the insured must have at least 1 year of contributions; thereafter, the required insurance coverage period increases by 4 months per year up to age 37; by 1 year per year from age 38, up to a maximum of 30 years of contributions.

The Agency for the Establishment of Disability and Work Capacity Levels assesses the loss of working capacity. The award may be made for 6 months, 1 or 2 years, or until the insured reaches the normal retirement age.

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 payable if the deceased received the old-age pension or disability pension.

Eligible survivors are a widow(er) rearing the deceased's children younger than age 18 (age 19 if a full-time student) or providing care at home for the deceased's children who were assessed as disabled before age 18; a widow(er) of retirement age or assessed as disabled before, or within 5 years after, the spouse's death or before reaching the normal retirement 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 who were assessed as disabled before age 18; and the deceased's children (or adopted children) younger than age 18 (age 19 if a full-time student).

In the absence of the above, eligible survivors are a guardian (custodian) who rears the deceased's children younger than age 18 (age 19 if a full-time student) or who provides care at home for the deceased's children who were assessed as disabled before age 18 and receive an orphan's pension.

The survivor pension ceases on remarriage.

Survivor pensions are payable abroad under reciprocal agreements; 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 old-age pension is equal to the basic pension plus the supplementary pension. The basic monthly old-age pension is 200 litas. 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 as the weighted average of annual earnings based on the 25 most favorable insured years after January 1, 1994 (or the total number of years if less).

The insured income level is 1,212 litas (July 2006).

Partial pension: The pension is reduced in proportion to the number of years of contributions less than 30 years.

The minimum monthly old-age pension is equal to 110% of the minimum standard of living (125 litas a month).

Early pension: The pension is reduced by 0.4% for each month the pension is awarded before the normal retirement 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 benefit is equal to 0.9 times the basic pension.

The basic pension is 230 litas (July 2006).

Permanent Disability Benefits

Disability pension (social insurance): A full pension is paid to insured persons with a loss of working capacity from 75% to 100% and the required insurance coverage

period according to age. The total pension is equal to 1.5 times the basic pension plus the supplementary pension equal to 0.005 times the number years of contributions times the insured's coefficient times the insured income level of the current year.

The basic pension is 230 litas (July 2006).

The insured's coefficient is calculated as the weighted average of annual earnings based on the 25 most favorable insured years after January 1, 1994 (or the total number of years if less).

The insured income level is 1,212 litas (July 2006).

Partial disability: Insured persons assessed with a loss of working capacity of less than 75% receive a reduced benefit, according to the insured period and the assessed loss of working capacity.

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 20% of the deceased's old-age or disability pension.

If there is more than one survivor the pension is split equally.

Orphan's pension (social insurance): Each orphan receives 30% of the deceased's old-age or disability pension.

Full orphans receive a pension for both parents.

The minimum orphan's pension is equal to 30% of the deceased's old-age or disability pension.

The maximum survivor pension is equal to 80% of the deceased's old-age or 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.

Administrative Organization

Social insurance: Ministry of Social Security and Labor (<http://www.socmin.lt>) is responsible for the social insurance scheme.

State Social Insurance Fund Board (<http://www.sodra.lt>), operating on a tripartite basis, is responsible for social insurance policy matters.

Sickness and Maternity

Regulatory Framework

First laws: 1925 and 1991 (sickness and maternity).

Current law: 2000 (sickness and maternity), with 2002, 2003, 2004, and 2005 amendments.

Type of program: Social insurance system.

Coverage

Private- and public-sector employees, including paid public officials.

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

Cash benefits: 2.8% of payroll.

Medical benefits: 3% of payroll.

Government: Any deficit.

Qualifying Conditions

Cash sickness and 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.

Maternity allowance: Paid to women who are not eligible for cash maternity benefits.

Child care benefit: Payable to a parent, foster parent, or guardian to provide care for a child younger than age 1. The insured must have at least 7 months of contributions in the last 24 months.

Sickness and Maternity Benefits

Sickness benefit: The sickness benefit is equal to 85% of the insured's average earnings in the last 3 months. The benefit is paid after a 2-day waiting period.

The employer pays benefits for the first 2 days of sickness leave from 80% to 100% of the insured's average earnings.

The minimum benefit is equal to 25% of the insured income level of the current year (1,212 litas a month from July 2006).

The maximum benefit is equal to 85% of 3.5 times the insured income level of the current year (1,212 litas a month from July 2006).

Maternity benefit: The benefit is equal to 100% of the insured's average earnings in the last 3 months. The benefit is payable for 70 days before and 56 days after the expected date of childbirth.

The minimum benefit is equal to 25% of the insured income level of the current year (1,212 litas a month from July 2006).

The maximum benefit is equal to the insured income level of the current year (1,212 litas a month from July 2006).

Maternity allowance: A lump sum is paid 70 days before the expected date of childbirth.

Child care benefit: The benefit is equal to 70% of the insured's average earnings in the 3-month period before the month the care leave period begins.

The minimum child care benefit is equal to 33% of the insured income level of the current year (1,212 litas a month from July 2006).

The maximum child care benefit is equal to 3.5 times the insured income level of the current year (1,212 litas a month from July 2006).

Workers' Medical Benefits

Medical benefits include the provision of health care services and reimbursement of the cost of medicines.

Dependents' 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 cash benefits.

Ministry of Health (<http://www.sam.lt>) is responsible for medical benefits.

State Social Insurance Fund Board (<http://www.sodra.lt>) is responsible for collecting and disbursing contributions.

Work Injury

Regulatory Framework

First law: 1936 (accident insurance).

Current law: 1999 (work injury), with 2000, 2001, 2002, 2003, 2004, and 2005 amendments.

Type of program: Social insurance system.

Coverage

Private- and public-sector employees; paid public officials; students in vocational schools, colleges, and universities; persons sent for vocational training or retraining by the Lithuanian Labor Exchange; persons in institutional care; and convicted persons working in prison workshops.

Voluntary coverage is not possible.

Special system for civil servants.

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 (550 litas).

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 with at least a 5% loss of working capacity and is equal to 100% of the insured's average earnings in the last 3 years. The benefit is payable from the onset of disability until rehabilitation for work or the certification of a permanent disability.

The Agency for the Establishment of Disability and Work Capacity Levels assesses the loss of working capacity.

Permanent Disability Benefits

Permanent disability pension: 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, up to a maximum of 50% of the insured income level of the current year (1,212 litas a month from July 2006).

The minimum lump-sum payment is equal to 25% of the insured income level of the current year (1,212 litas a month from July 2006).

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 (1,212 litas a month from July 2006).

The compensation coefficient is calculated on the basis of average insured annual earnings before the onset of disability and average monthly insured earnings at the onset of disability. The compensation coefficient must not be lower than 0.25 or higher than 3.

The Agency for the Establishment of Disability and Work Capacity Levels 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.

Survivor Benefits

Survivor pension: The pension is equal to 20% of the old-age or disability pension paid or payable to the deceased.

If there is more than one survivor the pension is split equally.

Eligible survivors must have been married to the deceased.

Orphan's pension: Each orphan younger than age 18 (age 24 if a student) receives 30% of the old-age or disability pension paid or payable to the deceased.

Full orphans receive a pension for both parents.

The minimum orphan's pension is equal to 30% of the deceased's old-age or disability pension.

The maximum survivor pension is equal to 80% of the deceased's old-age or disability pension.

Funeral grant: The grant is equal to the insured's average earnings in the last 24 months before death and is split equally among eligible survivors.

Administrative Organization

Ministry of Social Security and Labor (<http://www.socmin.lt>) develops and implements the program.

State Social Insurance Fund Board (<http://www.sodra.lt>) administers cash benefits.

Unemployment

Regulatory Framework

First law: 1919.

Current laws: 1991 (social insurance), with 2004 amendment, implemented in 2005; and 2003 (unemployment), implemented in 2005.

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: 1.3% 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 insurance 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 155 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 of the current year (1,212 litas a month from July 2006).

The maximum variable amount of the unemployment benefit is equal to the difference between 70% of the insured income level of the current year (1,212 litas a month from July 2006) and the state-supported income (155 litas a month).

The benefit is payable 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 or more years of contributions.

Benefit is suspended for 3 months if unemployment is voluntary.

Administrative Organization

Ministry of Social Security and Labor (<http://www.socmin.lt>) develops and implements 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>) is responsible for collecting contributions and disbursing 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): Payable 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 payable for disabled children and persons assessed as disabled before age 24; for parents, guardians, or caretakers 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 payable 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 230 litas (July 2006).

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 230 litas (July 2006).

Administrative Organization

Municipalities administer social assistance family benefits.

Luxembourg

Exchange rate: US\$1.00 equals 0.84 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 and public-sector employees who entered employment before January 1, 1999, or on or after January 1, 1999, respectively.

Source of Funds

Insured person: 8% of gross earnings.

The minimum monthly earnings for contribution and benefit calculation purposes are equal to the social minimum wage (€1,503.42).

The maximum monthly earnings for contribution and benefit calculation purposes are equal to five times the social minimum wage (€7,517.12).

Self-employed person: 16% of net taxable income.

The minimum monthly income for contribution and benefit calculation purposes is equal to the social minimum wage (€1,503.42).

The maximum monthly income for contribution and benefit calculation purposes is equal to five times the social minimum wage (€7,517.12).

Employer: 8% of gross payroll.

The minimum monthly earnings for contribution calculation purposes are equal to the social minimum wage (€1,503.42).

The maximum monthly earnings for contribution calculation purposes are equal to five times the social minimum wage (€7,517.12).

Government: 8% of gross earnings.

The minimum monthly earnings for contribution calculation purposes are equal to the social minimum wage (€1,503.42).

The maximum monthly earnings for contribution calculation purposes are equal to five times the social minimum wage (€7,517.12).

Qualifying Conditions

Old-age pension: Age 65 (men and women) with 120 months of coverage.

Early pension: Age 60 with 480 months of paid or deemed coverage, including at least 120 months of mandatory coverage; age 57 with 480 months of paid coverage.

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 onset of disability. 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 parents 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 €353.36 a month if insured for at least 40 years 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 insurance less than 40.

The minimum monthly pension is €1,353.29 if the insured has at least 40 years of insurance. The minimum pension is reduced by 1/40 for each year of insurance less than 40. A minimum pension is not payable if the insured has less than 20 years of insurance.

The maximum monthly pension is €6,265.25.

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 insured for at least 40 years and an annual increment equal to 1.85% of adjusted lifetime covered earnings.

If the onset of disability occurs before age 55, an additional annual increment is paid for the period between the date of the onset of disability and age 55. The additional increment is based on 1.85% of the insured's average earnings from age 25 to the date of the onset of disability plus a special flat-rate increment equal to 1/40 of €353.36 for each remaining year between the onset of disability and age 65.

Partial pension: The flat-rate component is reduced by 1/40 for each year of insurance less than 40.

The minimum monthly disability pension is €1,353.29 if the insured has at least 40 years of paid or credited insurance.

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 insured period accrued during the marriage or partnership.

The survivor pension is reduced if 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.

The total maximum survivor pension 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 workers 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 sickness and maternity benefits).

Source of Funds

Insured person

Cash benefits: 2.35% of gross earnings (0.1% of gross earnings for employees receiving 100% of salary during sick leave).

Medical benefits: 2.7% of gross earnings; pensioners contribute 2.7% of the pension.

Attendance benefits: All insured persons contribute 1% of total net taxable income for long-term health care.

The minimum monthly earnings for contribution and benefit calculation purposes are equal to the social minimum wage (€1,503.42); €1,954.45 for pensioners.

The maximum monthly earnings for contribution and benefit calculation purposes are equal to five times the social minimum wage (€7,517.12).

Self-employed person

Cash benefits: 0.2% of net taxable income.

Medical benefits: 5.4% of net taxable income.

Attendance benefits: 1% of net taxable income for long-term health care.

The minimum monthly income for contribution and benefit calculation purposes is equal to the social minimum wage (€1,503.42); €1,954.45 for pensioners.

The maximum monthly income for contribution and benefit calculation purposes is equal to five times the social minimum wage (€7,517.12).

Employer

Cash benefits: 2.35% of gross payroll (0.1% of gross payroll on behalf of employees receiving 100% of salary during sick leave). Pension insurance institutions contribute 2.7% of the total amount of pensions paid.

Medical benefits: 2.7% of gross payroll.

Attendance benefits: None.

The minimum monthly earnings for contribution purposes are equal to the social minimum wage (€1,503.42); €1,954.45 for pensioners.

The maximum monthly earnings for contribution purposes are equal to five times the social minimum wage (€7,517.12).

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 insurable earnings. The benefit is payable from the first day of incapacity for up to a maximum of 52 weeks in a 104-week period.

Average daily insurable earnings are based on earnings in the last 3 calendar months before the start of sick leave.

The minimum benefit is equal to the social minimum wage (€1,503.42).

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 €49.98 an hour for care provided at home and €37.80 an hour for care provided in an institution.

Maternity benefit: The benefit is equal to 100% of the insured's average daily insurable earnings. The benefit is payable 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 insurable 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 (€1,503.42).

Maternity allowance: A lump sum of €3,104.28 is payable 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 insurable earnings. The benefit is payable for 8 weeks (12 weeks if more than one child is adopted).

Average daily insurable 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 (€1,503.42).

Workers' Medical Benefits

There is a free choice of 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 consultations, 5% for other ambulatory services, 5% for dental care fees that exceed €42.70 a year, €11.45 a day for hospitalization, and varying rates of 20% or 60% of the cost of medicines.

Dependents' Medical Benefits

There is a free choice of 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 consultations, 5% for other ambulatory services, 5% for dental care fees that exceed €42.70 a year, €11.45 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: 0.61% to 6% of net taxable 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 (€1,503.42).

The maximum monthly income for contribution and benefit calculation purposes is equal to five times the social minimum wage (€7,517.12).

Employer: 0.61% to 6% of payroll, according to the assessed degree of risk.

The minimum monthly earnings for contribution purposes are equal to the social minimum wage (€1,503.42).

The maximum monthly earnings for contribution purposes are equal to five times the social minimum wage (€7,517.12).

Government: 50% of the cost of administration and 33% of the cost of pension adjustments resulting from changes in wages.

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 insurable earnings and is payable from the first day of incapacity for up to 13 weeks; thereafter, the benefit is replaced by a permanent disability pension.

Average daily insurable earnings are based on earnings in the last 3 calendar months before the onset of disability.

Permanent Disability Benefits

If the insured is totally disabled, the monthly pension is equal to 85.6% of insurable earnings.

Insurable earnings are based on 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. If the assessed degree of disability is 10% or less, the pension is converted to a lump sum after 3 years. A lump-sum payment may be requested with an assessed degree of disability from 10% to 40%.

Constant-attendance supplement: Attendance benefits (see Sickness and Maternity, above) are payable 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 (53.5% if the deceased was disabled).

Average earnings are based on the deceased's earnings in the last year before the accident.

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 deceased's earnings in the last year before the accident.

Other eligible survivors (in the absence of the above): 21.4% of the deceased's average earnings are paid to parents, grandparents, or the deceased's carer.

Average earnings are based on the deceased's earnings in the last year before the accident.

The total maximum survivor pension must not exceed 85.6% of the deceased's average earnings.

Funeral grant: A lump sum 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. Local governments contribute 4% of their income, and communes contribute 2%. Also, the proceeds from an earmarked tax on certain products.

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 5 years of work, except for special cases. 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 basis salary (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.

The basis salary is based on the insured's earnings in the last 3 months.

The social minimum wage is €1,503.42.

Young unemployed persons receive 70% of the social minimum wage; unemployed self-employed persons, 80%.

The benefit amount is reduced for unemployed persons living with any other person whose earnings exceed twice the social minimum wage. Benefits are payable for up to 365 days in a 24-month period and may be extended for 12, 9, or 6 months for older unemployed persons; additional extensions are available for hard-to-place unemployed persons.

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

Luxembourg

school year allowance), 1988 (education allowance), and 1999 (parental leave).

Type of program: Universal system.

Coverage

All children reared and legally residing in the country.

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 if a student).

Supplementary allowance: Payable if the child is seriously handicapped.

Birth allowance: The mother must undergo prescribed medical examinations and reside in Luxembourg.

Beginning of school year allowance: Payable 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: Payable 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 for each child aged 12 or older.

Supplementary allowance: €185.60 a month.

Birth allowances: €1,740.09 is payable 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.

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
0.36 Maltese lira (Lm).

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1956 (old age and survivors), 1965 (disability), 1965 (social assistance), and 1979 (earnings-related pension).

Current law: 1987.

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. Also persons older than the pension age but younger than age 65 who work but earn less than the national minimum wage.

Source of Funds

Insured person: 10% of wages.

The minimum weekly contribution is Lm 5.79; a flat rate of Lm 2.84 a week if younger than age 18.

The maximum weekly contribution is Lm 13.38; a flat rate of Lm 2.84 a week if younger than age 18.

The maximum weekly wage for contribution purposes is Lm 133.80.

The maximum annual wage for contribution purposes for the earnings-related part of the pension is Lm 6,958.

The maximum annual wage for pensionable income purposes if the employer provides an occupational service pension is Lm 6,958.

The insured's contributions also finance sickness and maternity, work injury, unemployment, and family allowance benefits and noncontributory benefits.

Self-employed person: From Lm 10.20 to Lm 20.07 a week, depending on net income from self-employment and other sources; if net income is less than Lm 2,908, a flat rate of Lm 8.39 a week.

The maximum weekly net income for contribution purposes is Lm 133.80.

The maximum net annual income for payment of the earnings-related pension is Lm 6,958.

The self-employed person's contributions also finance sickness, maternity, work injury, and family allowance benefits and noncontributory benefits.

Employer: 10% of payroll.

The minimum weekly contribution for each employee is Lm 5.79; a flat rate of Lm 2.84 a week for employees younger than age 18 with earnings up to the minimum wage.

The maximum weekly contribution for each employee is Lm 13.38; a flat rate of Lm 2.84 a week for employees younger than age 18 with earnings up to the minimum wage.

The minimum weekly wage is Lm 57.88.

The employer's contributions also finance sickness and maternity, work injury, unemployment, and family allowance benefits and noncontributory benefits.

Government: A sum equal to 50% of the value of total contributions.

The government's contributions also finance sickness and maternity, work injury, unemployment, and family allowance benefits and noncontributory benefits.

Qualifying Conditions

Old-age pension: Age 61 (men) or age 60 (women) with at least 156 weeks of paid contributions, including an annual average of at least 50 weeks of paid or credited contributions.

Partial pension: A reduced pension is payable with an annual average of between 20 and 49 weeks of contributions under the flat-rate pension system or between 15 and 49 weeks under the earnings-related system.

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 (Lm 57.88) until age 65.

The old-age pension is payable abroad.

Old-age noncontributory pension (means-tested):

Payable 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.

Partial pension: A reduced pension is payable with an annual average of between 20 and 49 weeks of contributions.

The disability pension is payable abroad.

Disabled child allowance (noncontributory): An income-tested benefit is payable to parents for a child with an assessed disability.

Income test: Total income from employment, pensions, rents, or any other investments in the previous calendar year of benefit entitlement must not exceed Lm 13,270.

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): Payable for visually impaired, disabled, or severely disabled persons.

Noncontributory disability pensions are not payable abroad.

Survivor pension: Payable 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.

Partial pension: A reduced pension is payable if the deceased had an annual average of between 20 and 49 weeks of contributions under the flat-rate pension scheme or between 15 and 49 weeks under the earnings-related scheme.

Income test: Earned income must not exceed the minimum wage; widows younger than age 60 with children younger than age 16 (age 18 if a full-time student and not receiving a stipend for studying) 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.

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

Orphan's pension: Payable 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.

Pensions for those who paid contributions only before January 22, 1979, range from a minimum of Lm 41.95 a week to a maximum of Lm 89.37 a week.

Earnings-related pensions, which can be as much as Lm 89.37 a week, are calculated on the basis of 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):

Lm 36.05 is paid for a single person, and Lm 46.40 is paid for a married couple. When only one member of a couple qualifies, Lm 28.39 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 person is married and has a dependent spouse.

The minimum weekly pension is Lm 31.42.

The maximum weekly pension is Lm 48.46.

Benefit adjustment: Benefits are adjusted according to increases in prices and, in some cases, increases in wages.

Disabled child allowance (noncontributory): Benefits range from a minimum of Lm 1 a week to a maximum of Lm 5 a week, depending on income.

Pension for visually impaired, disabled, or severely disabled persons (noncontributory): Lm 38.84 is paid for a single person; Lm 71.88 for a couple, if both persons qualify.

Benefit adjustment: Benefits are adjusted according to increases in prices.

Survivor Benefits

Survivor pension: The pension payable to a widow(er) varies depending on whether contributions were paid before January 22, 1979, and whether a survivor pension is payable by the deceased spouse's employer.

The maximum pension for a person who paid contributions only before January 22, 1979, is Lm 74.48 a week.

Earnings-related pensions, which can be as much as Lm 74.48 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: Lm 1.95 a week is payable per child if the child is entitled to the child allowance (see Family Allowances, below). An additional Lm 4 a week per child is payable if the child is younger than age 18 and the surviving spouse is not in employment or self-employment.

Benefit adjustment: Benefits are adjusted according to increases in wages and prices.

Remarriage grant: A lump sum equal to 52 weeks' national minimum pension (Lm 41.95 a week).

Orphan's pension: Lm 14.91 a week is paid for each orphan younger than age 16; Lm 33.83 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 (Lm 57.88).

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.

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

The Employment and Industrial Relations Act requires employers to provide 100% of earnings for 13 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 benefits. Medical benefits are funded from general revenue.

Qualifying Conditions

Cash sickness benefits: The insured must have at least 50 weeks of paid contributions and 20 weeks paid or credited during the last 2 contribution years before the benefit year in which the claim is made.

Cash maternity benefits: Payable 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.

Medical benefits: There is no minimum qualifying period.

Sickness and Maternity Benefits

Sickness benefit: Lm 6.79 a day is paid for a married person or a person supporting a spouse who is not employed full time; Lm 4.40 a day is paid for other persons. Benefit is payable 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: The benefit is awarded for 14 weeks, of which at least 5 weeks must be taken after the birth of the child. The benefit is paid for 13 weeks at Lm 20.

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>) provides general supervision with respect to social security 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.

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

Lm 10.29 a day is paid for a single or married person supporting a spouse who is not in full-time employment; Lm 7.68 a day is paid for other insured persons. The benefit is payable 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 payable regardless of the number of contributions paid or credited. Benefits vary depending on whether an occupational service pension is payable and whether the person is

married and has a dependent spouse. Benefits range from a minimum of Lm 20 a week to a maximum of Lm 48.46 a week.

For an assessed degree of disability of between 20% and 89%, the pension ranges from Lm 5.19 to Lm 24.01 a week.

For an assessed degree of disability of between 1% and 19%, a lump sum is paid ranging from Lm 83.32 to Lm 1,582.93.

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 payable to a widow(er) varies depending on whether contributions were paid before or after January 22, 1979, and whether a survivor pension is payable by the deceased spouse's employer.

The maximum pension for a person who paid contributions only before January 22, 1979, is Lm 72.11 a week.

Earnings-related pensions, which can be as much as Lm 72.11 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.

Benefit adjustment: Benefits are adjusted according to increases in wages and prices.

Remarriage grant: The survivor pension ceases on remarriage, and a lump sum is paid equal to 52 weeks' national minimum pension (Lm 41.95 a week).

Orphan's pension: Lm 14.91 a week is paid for each full orphan younger than age 16; Lm 33.83 for each full orphan between ages 16 and 21, provided the orphan is not gainfully employed. If the full 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 minimum wage (Lm 57.88 a week).

Dependent parent's pension: Lm 46.40 is paid for a married dependent father who is supporting a wife; Lm 38.75 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.

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 payable for 6 months if unemployment is voluntary or the result of misconduct.

Special unemployment benefit (means-tested): Payable to the head of the household in place of the unemployment benefit if he or she satisfies a means test.

Unemployment assistance: Payable if the insured has exhausted the right to unemployment benefits.

Unemployment Benefits

The daily benefit is Lm 4.13 for a single parent or a married person supporting a spouse who is not in full-time employment; Lm 2.70 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 Lm 6.92 for a single parent or for a married person maintaining a spouse who is not in full-time employment; Lm 4.52 a day for other insured persons. The benefit is payable 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 Lm 34.30 a week. The benefit is reduced by all annual income derived from investments exceeding Lm 40. If weekly income exceeds the weekly benefit, no benefit is payable.

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 Lm 10,270. 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 (income-tested): Payable 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. The benefit amount varies according to the annual income of the highest earner in the household. No benefit is payable if the annual income of the highest earner exceeds Lm 13,270.

Family Allowance Benefits

Child allowance: The benefit for one child is calculated on the basis of the difference between Lm 10,270 and the couple's income multiplied by 6%. The benefit increases according to the number of children.

Care allowance for foster children: Lm 12 a week is paid.

Disabled child allowance (income-tested): The maximum benefit is Lm 5 a week.

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 12.81 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 1999, 2002, 2003, 2004, and 2005 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

Salaried citizens; agricultural workers; self-employed persons; and elected or appointed officials in government, parliament, and the judicial system.

Special systems for members of the armed forces and for employees of the Ministry of Internal Affairs.

Source of Funds

Insured person: 3% of gross 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 (1,700 lei in 2006).

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

Self-employed person: An annual flat-rate contribution of 2,013 lei, regardless of income. Agricultural landowners contribute flat-rate amounts according to the area of farmed land.

The self-employed person's contributions also finance cash sickness and maternity benefits, work injury benefits, unemployment benefits, and family allowances.

Employer: 26% of payroll (industrial sector); 20% of payroll (agricultural sector); 4.5% of payroll for pensioners and disabled persons employed in public organizations and unions.

Employers in the industrial sector who are up to date in their contribution payments to the social insurance system may obtain a 2% reduction in the contribution rate, subject to conditions.

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 (1,700 lei in 2006).

The employer's contributions also finance cash benefits for sickness and maternity, work injury, unemployment, 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 the social pension and pensions for judges, prosecutors, and other specified categories.

Qualifying Conditions

Old-age pension: Age 62 with 30 years of insurance coverage (men) or age 57 with 30 years of insurance coverage (women).

Age 54 with 30 years of insurance coverage, including at least 10 years in hazardous or arduous conditions (men) or age 49 with 30 years of insurance coverage, including at least 7 years and 6 months in hazardous or arduous conditions (women).

Age 54 with 30 years of insurance coverage for women who have given birth and reared five or more children.

Civil servants who satisfy the coverage qualifying period (30 years of insurance coverage, but including at least 15 years as a civil servant) may receive the pension 5 years before the normal retirement age (age 57 for men and age 52 for women).

Partial pension: The insured must have at least 20 years of insurance coverage.

Early pension: There is no early pension.

Deferred pension: Payable with more than 35 years of insurance coverage. There is no age limit for deferral.

The old-age pension is not payable abroad.

Social pension (old-age): Payable to citizens who meet only the age requirement 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) or Group II disability (an incapacity for any work but not requiring constant attendance).

The required insurance coverage period varies according to the insured's age at the onset of disability: 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 insurance coverage period is less than a year, the insured may receive a social pension.

Partial disability: If assessed with a Group III disability (incapacity for usual work), the insured must have a minimum of 1 to 5 years of insurance coverage, depending on his or her age at the onset of disability.

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): Payable to disabled persons whose disability began in childhood and to disabled children younger than age 16 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 retirement 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 spouse 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): Payable 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 insurance coverage, the effective date of retirement, and average monthly earnings plus 2% of wages for each year of insurance coverage exceeding 30 years.

The required insurance coverage period is gradually increasing. From 2008, the full pension will be calculated on the basis of 1.2% of insurable earnings for every year of established insurance coverage up to a maximum of 35 years plus 2% of insurable earnings for every year of insurance coverage exceeding 35 years.

Insurable earnings for benefit calculation purposes must not exceed three times the average monthly wage.

The minimum pension is 290.77 lei (March 2006); 258.86 lei for agricultural workers (March 2006).

There is no maximum pension established by law.

Partial pension: Paid with at least 20 years but less than 30 years of insurance coverage. The monthly benefit is reduced in proportion to the number of years below the required number of years of insurance coverage.

Deferred pension: The pension is increased by 2% of wages for each year of deferral.

Social pension (old-age): 61.63 lei (April 2006).

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 insurable income, the number of years of insurance 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 pension (March 2006) is 206.85 lei (Group I), 199.76 lei (Group II), or 140.66 lei (Group III).

There is no maximum pension established by law.

Partial pension (total disability): The monthly benefit is reduced in proportion to the number of years below the required number of years of insurance coverage.

Insurable 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 73.06 lei a month; Group II, 62.94 lei; Group III, 37.09 lei. A Group I disabled person whose disability began in childhood receives 137.47 lei; Group II, 116.85 lei; Group III, 68.73 lei. A disabled child younger than age 16 receives 137.47 lei (Group I) or 116.85 lei (Group II).

Persons who provide care for a disabled child (Group I) younger than age 16 receive 122.30 lei a month; persons who provide care for a person whose disability (Group I) began in childhood receive 122.30 lei; persons who provide care for a blind disabled person (Group I) receive 150 lei.

Death grant: 700 lei.

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.

Partial pension: If the deceased had an insufficient period of insurance coverage, the monthly benefit is reduced in proportion to the number of years below the required number of years of insurance coverage.

Full orphan's pension: The minimum orphan's pension is equal to 50% of the deceased's minimum old-age pension, 75% for two, or 100% for three or more.

There is no maximum survivor pension established by law.

Partial pension: If the deceased had an insufficient period of insurance coverage, the monthly benefit is reduced in proportion to the number of years below the required number of years of insurance coverage.

Social pension (survivors): 49 lei is paid for one orphan; 98 lei for two or more orphans. 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 Health and Social Protection (<http://www.ms.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 1999, 2001, 2002, 2003, 2004, and 2005 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 care.

Qualifying Conditions

Cash sickness and maternity benefits: Insured persons residing in Moldova.

Child care allowance (medical leave): Payable 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 covered employment. If the insured has less than 5 years of covered employment, the benefit is equal to 60% of average earnings; with 5 to 8 years, 80%; or for more than 8 years, 100%. The benefit is payable 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 earnings in the last 6 months before the onset of the incapacity; if the working 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.

Maternity benefit: The benefit is equal to 100% of 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 childbirth.

For the adoption of a child, the benefit is paid for 56 days after the date of adoption.

Average earnings are based on earnings in the last 6 months before the onset of the incapacity; if the working 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 and Social Protection (<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 care) 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 onset of disability must result from work; 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

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 average earnings in the last 6 months before the onset of disability. 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 payable 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: The difference between the average monthly wage in the last 6 months and the average wage received in the new position of employment. The benefit is paid for 90 days.

Permanent Disability Benefits

Permanent disability pension: 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 had an insufficient period of insurance coverage, the monthly benefit is reduced in proportion to the number of years below the required number of years of insurance 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 had an insufficient period of insurance coverage, the monthly benefit is reduced in proportion to the number of years below the required number of years of insurance 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.

National Office of Social Insurance (<http://www.cnas.md>) provides coordination and supervises the Work Injury Fund.

Local government health departments of the Ministry of Health and Social Protection (<http://www.ms.md>) provide general supervision and coordinate pensions and medical benefits.

Local government health departments of the Ministry of Health and Social Protection (<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: None.

Qualifying Conditions

Unemployment benefit: Must be registered at an employment office and be willing and able to work. Benefits may be reduced, postponed, suspended, or terminated if the worker is discharged for violating work discipline, leaving employment without good cause, violating conditions for a job placement or vocational training, or filing fraudulent claims.

Claimants must have no income and have been salaried for at least 12 months in the last 24 months before unemployment. Waiting periods apply for some categories of worker: 2 months for the involuntarily unemployed, 60 days for recently graduated students, or 30 days for persons who have completed military service.

Self-employed persons 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

If employed previously for up to 5 years, the benefit is equal to 50% of the national average wage and is paid for a maximum of 6 months; if previously employed for 5 to 10 years, 55% is paid for a maximum of 9 months; with more than 10 years of employment, 60% is paid for a maximum of 12 months.

Supplements for families with children: 10% of the national average wage is paid for one or two children; 20% for three or more children.

Benefit adjustment: Benefits are adjusted every January according to changes in the average national wage of the previous year.

Administrative Organization

Department of Employment in the Ministry of Health and Social Protection (<http://www.ms.md>) provides general supervision.

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 allowances: Payable for children younger than age 16 (age 18 if a student). Other qualifying conditions vary according to benefits. For children older than 18 months of age, the benefit is means tested. The 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.

Allowances for handicapped children: Payable for children younger than age 16 on the basis of a decision made by the Medical Consultative Council.

Family allowances (social assistance): Means-tested assistance is payable for children aged 3 to 16.

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

Child-rearing allowance: Payable from the birth of a child up to age 3. The allowance is payable 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 payable to noninsured persons.

Family Allowance Benefits

Family allowances (social insurance)

The calculation of social insurance benefits depends on monthly average income in the last 6 months.

Family allowance: For an insured person's child up to age 18 months, the allowance is equal to 20% of any other social security benefits in payment but not less than 100 lei; for a noninsured person's child up to age 18 months, 100 lei; for a child older than 18 months, 50 lei a month (means tested).

Allowances for handicapped children: 179 lei (social allowance), plus 122.30 lei (care allowance) for disabled children with a Group I disability; 152 lei (social allowance) for children with a Group II or III disability.

Single mother allowance: 50 lei.

Birth grant: 800 lei.

Child-rearing allowance: 20% of reference earnings, but not less than 100 lei.

Family allowances (social assistance)

To calculate the monthly family allowance for a child, average monthly income in the previous semester for each family member must not have exceeded 54 lei.

Children under guardianship (means-tested): Up to 90 lei a month, depending on family income.

Adopted children (means-tested): Up to 18 lei a month, depending on family income.

Preschool children in care (means-tested): Up to 180 lei a month, depending on family income.

School-age children in care (means-tested): Up to 200 lei a month, depending on family income.

Orphan benefit (means-tested): Up to 55.08 lei a month for orphans younger than age 18 (age 23 if a student) whose deceased parents were not entitled to a social security pension; 110.15 lei for full orphans.

Administrative Organization

Ministry of Health and Social Protection (<http://www.ms.md>) provides general 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 0.84 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 gross earnings.

The insured's contribution finances the old-age pension, survivor pension, and death allowance.

The maximum monthly earnings for contribution purposes are €3,828.

Self-employed person: Not applicable.

Employer: 23.66% of gross payroll.

Of the total employer's contribution of 23.66% of gross payroll, 6.15% finances the old-age pension, survivor pension, and death allowance; 16.4% finances disability benefits; and an annually adjusted amount of 1.11% (2006) finances contributions for periods during which workers paid no contributions but received paid sick or maternity leave, disability benefits, or unemployment 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 €3,828 (old-age pension, survivor pension, and the death allowance) and €6,390 (disability benefits).

Government: None.

Qualifying Conditions

Old-age pension: Age 65 with 10 calendar years of employment, including a minimum of between 151 hours and 173 hours of work a year (depending on the year of employ-

ment) and at least 60 months of insurance (including periods of paid sick or maternity leave and insured periods of disability or unemployment).

Retirement from work is not necessary.

Early pension: 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 the old-age pension payable 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 (€957 in October 2005) 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 €957 in October 2005), 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 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 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 insurance (including periods of paid sick or maternity leave and insured periods of disability or unemployment).

Eligible survivors are a widow aged 50 or older (waived 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: Awarded 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 (€15.95 in October 2005). The number of 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 €957 in October 2005), 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 insurance coverage after age 65, up to a maximum of 30%.

The maximum monthly pension is equal to six times the reference salary (€5,742 in October 2005).

Spouse's supplement: The benefit is paid annually in the last quarter of the year. The supplement is paid at the full rate (€1,695.60 in October 2005) 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 average monthly insurable earnings in the 60 months before the onset of disability, depending on whether the insured is capable of any kind of gainful employment.

The quarterly minimum pension is €2,164.80 (October 2005). The minimum pension is adjusted annually by ministerial decree.

The guaranteed minimum income for disabled persons younger than age 65 is equal to twice the legal minimum wage (€2,715 per quarter).

The maximum monthly pension is €3,300 (50% of maximum earnings for contribution purposes) for a total disability or €1,980 (30% of maximum earnings for contribution purposes) for a partial disability (October 2005).

Constant-attendance supplement: Equal to 40% of the disability pension. The minimum supplement is €2,894.37 (October 2005).

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 €957 in October 2005), 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).

The total pension payable to full orphans 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 €957 in October 2005).

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 onset of disability (if the deceased was receiving a disability pension).

The minimum grant is €330 (October 2005).

The maximum grant is €19,800 (October 2005).

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 medical auxiliaries and practitioners.

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 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 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: Must have a month's insurance coverage in the quarter preceding the date of conception and continuing insurance coverage with at least 85 hours of work for each month of coverage between the date of conception and the medical confirmation of pregnancy.

Medical benefits: Must have 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 €102.17. The benefit is payable 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 maximum daily benefit is €106.50 (€142 with three or more dependent children).

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 €102.17. The benefit for the first and second child (or in households that already have a maximum of one child currently residing at home) is payable 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.

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 onset of incapacity) 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 (€16,130.41 in January 2005).

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 date of the accident or the onset of the occupational disease.

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 above 50%. The insured's earning capacity 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 salary.

The benefit is payable 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 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 equal to three times the value of the annual pension is paid.

Orphan's pension: The pension is equal to 15% of the deceased's annual salary 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 salary. The child must be eligible for family allowances.

Other eligible survivors: Each dependent parent and grandparent receives 10% of the deceased's annual salary, up to a maximum of 30%.

The total maximum survivor pension must not exceed 85% of the deceased's annual salary.

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 attending school; 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 allowances, 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 payable 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: Payable 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): Payable 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 school year grant (means-tested): Payable 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 payable 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 insured employment, the allowance is €120.60 a month for each child younger than age 3, €180.90 for each child aged 3 to 5, €217 for each child aged 6 to 10, and €253.20 for each child aged 11 to 21. The allowance is proportionately reduced with between 77 hours and 144 hours of insured 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 insured employment, the allowance is €120.60 a month for up to 9 months. The allowance is proportionately reduced with between 77 hours and 144 hours of insured 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 €57 and €363) or France (between €29 and €363). 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 €108 for a child younger than age 3, €161 for a child between ages 3 and 5, €192 for a child between ages 6 and

10, and €225 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 school year grant (means-tested): €106 is paid in December.

Housing allowance (means-tested): The monthly minimum amount 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 0.84 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, and persons disabled since childhood and students residing in the Netherlands.

Source of Funds

Insured person: 17.9% of income for the old-age pension and 1.25% of income for the survivor pension.

The minimum annual earnings for contribution purposes are €13,160.

The maximum annual earnings for contribution purposes are €29,543.

Self-employed person: 17.9% of earnings for the old-age pension and 1.25% for the survivor pension.

The minimum annual earnings for contribution purposes are €13,160.

The maximum annual earnings for contribution purposes are €29,543.

Employer: 5.4% of payroll for the disability pension for employed workers, plus a variable contribution (on average, 0.98% of payroll) for persons receiving disability benefits since before 2006.

The minimum annual earnings for contribution purposes are €13,160.

The maximum annual earnings for contribution purposes are €29,543.

Government: A subsidy to increase all benefits up to the social minimum; 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 64 and, if income was earned, paid contributions each year from ages 15 to 64.

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 in order 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: Payable 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: Payable 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.

The degree of disability is assessed on medical grounds; in certain cases, on medical grounds and work-related factors.

Partial disability: Payable to disabled workers who are assessed as at least 35% disabled but are not fully and permanently incapable of work.

Benefits are payable 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: Payable 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 €932.67 a month. Couples, whether married or not, and both aged 65 or older receive €636.69 a month each. A pensioner who is a single parent caring for a child younger than age 18 receives €1,155.30 a month. A person aged 65 or older with a partner younger than age 65 receives a monthly pension of €636.69 and an income-tested supplementary allowance up to a maximum of €636.69.

Income-tested supplementary allowance: Special rates operate 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 €1,145.93. The maximum supplement is payable if the partner's income from employment is less than €190.89. Income from employment (including unemployment benefits, disability benefits, and sickness benefits) is subtracted in full; the supplementary allowance is payable if income amounts to less than €636.69.

Partial pension: The pension is reduced by 2% for each unexcused year of noncontribution.

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 the statutory wage.

Permanent disability benefit: The benefit is normally payable 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.

The daily permanent disability benefit is 70% of the last full daily wage. If certain conditions are met by July 1, 2006, the benefit may be raised retroactively to 75%. The level of benefits for persons who are fully and permanently disabled is 70% of the (maximum) daily wage.

Constant-attendance allowance: 30% of the full pension is paid.

After a review of the assessed disability, a partial disability benefit may be paid; otherwise, the benefit is payable to age 65.

Partial disability benefit: The benefit is normally payable after 2 years of sick leave during which the statutory wage has been paid. The insured worker must be assessed as at least 35% disabled but not fully and permanently incapable of work.

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 (payments vary from 6 months for less than 5 years of employment to 5 years for 40 years of employment).

After the 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 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. Partially disabled persons who do not meet this criterion 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 €167.70 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 €1,264.80 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 80% 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: €994.97 a month is paid to a widow(er) or an eligible unmarried partner. The benefit is reduced by 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 (€636.30 a month) plus 1/3 of all earnings in excess of this amount is disregarded. No benefit is paid if monthly income is €2,128.76 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 €228.49 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 €318.39 a month; €477.59 if aged 10 to 15; or €636.78 if aged 16 to 18 (aged 16 to 21 if a student).

Benefit adjustment: Benefits are adjusted twice a year for changes in the net minimum wage.

Death benefit: 100% of earnings is paid, up to a daily maximum of €167.70 for employed workers; up to the minimum wage (€1,206.60 a month) for unemployed workers. The benefit is payable for 1 month for the death of a beneficiary of sickness benefits or disability benefits. For the death of an old-age pensioner, the partner receives 100% of the old-age pension; for the death of a survivor pension beneficiary, 100% of the survivor pension is paid to dependent children.

Administrative Organization

Social Insurance Bank (<http://www.svb.nl>) administers old-age pensions and survivor pensions.

Inspection Service for Work and Income (<http://www.iwiweb.nl>) provides general supervision of contributions and cash benefits.

Institute for Employee Benefits (<http://www.uwv.nl>) administers the separate employee benefit programs.

National Revenue Department of the Tax and Custom Administration (<http://www.belastingdienst.nl>) collects contributions for the separate employee benefit programs.

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 benefits: Coverage is mostly privatized. (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; 6.5% of the old-age pension is paid by the pensioner; 4.4% of other pension income is paid by the pensioner for medical benefits exceeding €30,015 (6.5% of the disability pension is paid by the pension institution on behalf of disability pensioners for medical benefits); and 12.55% of earnings up to €30,361 is paid for exceptional medical expenses insurance.

The minimum annual earnings for contribution purposes are €13,159.

The maximum earnings for contribution purposes are €113 a day (medical benefits), €30,361 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 €30,015 for medical benefits and 12.55% of income up to €30,361 for exceptional medical expenses insurance.

The minimum annual earnings for contribution purposes are €13,159.

The maximum earnings for contribution purposes are €113 a day (medical benefits) and €30,361 a year (exceptional medical expenses).

Employer: 6.5% of payroll for medical benefits.

The contribution for sickness and maternity benefits is included in the contribution for unemployment benefits made on behalf of employed workers.

The minimum annual earnings for contribution purposes are €13,159.

The maximum earnings for contribution purposes are €113 a day (medical benefits), €30,361 a year (exceptional medical expenses), and €38,117 a year (cash sickness benefits and maternity benefits for unemployed workers).

Government: An annually determined contribution is paid toward the financing of medical benefits.

Qualifying Conditions

Cash sickness benefits: Incapable of performing normal work.

Cash maternity benefits: 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 €167.70. The benefit is payable 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 €167.70. The benefit is payable for 16 weeks.

Death benefit: The benefit is equal to 100% of earnings, up to the daily maximum of €167.70. The benefit is payable 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.

Supervisory Board for Health Care Insurance (<http://www.ctz.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.

Special system for public-sector employees.

Source of Funds

Insured person: Variable contribution rates are paid to the general unemployment fund, according to industry. The average contribution is 5.80% of earnings. None for the redundancy payment fund.

The contribution for sickness and maternity benefits is included in the contribution for unemployment benefits.

The maximum daily earnings for contribution purposes are €167.70.

Self-employed person: Not applicable.

Employer: 3.45% of payroll for the general unemployment fund. Variable contribution rates are paid to the redundancy payment fund. The average contribution is 1.75% of payroll.

The maximum daily earnings for contribution purposes are €167.70.

Government: None.

Qualifying Conditions

Unemployment benefits: The insured must be registered at the public labor exchange, be capable of and available for work, and must not refuse suitable employment.

Short-term benefit: Must have been in paid employment for at least 26 of the last 39 weeks.

Salary-related benefit: Must have been in paid employment for at least 26 of the last 39 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 payable. (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 can be claimed.

Unemployment Benefits

Short-term benefit: The benefit is equal to 70% of the statutory minimum wage and is payable for 6 months.

Salary-related benefit: The benefit is equal to 70% of the last salary, up to the daily maximum earnings of €168. The duration of benefits depends on the insured's employment record.

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 payable.

Administrative Organization

Inspection Service for Work and Income (<http://www.iwiweb.nl>) provides general supervision.

National Revenue Department (<http://www.belastingdienst.nl>) of the Tax and Custom Administration 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 payable for children who receive a student grant or loan under the Dutch Student Financing Act.

No benefit is payable 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 ill or disabled must have a reduced earning capacity equal to 54% or less of the normal earning capacity of healthy children in the same age group.

Netherlands

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 €177.89 to €346.29 per child per quarter.

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 6.75 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 in Norway, including noncitizen seamen serving on Norwegian ships outside territorial waters. Entitlement is independent of previous income or contributions paid.

Earnings-related pension: All employed and self-employed persons earning over the base amount.

The base amount is 60,699 kroner as of January 1, 2006. The base amount varies automatically with changes in general price and income levels and is adjusted once or twice a year.

Special systems for seamen, fishermen, railway employees, and public-sector employees.

Source of Funds

Insured person: 7.8% of income, including payments in kind; pensioners and persons younger than age 17 contribute 3% of 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 base amount is 60,699 kroner as of January 1, 2006.

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 above 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 payroll. Contribution rates are reduced in certain geographic areas, except for enterprises

in certain sectors. Reduced contribution rates are paid for employees aged 62 or older.

The base amount is 60,699 kroner as of January 1, 2006.

The current system of varying reduced rates for employers' contributions is being reformed. From 2007, only the full rate or a zero percent rate will be applied for all employees.

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 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, 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 60,699 kroner as of January 1, 2006.

Dependent's supplement (income-tested): Payable 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 3 years' earnings above the base amount. The base amount is 60,699 kroner as of January 1, 2006.

Retirement from employment is not required.

The pension is payable abroad.

Earnings test: If the insured continues to work at age 67, an earnings test is applied to the earnings-related 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 60,699 kroner as of January 1, 2006.

Disability pension

Universal disability pension: Payable to insured persons aged 16 to 66 with an assessed reduction in earning capacity of at least 50%. The insured must have 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): Payable for a dependent spouse and children younger than age 18.

The pension is payable abroad under special conditions.

Earnings-related disability pension: Payable to insured persons aged 16 to 66 with an assessed reduction in earning capacity of at least 50%. The insured must have 3 years' earnings above the base amount. The base amount is 60,699 kroner as of January 1, 2006.

The degree of disability is assessed by the National Insurance Administration.

The pension is payable abroad.

Temporary disability benefit: Payable instead of the 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 onset of disability and be younger than age 26 and a member of the system at the onset of disability.

The degree of disability is assessed by the National Insurance Administration.

Survivor pension

Universal survivor pension: The deceased had 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 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: Payable 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 3 years' earnings above the base amount. The base amount is 60,699 kroner as of January 1, 2006.

Transitional benefit: A surviving spouse who is not eligible for a 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 60,699 kroner as of January 1, 2006. 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, subject to meeting certain conditions, receives a pension or has annual income exceeding twice the base amount. The full pension is paid with 40 years' coverage.

The base amount is 60,699 kroner as of January 1, 2006.

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 the minimum pension for couples plus 25% of the base 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 and the year's base amount divided by the base amount.

The base amount is 60,699 kroner as of January 1, 2006.

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.

Benefit adjustment: Benefits are adjusted automatically for changes in general price and income levels, corresponding to 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, subject to certain coverage conditions being met.

The base amount is 60,699 kroner as of January 1, 2006.

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 the minimum pension for couples plus 25% of the base 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: 562 kroner to 2,817 kroner a month is paid to help meet certain costs incurred as a result of the onset of disability.

Attendance benefit: Four different rates are payable, depending on the insured's assessed need for special attention or nursing. The annual rates are 12,108 kroner, 24,216 kroner, 48,432 kroner, or 72,648 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 and the year's base amount divided by the base amount. Years of coverage are credited as if the insured worked to age 67, subject to certain coverage conditions being met.

The base amount is 60,699 kroner as of January 1, 2006.

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 12,108 kroner, 24,216 kroner, 48,432 kroner, or 72,648 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 onset of disability or 66% of average earnings in the last 3 years before the onset of disability, whichever is greater. The benefit is payable for 1 to 4 years; may be extended if a return to work is deemed probable.

The base amount is 60,699 kroner as of January 1, 2006.

The minimum benefit is 1.8 times the base amount (2.4 times the base amount if the onset of disability was 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 12,108 kroner, 24,216 kroner, 48,432 kroner, or 72,648 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 payable 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 60,699 kroner as of January 1, 2006.

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 60,699 kroner as of January 1, 2006.

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 insured'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 60,699 kroner as of January 1, 2006.

Funeral grant: An income-tested lump sum of up to 16,582 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://odin.dep.no/hod>), Ministry of Children and Equality (<http://odin.dep.no/bld>), and Ministry of Labor and Social Inclusion (<http://odin.dep.no/aid>) provide general supervision.

National Insurance Administration (<http://www.trygdeetaten.no>) administers the program nationally.

National Insurance Administration's county offices administer county programs and supervise local offices.

Local insurance offices 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: Social insurance system. Cash and medical benefits.

Coverage

Cash 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 60,699 kroner as of January 1, 2006, 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: Payable 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: Payable to insured mothers who are not entitled to cash maternity benefits.

Additional grant: Payable to widowed, divorced, separated, or unwed mothers with 3 years of insurance coverage immediately before the claim.

Sickness and Maternity Benefits

Sickness benefit: The benefit is equal to 100% of covered earnings and is payable 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 60,699 kroner as of January 1, 2006.

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 entitled to 10 days per year each (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.

Maternity benefit: 100% of covered earnings (self-employed person, 65% of assessed earnings) is paid to the mother for 43 weeks; alternatively, 80% of covered earnings is paid to the insured parents (mother or father) for 53 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; 5 weeks of the total 43-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 payable under the same qualifying conditions and is equal to 100% of covered earnings for 40 weeks; 80% for 50 weeks for the adoption of a child. Partial benefits combined with reduced working hours may be received over a period of up to 2 years.

Maternity grant: 33,584 kroner is paid if the insured is not receiving a maternity benefit (also payable for the adoption of a child); 1,765 kroner is paid for giving birth at home.

Additional grant: An additional benefit is payable 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 125 kroner per consultation with a general practitioner; 265 kroner with a specialist) and free care in a public hospital. Patients pay 36% of expenses for listed essential medicines (up to 500 kroner per prescription) and transportation costs in excess of 115 kroner or 400 kroner for each required trip to the 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 1,615 kroner. The ceiling is set annually by parliament. When the ceiling is reached, the patient is entitled to free treatment for the remainder of the year.

Pensions are reduced from the 2nd month of institutional care; sickness benefit, from the 4th month.

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 125 kroner per consultation with a general practitioner; 265 kroner with a specialist) and free care in a public hospital. Patients pay 36% of expenses for listed essential medicines (up to 500 kroner per prescription) and transportation costs in excess of 115 kroner or 400 kroner for each required trip to the 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 1,615 kroner. The ceiling is 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.

Norway

Pensions are reduced from the 2nd month of institutional care; sickness benefit, from the 4th month.

There is no limit to duration.

Administrative Organization

Ministry of Health and Care Services (<http://odin.dep.no/hod>), Ministry of Children and Equality (<http://odin.dep.no/bld>), and Ministry of Labor and Social Inclusion (<http://odin.dep.no/aid>) provide general supervision.

National Insurance Administration (<http://www.trygdeetaten.no>) administers the program nationally.

National Insurance Administration's county offices administer county programs and supervise local offices.

Local insurance offices 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: 0.4% of income, as assessed for national tax purposes.

Employer: See source of funds under Old Age, Disability, and Survivors, above. Contribution rates are reduced in certain geographic areas, except for enterprises in certain sectors.

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 payable for up to 50 weeks. (The benefit is the same as the cash sickness benefit provided under Sickness and Maternity, above). From the 51st week, the insured may receive a temporary disability benefit or disability pension.

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 60,699 kroner as of January 1, 2006.

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: 562 kroner to 2,817 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 12,108 kroner, 24,216 kroner, 48,432 kroner, or 72,648 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 worked to age 67, subject to certain coverage conditions being met.

The degree of disability is assessed by the National Insurance Administration.

The base amount is 60,699 kroner as of January 1, 2006.

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 with 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 12,108 kroner, 24,216 kroner, 48,432 kroner, or 72,648 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 onset of disability or 66% of average earnings in the last 3 years before the onset of disability, whichever is greater. The benefit is payable for 1 to 4 years; may be extended if a return to work is likely.

The base amount is 60,699 kroner as of January 1, 2006.

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 12,108 kroner, 24,216 kroner, 48,432 kroner, or 72,648 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 payable 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 60,699 kroner as of January 1, 2006.

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 60,699 kroner as of January 1, 2006.

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 16,582 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://odin.dep.no/hod>), Ministry of Children and Equality (<http://odin.dep.no/bld>), and Ministry of Labor and Social Inclusion (<http://odin.dep.no/aid>) provide general supervision.

National Insurance Administration (<http://www.trygdeetaten.no>) administers the program nationally.

National Insurance Administration's county offices administer county programs and supervise local offices.

Local insurance offices 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.

Norway

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. Contribution rates are reduced in certain geographic areas, except for enterprises in certain sectors.

Government: National government meets any deficit.

Qualifying Conditions

Unemployment benefit: Annual earnings in the last year before unemployment (or average earnings in the 3 years before unemployment, if greater) of at least 75% of the base amount 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 60,699 kroner as of January 1, 2006.

Unemployment Benefits

The benefit is equal to 0.24% of annual income a day, up to six times the base amount. The benefit is payable after a 3-day waiting period. The benefit is paid for up to 52 weeks if annual income before unemployment was less than 121,398 kroner; 104 weeks if income was 121,398 kroner or more.

The base amount is 60,699 kroner as of January 1, 2006.

Child's supplement: 17 kroner a day is paid for each dependent child younger than age 18.

The maximum daily benefit is 874 kroner, plus child supplements.

Administrative Organization

Ministry of Labor and Social Inclusion (<http://odin.dep.no/aid>) provides general supervision.

Directorate of Labor administers the program nationally, with benefits paid through local insurance offices.

Local employment offices 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. 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 Children and Equality (<http://odin.dep.no/bld>) and the Ministry of Labor and Social Inclusion (<http://odin.dep.no/aid>) provide general supervision.

National Insurance Administration (<http://www.trygdeetaten.no>) administers the program nationally and supervises local offices.

National Insurance Administration's county offices administer the county programs and supervise local offices.
Local insurance offices administer allowances locally.

Poland

Exchange rate: US\$1.00 equals 3.25 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 new 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 the police.

Source of Funds

Insured person: 9.76% of gross earnings for old-age pensions (2.46%, first pillar; 7.3%, second pillar) and 6.5% of gross 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 (72,690 zlotys in 2005).

Self-employed person: 19.52% of insured income for old-age pensions (12.22%, first pillar; 7.3%, second pillar) and 13% of insured income 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 (72,690 zlotys in 2005).

Employer: 9.76% of payroll for old-age pensions (9.76%, first pillar; 0%, second pillar) and 6.5% of payroll 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 (72,690 zlotys in 2005).

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 25 years of insurance coverage (men) or age 60 with 20 years of insurance 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, and maritime employment.

The pensionable age is reduced by 5 years for women with 30 years of insurance coverage, for war veterans, and for the disabled.

Partial pension: A partial pension is paid if the insured does not have the required number of years of insurance coverage at retirement age.

Nursing allowance: Payable to persons aged 75 or older.

Old-age benefits are payable abroad under reciprocal agreement.

Old-age pension (new system): Age 65 (men) or age 60 (women).

Guaranteed minimum pension: Payable 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. On reaching the statutory retirement age, the insured must have a total of at least 25 years (men) or 20 years (women) of insurance coverage from full-time employment.

Old-age benefits are payable abroad under reciprocal agreement.

Disability pension: Payable for a total disability (incapacity for any work) or partial disability (greatly impaired earning capacity or total incapacity for usual work) with 5 years of insurance 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 insurance period or within 18 months of the cessation of contributions.

Nursing allowance: Payable to persons certified as disabled.

Training pension: Payable 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 insurance coverage for a disability pension 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 insurance 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 legal minimum monthly old-age pension is 562.58 zlotys.

Nursing allowance: 144.00 zlotys a month.

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.

Benefit adjustment: Benefits are adjusted automatically according to price increases when the aggregate growth of the consumer price index exceeds 5%.

Old-age 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, plus 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 insurance 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 insurance 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.

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 salary. If the income received exceeds 130% of the average national 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 562.58 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 432.74 zlotys.

Nursing allowance: 144.00 zlotys a month.

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 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.

Full orphan's supplement: 271.12 zlotys a month.

The minimum monthly survivor pension is 472.57 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.

Administrative Organization

Old system: Ministry of Social Policy (<http://www.mps.gov.pl>) provides general supervision.

Social Insurance Institute (<http://www.zus.pl>), with 51 branch offices, administers the program.

Ministry of Social Policy provides general supervision for the farmers' program.

Agricultural Social Security Fund (<http://www.krus.gov.pl>) administers the farmers' 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. Cash and medical benefits.

Coverage

Cash 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 the police.

Source of Funds

Insured person

Cash benefits: 2.45% of earnings.

Medical benefits: 8.5% of earnings.

There are no maximum earnings for contribution purposes.

Self-employed person

Cash benefits: 2.45% of insured income.

Medical benefits: 8.5% of insured income.

The minimum income for contribution purposes is equal to 60% of the average national monthly earnings set by the budget law.

There are no maximum earnings for contributions purposes.

Employer: None.

Government: Subsidies for medical benefits.

Qualifying Conditions

Cash benefits: Currently in insured employment with at least 30 days of continuous insurance coverage; 180 days of continuous insurance 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 onset of the incapacity 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 payable 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 insured earnings and is payable for up to 12 months.

Compensatory allowance: Payable 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 payable for 16 weeks for the birth of the first child; 18 weeks for all subsequent births. For multiple births, the benefit is payable for 26 weeks.

Care allowance: The benefit is equal to 80% of average insured earnings in the last 6 months and is payable 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 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 the police.

Source of Funds

Insured person: None.

Self-employed person: 1.62% of insured income.

The minimum income for contribution purposes is equal to 60% of the average national monthly earnings set by the budget law.

Employer: From 0.97% to 3.86% 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

The benefit is equal to 100% of average earnings in the 6 months before the onset of disability and is payable 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 payable 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, plus 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 benefit must be at least equal to 80% of insured earnings.

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 insurance coverage period. Previous earnings are adjusted.

The maximum earnings for benefit calculation purposes are equal to 250% of the average national monthly earnings.

The minimum benefit must not be lower than 120% of the minimum old-age pension. The monthly minimum old-age pension is 562.58 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 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.

Nursing allowance: 144.25 zlotys a month.

Partial disability benefit: The benefit must be equal to at least 60% of insured earnings.

The minimum partial disability benefit must not be less than 120% of the regular minimum old-age pension. The monthly minimum old-age pension is 562.58 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 legal minimum monthly old-age pension. The monthly minimum old-age pension is 562.58 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 17% of average monthly earnings for each percentage of assessed permanent or long-term health damage (will increase gradually to 20% by the end of the first quarter of 2007). The lump sum is increased by 3.5 times average monthly earnings if the insured needs the constant attendance of another person.

Workers' 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 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.

Agricultural Social Security Fund (<http://www.krus.gov.pl>) administers the farmers' program.

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 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 25 years of insurance coverage (men) or aged 58 with 20 years of insurance coverage (women); involuntarily unemployed and aged 60 with 25 years of insurance coverage (men) or aged 55 with 20 years of insurance coverage (women); or any age and involuntarily unemployed with 40 contributory or noncontributory years of insurance coverage (men) or 35 contributory or noncontributory years of insurance coverage (women).

Unemployment Benefits

The benefit is a flat-rate base amount (504.20 zlotys in 2004) for those with between 5 and 20 years of employment; 80% of the base amount with less than 5 years; 120% of the base amount for more than 20 years. The benefit is payable 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 payable at age 65 (men) or age 60 (women).

Administrative Organization

Ministry of 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 payable to a mother, father, or guardian.

Childbirth supplement (means-tested): Must be eligible for family allowances. The supplement is payable to a mother, father, or guardian for each child born after April 30, 2004.

Parental leave supplement (means-tested): 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 payable to a mother, father, or guardian entitled to child care leave.

Single parent's young child supplement (means-tested): Payable 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 payable to a mother, father, or guardian for a maximum of 3 years.

Single parent's child supplement (means-tested): Payable 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 payable to a mother, father, or guardian.

Education and rehabilitation supplement (means-tested): Payable 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 payable to a mother, father, or guardian.

Beginning of school year supplement (means-tested): Payable in September each year for children entitled to family allowances. The supplement is payable to a mother, father, or guardian.

School travel and board supplement (means-tested): Payable 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 payable to a mother, father, or guardian.

Nursing allowance (means-tested): Payable 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): Payable to persons who cease work to care for a disabled child younger than age 16 or an older, severely disabled person. The supplement is payable 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 for each child.

Parental leave supplement (means-tested): 400 zlotys is paid a month (May 2004) 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.

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): 50 zlotys a month is paid for a child younger than age 5; 70 zlotys for a child aged 5 to 24.

Beginning of school year supplement (means-tested): A lump sum of 90 zlotys.

School travel and board supplement (means-tested): 80 zlotys a month (40 zlotys for children who commute).

Nursing allowance (means-tested): A lump sum of 144.25 zlotys (May 2004).

Nursing benefit (means-tested): 420 zlotys a month (May 2004).

Administrative Organization

Ministry of 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 0.84 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1935 (1919 legislation not implemented).

Current laws: 1980 (noncontributory scheme), 1993 (general scheme), and 2002 (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 highest minimum wage.

Voluntary coverage for self-employed persons with gross annual income up to six times the highest minimum wage and for persons not covered by any contributory program.

Special systems for miners, longshoremen, railway workers, fishermen, and merchant seamen. (Special systems will gradually be 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, 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 national minimum wage. The national monthly minimum wage is €385.90.

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; 3% 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 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. Insurance 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 55 for air traffic controllers; age 55 for dancers or age 45 with a reduced pension; and age 60 for aircraft flight crew.

The pension is paid to unemployed persons at age 60 if the unemployment benefit is exhausted, at age 58 (under a special scheme), or at age 55 with a reduced pension.

Early pension: Payable from age 55 with 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 national minimum wage for a single person; 50% for a couple. The national minimum wage is €385.90.

Solidarity supplement for the elderly (means-tested):

Payable to persons aged 80 or older (will be gradually extended to all persons aged 65 or older by 2009) and to recipients of the lifelong allowance (see Family Allowances, below) who are not eligible for the social pension. The insured must have resided in the national territory in the last 6 years before claiming the benefit.

Means test: The beneficiary's annual income must be less than €4,200.

Disability pension: Payable for the loss of 2/3 of earning capacity with 5 years of contributions (120 days of registered pay are needed 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 national minimum wage for a single person; 50% for a couple. The national minimum wage is €385.90.

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.

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 insurance 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 €223.24 for a career of no more than 15 years to €343.45 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.

Deferred pension: The pension amount is increased by 10% for each additional year of contributions completed between age 65 and age 70, provided that the insured has 40 calendar years of contributions at the time of the pension claim.

Long-term care supplement: €85.87 is paid for a first-degree dependence (the insured requires the attendance of another person to perform ordinary daily activities) or €154.56 for a second-degree dependence (in addition to a first-degree dependence condition, the insured is bedridden or suffers from a severe mental illness).

Dependent spouse's supplement: €33.36 a month.

The old-age pension can be combined with earnings from gainful activity.

Benefits are payable abroad under reciprocal agreement.

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 cost of living.

Social pension (means-tested): €171.73 a month.

Solidarity extra supplement: As a supplement to the social pension, €15.89 is paid for persons up to age 69; €31.77 if aged 70 or older.

Long-term care supplement: €77.28 is paid for a first-degree dependence (the insured requires the attendance of another person to perform ordinary daily activities) or €145.97 for a second-degree dependence (in addition to a 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 €4,200.

Benefits are payable abroad under reciprocal agreement.

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 insurance 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 €223.24 for a career of no more than 15 years to €343.45 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: €85.87 is paid for a first-degree dependence (the insured requires the attendance of another person to perform ordinary daily activities) or €154.56 for a second-degree dependence (in addition to a 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 cost of living.

Social pension (income-tested): €171.73 a month.

Solidarity extra supplement: As a supplement to the social pension, €15.89 is paid for persons up to age 69; €31.77 if aged 70 or older.

Long-term care supplement: €77.28 in case of a first-degree dependence (the insured requires the attendance of another person to perform ordinary daily activities) or €145.97 in case of a second-degree dependence (in addition to 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 both the spouse and a divorced spouse are 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.

The total survivor pension 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 €103.04 (equal to 60% of the social pension).

Orphan's social pension (income-tested): The monthly pension is €34.34, €51.52, or €68.69 (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://www.mtss.gov.pt/english.asp>) provides general supervision through the State Secretariat for Solidarity and Social Security.

General Directorate for Solidarity and Social Security (<http://www.seg-social.pt>) administers the program.

Sickness and Maternity

Regulatory Framework

First law: 1935 (1919 legislation not implemented).

Current laws: 1998 (maternity and paternity), 2002 (social security), and 2004 (sickness).

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, above, 3.05% finances sickness benefits and 0.73% finances maternity benefits.

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

Employer: Of the total 34.75% of payroll contributed by the insured person and the employer under Old Age, Disability, and Survivors, above, 3.05% finances sickness benefits and 0.73% finances maternity benefits.

Government: Subsidizes medical benefits.

Qualifying Conditions

Cash sickness benefit: Must have 6 months of insurance 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 adoption 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: Must have 6 months of insurance coverage.

Sickness and Maternity Benefits

Sickness benefit: 65% of 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 average daily earnings is paid if the insured has at least 2 dependents; 100% if there are three or more dependents. The benefit is payable 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 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 national minimum wage or the average daily earnings used for calculating the cash sickness benefit, whichever is lower. The national monthly minimum wage is €385.90.

Disabled or sick child allowance: 65% of average daily earnings 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 payable for between 6 months and 4 years, up to a monthly maximum equal to the national minimum wage. The national monthly minimum wage is €385.90.

Average daily earnings are based on earnings in the 6 months before the last 2 months before the month the incapacity began.

Maternity benefit: The benefit is equal to 100% of average daily earnings. The benefit is payable for 120 days, including 90 days after childbirth. The beneficiary can opt for a 150-day leave period paid at 80% of 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.

Average daily earnings are based on earnings in the 6 months before the last 2 months before childbirth.

The minimum maternity benefit is 50% of the national minimum wage. The national monthly minimum wage is €385.90.

Special maternity allowance: The benefit is equal to 65% of average daily earnings. The allowance is payable 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 earnings in the 6 months before the last 2 months before ceasing work.

Paternity benefit: The benefit is equal to 100% of average daily earnings. The benefit is payable 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 average daily earnings.

Average daily earnings are based on earnings in the 6 months before the last 2 months before childbirth.

The paternity benefit is not payable to self-employed persons.

The minimum paternity benefit is equal to 50% of the national minimum wage. The national monthly minimum wage is €385.90.

Adoption benefit: The benefit is equal to 100% of average daily earnings and is payable 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.

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 national minimum wage. The national monthly minimum wage is €385.90.

Parental leave benefit: The benefit is equal to 100% of 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 earnings in the 6 months before the last 2 months before the parental leave period.

Special leave benefit for grandparents: The benefit is equal to 100% of average daily earnings. The benefit is payable 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 earnings in the 6 months before the last 2 months before childbirth.

Special leave benefit for grandparents is not payable 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, and listed medicines.

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, and listed medicines.

There is some cost sharing.

There is no limit to duration.

Administrative Organization

Ministry of Labor and Social Solidarity (<http://www.mtss.gov.pt/english.asp>) provides general supervision through the State Secretariat for Solidarity and Social Security.

Regional social security centers administer 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, above.

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, above.

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 payable until full recovery or certification of permanent total disability.

Reference earnings are based on the average daily wage.

Partial disability: The benefit is equal to 70% of 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 annual wage (work injury) or the average monthly wage (occupational diseases).

Partial disability: 70% of 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%, an amount corresponding to 70% of lost earning capacity is paid as a lump sum.

Survivor Benefits

Survivor pension: The surviving spouse receives 30% of the deceased's reference earnings; 40% if the surviving spouse is aged 65 or older or disabled.

Reference earnings are based on the 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 total maximum of 80% of the insured's salary.

Reference earnings are based on the 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 annual wage (work injury) or the average monthly wage (occupational diseases).

Funeral grant: The cost of the funeral, up to a maximum of four times the legal monthly minimum wage; the grant is doubled if transportation costs are necessary.

Death allowance: A lump sum equal to 12 times the legal monthly minimum wage in the deceased's previous profes-

sion, with 50% payable to the spouse and 50% to the children; 100% is paid if there is only one dependent survivor.

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://www.mtss.gov.pt/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 laws: 1999 and 2003.

Type of program: Social insurance and social assistance system.

Coverage

Employed persons, cooperative workers not covered under the self-employed persons program, and performing artists.

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, above, 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, above, 5.22% finances unemployment benefits.

Government: None.

Qualifying Conditions

Unemployment benefit: The insured must have 540 days of contributions in the last 24 months before unemployment (special conditions apply to performing artists). The insured must register at an employment office and must be

capable of, and available for, work. Unemployment must be involuntary.

Unemployment social benefit (means-tested): The insured must have 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 national monthly minimum wage. The national monthly minimum wage is €385.90.

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 higher than 20% and lower than 75% of normal weekly working time) under which earnings are lower than the unemployment benefit.

Unemployment Benefits

The benefit is equal to 65% of average earnings.

Average earnings are based on earnings in the 12 months before the 2 months before the month in which unemployment began.

The minimum benefit is equal to the legal minimum wage. The national monthly minimum wage is €385.90.

The maximum benefit is equal to three times the legal minimum wage. The national monthly minimum wage is €385.90.

The duration of entitlement is calculated according to the insured's age. For insured persons up to age 30, 12 months; if aged 31 to 40, 18 months; if aged 41 to 45, 24 months; if older than age 45, 30 months plus 2 months for each 5-year contribution period in the last 20 years.

For insured persons aged 55 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 58 (under certain temporary conditions) or at age 55 (under certain conditions and with a benefit reduction).

Social assistance unemployment benefit: The benefit for a single person is equal to 80% of the legal minimum wage; 100% if the claimant has dependents. The national monthly minimum wage is €385.90.

The duration of entitlement is calculated according to the insured's age. For claimants up to age 30, 12 months; if aged 31 to 40, 18 months; if aged 41 to 45, 24 months; if older than age 45, 30 months plus 2 months for each 5-year contribution period in the last 20 years.

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 according to the insured's age. For claimants up to age 30, 12 months; if aged 31 to 40, 18 months; if aged 41 to 45, 24 months; if older than age 45, 30 months plus 2 months for each 5-year contribution period in the last 20 years.

For insured persons aged 55 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 58 (under certain temporary conditions) or at age 55 (under certain conditions and with a benefit reduction).

Administrative Organization

Ministry of Labor and Social Solidarity (<http://www.mtss.gov.pt/english.asp>) provides general supervision through the State Secretariat for Solidarity and Social Security.

General Directorate for Solidarity and Social Security (<http://www.seg-social.pt>) administers the program.

Employment centers review claimants' eligibility.

Family Allowances

Regulatory Framework

First law: 1942.

Current laws: 1997, 2002 (social security), and 2003 (family benefits).

Type of program: Universal system.

Coverage

Children of nationals, 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, above, 2.15% finances family benefits.

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

Employer: Of the total 34.75% of payroll contributed by the insured person and the employer under Old Age, Disability, and Survivors, above, 2.15% finances family benefits.

Government: Subsidizes the program.

Qualifying Conditions

Family allowances (income-tested): The insured must have registered earnings in the 12-month period before the

last 2 months before claiming the benefit (waived for pensioners or recipients of work injury or occupational disease benefits assessed as at least 50% disabled). The beneficiary resides in Portugal, is the insured's dependent, and is not covered by a compulsory social security system.

Means test: The dependent's income must be no greater than twice the social pension if married or no greater than the social pension if widowed, divorced, or separated. The social pension is equal to €171.73 a month.

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.

Special education allowance: Paid to disabled children younger than age 24 attending special education establishments, regular private school, creche, or kindergarten or receiving support from a specialized institution.

Lifelong allowance: Payable to financially dependent family members older than age 24 with a physical or mental disability.

Solidarity supplement: A monthly cash supplement paid in addition to the lifelong allowance.

Family Allowance Benefits

Family allowances (income-tested): The allowance is calculated according to 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 national minimum wage.

The national monthly minimum wage is €385.90.

If the reference family income is not greater than half the national minimum wage, €126.69 per month is paid to each child up to 12 months of age and €30.67 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 national minimum wage but not greater than the national minimum wage, €105.58 per month is paid to each child up to 12 months of age and €26.40 per month to each child older than 12 months.

If the reference family income is greater than the national minimum wage but not greater than 150% of the national minimum wage, €84.46 per month is paid to each child up to 12 months of age and €24.29 per month to each child older than 12 months.

If the reference family income is greater than 150% of the national minimum wage but not greater than 250% of the national minimum wage, €52.43 per month is paid to each child up to 12 months of age and €20.97 per month to each child older than 12 months.

Portugal

If the reference family income is greater than 250% of the national minimum wage but not greater than 500% of the national minimum wage, €31.46 per month is paid to each child up to 12 months of age and €10.49 per month to each child older than 12 months.

Disabled child special supplement: €53.91 a month is paid for a child younger than age 14; €78.51 if between ages 14 and 18; €105.10 if between ages 19 and 24.

Constant-attendance supplement: €80.10 a month.

Funeral grant: €197.63 is paid to the person who paid for the funeral.

Special education allowance: A variable amount is paid according to household income.

Lifelong allowance: €160.20 a month is paid.

Solidarity supplement: €15.89 is paid if the person is younger than age 70; €31.77 if aged 70 or older.

Administrative Organization

Ministry of Labor and Social Solidarity (<http://www.mtss.gov.pt/english.asp>) provides general supervision through the State Secretariat for Solidarity and Social Security.

General Directorate for Solidarity and Social Security (<http://www.seg-social.pt>) administers the program.

Romania

Exchange rate: US\$1.00 equals 3.11 new lei.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1912.

Current law: 2000 (social insurance), implemented in 2001.

Type of program: Social insurance system.

Note: Following the 2000 social insurance reform, Romania plans to introduce second-pillar individual accounts in 2007. The individual accounts will be mandatory for workers younger than age 35 and voluntary for all other workers younger than age 45.

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 (3,231 new lei).

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: 9.5% of gross earnings; voluntarily insured persons contribute 30% of insured income.

The minimum earnings for contribution purposes are equal to 25% of the national monthly average wage (269 new lei).

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: 30% of insured income.

The minimum earnings for contribution purposes are equal to 25% of the national monthly average wage (269 new lei).

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.

The self-employed person's contributions also finance work injury cash benefits.

Employer: The contribution rate for employers varies depending on working conditions: 20.5% of gross earnings for normal conditions, 25.5% of gross earnings for arduous conditions, or 30.5% of gross earnings for very arduous conditions.

The minimum earnings for contribution purposes are equal to 25% of the national monthly average wage (269 new lei).

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.

The employer's contributions also finance work injury cash benefits.

Government: Any deficit.

Qualifying Conditions

Old-age pension: Age 63 with at least 11 years of contributions (men) and age 57 and 9 months with at least 10 years and 9 months of contributions (women). The full pension is paid with 31 years of contributions (men) and 25 years and 9 months of contributions (women).

The pensionable age is being raised gradually to age 65 (men and women) by December 2014 for women and January 2015 for men. The minimum contribution period is also being raised gradually to 15 years (men and women) by 2014 for women and 2015 for men. The contribution period for the full pension is being raised gradually to 35 years by 2015 for men and 30 years by 2014 for 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: Payable from up to 5 years before the normal retirement age if the insured's paid contribution record exceeds the number of contributions required for the full pension by at least 10 years.

Partial early pension: Payable from up to 5 years before the normal retirement age if the insured's paid contribution record exceeds the number of contributions required for the full pension by less than 10 years.

Disability pension: 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 age at the onset of disability. No prior contribution conditions apply if the disability is the result of a work accident, an occupational disease, tuberculosis, or military service.

Survivor pension: 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 payable for 6 months to a low-income uninsured spouse who does not satisfy the age and marriage conditions.

Funeral grant: Payable for the death of the insured or the insured's dependent. There are prior contribution conditions. The benefit is payable to an eligible survivor, to the deceased's legal heir, or to the person who paid for the funeral.

Old-Age Benefits

Old-age pension: The pension is based on the 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 average insured monthly wage divided by the national monthly average wage. At retirement, the average number of pension points is calculated by dividing the total lifetime accumulated number of pension points by the number of years of contributions.

The minimum pension point value is equal to 30% of the national monthly average wage.

The maximum pension point value is equal to 50% of the national monthly average wage.

The national monthly average wage is 1,077 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.

Permanent Disability Benefits

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 national monthly average wage. In addition, for each year that the onset of disability occurs 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 at the date of the onset of disability.

The minimum pension point value is equal to 30% of the national monthly average wage.

The maximum pension point value is equal to 50% of the national monthly average wage.

The national monthly average wage is 1,077 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.

Survivor Benefits

Survivor pension: 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: A lump sum of 1,077 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, Social Solidarity, and the Family (<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.

Sickness and Maternity

Regulatory Framework

First law: 1912.

Current laws: 2005 (health) and 2005 (parental leave).

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 with earned income and legal residence in Romania.

Medical benefits: All persons residing in the country, 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: 7% of gross earnings.

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

Cash benefits: 0.75% of taxable income.

Parental leave: None.

Medical benefits: 7% of taxable income.

The self-employed person's contributions for medical benefits also finance work injury medical benefits.

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.

Employer

Cash benefits: 0.75% of payroll.

Parental leave: None.

Medical benefits: 7% of payroll.

The employer's contributions for medical benefits also finance work injury medical benefits.

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

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 receipts to the National Health Insurance Fund.

Qualifying Conditions

Cash sickness benefits: The insured must have 6 months of contributions in the 12 calendar months before the onset of incapacity; no contribution conditions apply in cases of tuberculosis, contagious illnesses, AIDS, or emergency surgery.

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:

Payable to a person undergoing temporary rehabilitation through a placement in an alternative place of work.

Cash maternity benefits: There is no minimum qualifying period.

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: Payable to provide care for a sick child younger than age 7 (age 18 if disabled).

Medical benefits: There is no minimum qualifying period.

Sickness and Maternity Benefits

Sickness benefit: The benefit is equal to 75% of the insured's mean wage in the 6 calendar months before the onset of incapacity (100% for tuberculosis, AIDS, contagious illnesses, or emergency surgery). The benefit is payable for a maximum of 183 days a year for each illness; may be extended in some cases.

Illness prevention and rehabilitation for work benefit: The benefit comprises two elements: temporary rehabilitation through a placement in an alternative place of work 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 mean wage in the 6 calendar months before the onset of incapacity. Benefits are payable for a maximum of 90 days a year. A benefit equal to 75% of the insured's mean wage in the 6 calendar months before the onset of incapacity is awarded to persons in quarantine.

Maternity benefit: The benefit is equal to 75% of the insured's mean wage in the 6 calendar months before the date of childbirth. The benefit is payable for a maximum of 120 days.

Parental leave: 800 new lei a month (the benefit will decrease to 600 new lei a month in 2007). The benefit is payable 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 300 new lei a month (the supplement will decrease to 100 new lei a month in 2007).

From January 2007, the parental leave benefit and the supplement will be combined with a new monthly child allowance of 200 new lei.

Child care allowance: The allowance is equal to 85% of the insured's mean wage in the 6 calendar months before the claim. The benefit is payable for a maximum of 45 days per calendar year for a child younger than age 7; age 18 if disabled.

Workers' Medical Benefits

Medical services are provided directly to patients by local health insurance funds. Medical benefits include general

and specialist care, 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, Social Solidarity, and the Family (<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, children in full-time education, apprentices, students undergoing occupational training, and military conscripts.

Source of Funds

Insured person: None.

Self-employed person: See source of funds under Old Age, Disability, and Survivors, above. Self-employed persons also contribute to medical benefit costs (see source of funds under Sickness and Maternity, above).

Employer: See source of funds under Old Age, Disability, and Survivors, above. Under certain conditions, the employer pays the sickness benefit directly to the employee when the period of absence from work as the result of incapacity is less than 90 days. Employers also contribute to medical benefit costs (see source of funds under Sickness and Maternity, above).

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 100% of the insured's mean wage in the 6 calendar months before the onset of disability and is payable from the first day of disability. The benefit is payable 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 the onset of disability occurs 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 at the date of the onset of disability.

The minimum pension point value is equal to 30% of the national monthly average wage.

The maximum pension point value is equal to 50% of the national monthly average wage.

The monthly national average wage is 1,077 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 permanent 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.

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 1,077 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, Social Solidarity, and the Family (<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: 1% of gross 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: 6% of declared 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: 5% of 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 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 payable 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.

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: Payable for children younger than age 16 (age 18 if in full-time education or training, age 26 if a student, no limit for a person with a 1st or 2nd degree disability that began before age 18).

Income supplement (income-tested): Payable if average per capita family income is 168 new lei or less.

Single-parent allowance (income-tested): Payable to single parents if average per capita family income is 168 new lei or less.

Birth grant: Payable to a mother for the birth of each child, for up to a maximum of four children.

Benefits for persons diagnosed with HIV/AIDS: Payable to all persons diagnosed with HIV/AIDS.

Benefits for the blind: Payable 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); 24 new lei a month for each child aged 3 or older (48 new lei if disabled).

Income supplement (income-tested): 34 new lei is paid for one child; 40 new lei for two; 45 new lei for three; or 50 new lei for four or more children.

Single-parent allowance (income-tested): 50 new lei a month is paid for one child; 59 new lei for two; 67 new lei for three; or 76 new lei a month for four or more children.

Birth grant: A lump sum of 196 new lei for each live birth.

Benefits for persons diagnosed with HIV/AIDS: 7.20 new lei is paid each day for a child; 9 new lei each day for an adult.

Benefits for the blind: Benefits are paid according to three degrees of assessed disability; 308 new lei for an adult with total blindness; 178 new lei for a significant reduction in eyesight; and 89 new lei for a partial reduction in eyesight.

A totally blind person who works receives only 20 new lei a month.

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, Social Solidarity, and the Family (<http://www.mmssf.ro>) provides general supervision.

Local offices of labor and social protection, local councils, and other institutions administer the benefits.

Russia

Exchange rate: US\$1.00 equals 28.73 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: Self-employed persons and independent farmers contribute 150 rubles a month.

Employer: 20% of payroll. Agricultural enterprises contribute 10.3% of payroll.

Pension fund administrators may charge up to a maximum of 1.1% of accumulated funds per year for administrative fees for the individual account.

If each employee's annual earnings are less than 280,000 rubles, the total contribution is 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 contributions also finance 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 insurance coverage.

The qualifying conditions are reduced for persons who have worked in the far-north region or in hazardous or dangerous work, to mothers who have five or more children or disabled children, and to 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 20 years of work (men) or age 45 with 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 25 years of work (men) or age 50 with 20 years of work (women), including 12.5 years (men) or 10 years (women) in an unhealthy working environment, in geological work, in the railway service, as a driver in a mine, as a dock worker, as a sailor, or as aircraft ground crew. (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 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: Disabled citizens or those meeting the age requirement of age 65 (men) or age 60 (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 insurance 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: Payable if the deceased did not have insurance coverage.

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 aged 80 or younger with no dependents is 1,035 rubles; 1,380 rubles with one dependent; 1,725 rubles with two dependents; 2,070 rubles with three or more dependents. The basic monthly flat-rate benefit for a pensioner older than age 80 with no dependents is 2,070 rubles; 2,415 rubles with one dependent; 2,760 rubles with two dependents; 3,105 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 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).

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 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 1993 and 1994 amendments; 1993 (health care), with 1998, 1999, and 2000 amendments; 1995 (child benefits), with 1999, 2000, 2002, 2004, and 2005 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: 3.2% 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 insurance coverage period: 60% of current earnings is paid with less than 5 years of insurance 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; for a child younger than age 15, for 15 calendar days; for a family member older than age 15, for 7 calendar days.

The minimum benefit is equal to 100% of the minimum wage.

The maximum benefit is equal to 85 times the minimum wage.

The minimum wage is 1,100 rubles (May 2006).

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 12,480 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: A lump sum of 6,000 rubles (2005) is paid, plus an additional sum paid by local government.

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 in 2006.

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 in 2006.

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 departments 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 on the basis of a civil or legal agreement if under such an agreement the employer is obligated to pay contributions to the Social Insurance Fund of the Russian Federation for mandatory social insurance against work injury and occupational diseases.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: Varying contributions (between 0.2% and 8.5% of payroll) according to 22 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

The benefit is equal to 100% of average gross earnings and is payable 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 43,200 rubles (2005) 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 (33,000 rubles a month in 2005).

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 1,100 rubles (May 2006).

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: Payable 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:

- 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.

Lump-sum compensation: In addition to the pension, a lump sum of 43,000 rubles (2005) is paid and split equally among all entitled survivors.

Death grant: A lump sum of up to 1,000 rubles. (The employer may pay an additional benefit.)

Administrative Organization

Temporary disability benefits are administered by the Social Insurance Fund of the Russian Federation (<http://www.fss.ru>) and regional funds. Enterprises and employers pay benefits to employees.

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 2003 and 2004 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

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 720 rubles.

The maximum monthly benefit is 2,880 rubles.

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: Payable 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 1999, 2000, 2002, 2004, and 2005 amendments; 2004 (cash compensation); and 2005.

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: Payable to families with income below the locally determined minimum subsistence level. The child must reside in the household.

Child care leave allowance: Payable to employees, students engaged in vocational courses, and military personnel.

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.

Child care leave allowance: 700 rubles a month is paid until the child is age 18 months; age 7 if the child is ill and receiving outpatient treatment; age 15 if receiving inpatient treatment.

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.

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.

San Marino

Exchange rate: US\$1.00 equals 0.84 euros (€).

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 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: Payable for a loss of working capacity of at least 66% with at least 2 years of contributions in the last 4 years before the onset of disability.

Survivor pension: The deceased had 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 3 months of contributions in the last 6 months before death.

Old-Age Benefits

Old-age pension: The benefit accrues at 2% of half a legally fixed amount for each year of insurance 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: For total disability, the annual pension is equal to 60% of the insured's annual earnings in the last year before the onset of disability.

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.

The total survivor pension 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 (<http://www.sanita.segreteria.sm>) 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 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 payable for 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 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 (<http://www.sanita.segreteria.sm>) 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, 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

The benefit is equal to 100% of earnings.

Permanent Disability Benefits

For total disability, the annual pension is equal to 60% of the insured's annual earnings in the last year before the onset of disability.

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.

The total survivor pension 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 (<http://www.sanita.segreteria.sm>) 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: Payable to unemployed insured employees.

Special economic benefit: Payable in the event of mass unemployment or the closure of the place of employment.

Temporary unemployment benefit: Payable 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 average earnings in the 3 months before unemployment and is payable 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 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 earnings and is payable for up to 9 months.

Administrative Organization

National Social Security Institute (<http://www.sanita.segreteria.sm>) 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 71.92 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 gross earnings; voluntary contributors pay 22% of chosen earnings, according to 12 income brackets.

The minimum monthly earnings for contribution purposes are equal to 40% of the national monthly average wage. The gross national monthly average wage is 27,378 dinars (November 2005).

The maximum monthly earnings for contribution purposes are equal to five times the national monthly average wage.

The insured's contributions also finance benefits for work injuries and occupational diseases and medical benefits for pensioners.

Self-employed person: 22% of taxable income.

The minimum monthly income for contribution purposes is equal to 40% of the national monthly average wage.

The maximum monthly income for contribution purposes is equal to five times the national monthly average wage.

The self-employed person's contributions also finance benefits for work injuries and occupational diseases and medical benefits for pensioners.

Employer: 11% of 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 40% of the national monthly average wage.

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.

Government: Guarantees cash benefits; covers any eventual deficit.

Qualifying Conditions

Old-age pension: Age 63 (men) or age 58 (women) with at least 20 years of insurance coverage; age 53 with 40 years of insurance coverage (men) or age 53 with 35 years of insurance coverage (women); at any age with 45 years of insurance coverage.

Between 2008 and 2011, the retirement age will increase gradually by 6 months a year to age 65 (men) or age 60 (women) with at least 20 years of insurance 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 insurance if the disability began before age 20; 2 years if before age 25; 3 years if aged 25–29; and 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 5 years of insurance coverage or was eligible for a disability pension.

Eligible survivors include a widow aged 45 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 or older or disabled; a dependent father aged 63 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 will rise 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 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 347.46 dinars (January 2006). The general point is adjusted every 6 months in April and October.

The minimum monthly pension is equal to 25% of the national monthly average wage. The gross national monthly average wage is 27,378 dinars (November 2005).

The maximum pension is determined by rules that state that the personal coefficient must not exceed 4 and the annual personal coefficient must not exceed 5.

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 347.76 dinars (January 2006). 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 of the onset of disability 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 insurance 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.

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.

Benefit adjustment: Benefits are adjusted every 6 months, in April and October, according to changes in the cost of living and average net wages.

Administrative Organization

Republic Fund for Employees' Pension and Disability Insurance administers the program for employees.

Separate funds administer pension and disability insurance for self-employed persons and farmers.

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 gross earnings; 12.3% of the pension is paid by the pension fund on behalf of pensioners; voluntary contributors pay 12.3% of gross declared earnings for medical benefits.

The minimum monthly earnings for contribution purposes are equal to 40% of the national monthly average wage. The gross national monthly average wage is 27,378 dinars (November 2005).

The maximum monthly earnings for contribution purposes are equal to five times the national monthly average wage.

Self-employed person: 12.3% of taxable income.

The minimum monthly income for contribution purposes is equal to 40% of the national monthly average wage. The gross national monthly average wage is 27,378 dinars (November 2005).

The maximum monthly income for contribution purposes is equal to five times the national monthly average wage.

Employer: 6.15% of payroll. (Reduced-rate contributions are paid for up to 2 years on behalf of newly hired older workers.)

The minimum earnings for contribution purposes are equal to 40% of the national average wage. The gross national average wage is 27,378 dinars (November 2005).

The maximum earnings for contribution purposes are equal to five times the national average wage.

Government: None; contributes as an employer.

Qualifying Conditions

Cash sickness benefits: Must be insured for at least 3 continuous months or 6 months with interruptions in the last 18 months. There is no minimum insurance period required for an incapacity resulting from a work injury or an

occupational disease. The benefit is also payable 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: Payable 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 payable from the first day of incapacity until recovery or until 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 calculation base for a self-employed person is average taxable 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 insurance 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 minimum benefit is equal to the minimum monthly wage.

For a self-employed person, the benefit is equal to average taxable 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 on the basis of 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 on the basis of 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 full-time students, and pensioners.

There are no special systems for any specified groups of employees.

Source of Funds

Insured person: 0.75% of gross earnings.

The minimum monthly earnings for contribution purposes are equal to 40% of the national monthly average wage. The gross national monthly average wage is 27,378 dinars (November 2005).

The maximum monthly earnings for contribution purposes are equal to five times the national monthly average wage.

Self-employed person: 1.5% of taxable income.

The minimum monthly income for contribution purposes is equal to 40% of the national monthly average wage. The gross national monthly average wage is 27,378 dinars (November 2005).

The maximum monthly income for contribution purposes is equal to five times the national monthly average wage.

Employer: 0.75% of payroll.

The minimum monthly earnings for contribution purposes are equal to 40% of the national monthly average wage. The gross national monthly average wage is 27,378 dinars (November 2005).

The maximum monthly earnings for contribution purposes are equal to five times the national monthly average wage.

Government: None; contributes as an employer.

Qualifying Conditions

Unemployment benefit: Must be insured for at least 12 consecutive months or 12 months with interruptions in the last 18 months. An interruption in insurance coverage must not last longer than 30 days.

Part-time work is permitted, but the income from work may reduce the benefit payable.

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 insurance coverage period and the insured's age: the benefit is paid for up to 3 months with up to 5 years of insurance 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.

Child's supplement: A supplement is payable.

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): Payable 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): Payable 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: The per capita family income level is 4,290 dinars. (The level is increased by 20% 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 20,000 dinars is paid for the first child; 76,981 dinars is paid for the second child in 24 monthly installments; 138,560 dinars for the third; and 184,745 dinars for the fourth.

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 1,819 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 Social Affairs reviews the decision.

Slovak Republic

Exchange rate: US\$1.00 equals
32.03 koruna (SK).

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: On January 1, 2005, a new system consisting of a first pillar (social insurance) and a second pillar (mandatory individual accounts) was implemented. All new entrants to the workforce are required to join the new two-pillar system. Current workers had until June 30, 2006, to choose whether to join the individual account system or stay in the social insurance system.

Coverage

Employed persons; persons in basic military or civil service; parents caring for a child; disability pensioners; and self-employed persons, including farmers, partners of a public company or general partners of a limited partnership, athletes, and business representatives.

Voluntary coverage for persons older than age 16 and self-employed persons with annual earnings less than 12 times the minimum monthly wage of 6,900 SK.

Special systems for members of the police force and the railway police force, Slovak Intelligence Service personnel, Bureau of National Security personnel, prison service personnel, and customs officers and professional armed forces personnel.

Source of Funds

Insured person: 7% of gross monthly earnings. The insured person makes no contribution to the individual account.

Voluntarily insured persons contribute 24% of gross earnings, of which 9% 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 0.08% (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 6,900 SK; 75% of the minimum monthly wage for employees with a loss of earning capacity from 40% to 70%; 50% of the minimum monthly wage for employees with a 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 15,825 SK.

Self-employed person: 24% 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 0.08% (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 6,900 SK; 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 15,825 SK.

Employer: 17% 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 6,900 SK; 75% of the minimum monthly wage for employees with a loss of earning capacity from 40% to 70%; 50% of the minimum monthly wage for employees with a 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 15,825 SK.

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; 18% of 70% of the average monthly wage for old-age benefits on behalf of persons caring for chronically 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 chronically 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 person's earning capacity.

Qualifying Conditions

Old-age pension (social insurance and individual account): Age 62 (men) or age 55 and 3 months (women) with at least 10 years of insurance coverage. (The retirement age for women will rise gradually to age 62 by 2015.)

Old-age pensioners may continue to work.

Early pension (social insurance): A reduced pension is paid with at least 10 years of insurance coverage regardless of age. The pension must be equal to at least 1.2 times the subsistence monthly minimum. The subsistence monthly minimum is 5,462 SK.

Deferred pension (social insurance): There is no maximum deferral period.

Early pension (individual account): Must have at least 10 years of insurance coverage regardless of age. The pension must be equal to at least 0.6 times the subsistence minimum. The subsistence minimum is equal to 5,462 SK.

Old-age benefits are payable abroad.

Disability pension (social insurance): The pension is payable with less than 1 year of insurance coverage if aged 20 or younger; with at least 1 year of insurance coverage if aged 21; with at least 2 years if aged 22 or 23; with at least 3 years if aged 24 or 25; with at least 4 years if aged 26 or 27; and with at least 5 years in the 10-year period before the onset of disability if aged 28 or older.

The pension is payable for a total disability (70% loss of earning capacity) or partial disability (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 pension requirements for an old-age pension or disability pension or was a pensioner at the time of death.

Eligible survivors include a widow(er) who was married to the deceased, a spouse who was divorced from the deceased before January 1, 2004, and receiving alimony, and children up to age 26.

Survivor benefits are payable abroad.

Funeral grant: The deceased and the survivor must have resided permanently or temporarily (more than 90 days) in the Slovak Republic.

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 insurance coverage period, and the current pension value (214.68 SK).

The average personal wage point is based on the product of personal wage points earned during particular calendar years and the length of the insurance 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.

All insured 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 January according to changes in average gross earnings (based on earnings in the third quarter of the previous year compared with the third quarter of the year before that) and 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 insurance coverage period, and the current pension value (214.68 SK).

The average personal wage point is based on the product of personal wage points earned during particular calendar years and the length of the insurance 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.

All insured earnings since 1994 are used for pension calculation purposes.

Partial disability: The disability pension is reduced according to the degree of 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 January according to changes in average gross earnings (based on earnings in the third quarter of the previous year compared with the third quarter of the year before that) and 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 a 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.

The pension ceases if the survivor remarries.

Orphan's pension (social insurance): Each orphan in statutory education (age 26 if a full-time student or disabled) receives a monthly pension equal to 30% of the pension paid or payable to the deceased.

There is no minimum survivor pension.

The maximum survivor pension is equal to 100% of the pension paid or payable to the deceased; otherwise, survivor pensions are reduced proportionally.

Benefit adjustment: Benefits are adjusted annually in January according to changes in average gross earnings (based on earnings in the third quarter of the previous year

compared with the third quarter of the year before that) and in July according to changes in the consumer price index and the national average wage.

Funeral grant: A lump sum of 2,100 SK is paid to the person who paid for the funeral.

Survivor pension (individual account): If the deceased was younger than the normal retirement age, survivors receive the value of the balance in the deceased's individual account. If the deceased was an old-age pensioner, survivors receive 60% of the annuity payable 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.

Individual account: Financial Market Authority (<http://www.uft.sk/en>) supervises and regulates pension funds.

Individual accounts are managed by licensed pension funds.

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 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 6,900 SK.

Special systems for members of the police force and the railway police force, Slovak Intelligence Service personnel, Bureau of National Security personnel, prison service personnel, and customs officers and professional armed forces personnel.

Medical benefits: Universal coverage.

Exclusions: Persons insured abroad and persons with temporary residence in the Slovak Republic and employed by employers with diplomatic privilege.

Source of Funds

Insured person

Cash benefits: 1.4% of gross monthly earnings; voluntarily insured persons contribute 4.4% of declared monthly earnings.

Medical benefits: 4% of gross monthly earnings.

The minimum earnings for contribution purposes are equal to the minimum monthly wage of 6,900 SK; 75% of the minimum monthly wage for employees with a loss of earning capacity from 40% to 70%; 50% of the minimum monthly wage for employees with a 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 for cash benefits are 1.5 times the average monthly wage of 15,825 SK.

The maximum earnings for contribution purposes for medical benefits are three times the average monthly wage of 15,825 SK.

Self-employed person

Cash benefits: 4.4% of declared monthly earnings.

Medical benefits: 14% of declared 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 6,900 SK; 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 15,825 SK.

The maximum earnings for contribution purposes for medical benefits are three times the average monthly wage of 15,825 SK.

Employer

Cash benefits: 1.4% of monthly payroll.

Medical benefits: 10% of monthly payroll.

The minimum earnings for contribution purposes are equal to the minimum monthly wage of 6,900 SK; 75% of the minimum monthly wage for employees with a loss of earning capacity from 40% to 70%; 50% of the minimum monthly wage for employees with a 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 15,825 SK.

The maximum earnings for contribution purposes for medical benefits are three times the average monthly wage of 15,825 SK.

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, and prisoners.

Qualifying Conditions

Cash sickness benefits: Payable for a temporary incapacity for work resulting from an illness or accident; self-employed persons and voluntarily insured persons must also have at least 270 days of insurance 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: Must have 270 days of insurance 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 in special situations.

Compensation allowance: Payable 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 the self-employed and voluntarily insured persons from the first day of incapacity.) The benefit is payable for up to 52 weeks.

55% of the daily assessment base is payable 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 (15,825 SK).

Compensation for chronic suffering: A flat-rate benefit is payable, depending on the insured's assessed medical condition.

Maternity benefit: The benefit is payable from 6 to 8 weeks before the expected date of childbirth and is equal to 55% of the daily assessment basis. The daily assessment basis is

based on earnings in the last year before the expected date of childbirth.

The benefit is payable 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.

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 services are provided directly to patients through General Health Insurance Agency facilities. Services 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.

Cost sharing: The patient pays 20 SK for each consultation with a doctor and for each prescription, 2 SK for each kilometer of transportation, and 50 SK per day for hospitalization or spa treatment.

There is no cost sharing for 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. The average copayment is 8% of the cost. There are no annual ceilings or limits.

There is no limit to duration.

Dependents' Medical Benefits

Medical services are provided directly to patients through General Health Insurance Agency facilities. Services 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.

Cost sharing: The patient pays 20 SK for each consultation with a doctor and for each prescription, 2 SK for each kilometer of transportation, and 50 SK per day for hospitalization or spa treatment.

There is no cost sharing for 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. The average copayment is 8% of the cost. 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 services 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, and persons in basic military or civil service.

There is no voluntary coverage.

Exclusions: Self-employed persons, including self-employed agricultural workers.

Special systems for the police and armed forces personnel.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: 0.8% of 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 payable 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: The benefit is equal to 80% of the daily assessment basis and is paid for 52 weeks.

The daily assessment basis is based on earnings in the last year before the incapacity 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 incapacity 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 incapacity began.

Cost compensation: Compensation is provided for specified nonreimbursed costs for treatment, up to a maximum of 537,500 SK.

Compensation for chronic suffering: A flat-rate benefit is payable, depending on the insured's assessed medical condition that is the result of a work injury or an occupational disease.

Permanent Disability Benefits

Permanent disability benefit: If the insured has at least a 40% loss of earning capacity, 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 incapacity began.

A medical examiner of the Social Insurance Agency and a general practitioner assess the degree of disability.

Benefit adjustment: Benefits are adjusted annually in July according to changes in the consumer price index and the national average wage.

Lump-sum benefit: The benefit is paid for a loss of earning capacity from 10% to 40% 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 incapacity began.

Workers' Medical Benefits

All necessary medical services are provided directly to patients through General Health Insurance Agency facilities.

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 a 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.

The pension ceases if the survivor remarries.

Lump-sum benefit: A lump sum equal to 730 times the daily gross earnings of the deceased is paid, up to a maximum of 1,075 million SK.

Orphan's pension: Each orphan in statutory education (age 26 if a full-time student or disabled) receives a monthly pension equal to 30% of the pension paid or payable to the deceased.

There is no minimum survivor pension.

The maximum survivor pension is equal to 100% of the pension paid or payable to the deceased; otherwise, survivor pensions are reduced proportionally.

Benefit adjustment: Benefits are adjusted annually in January according to changes in average gross earnings (based on earnings in the third quarter of the previous year compared with the third quarter of the year before that) and in July according to changes in the consumer price index and the national average wage.

Lump-sum benefit (orphan's): A lump sum equal to half of the lump-sum benefit paid to the widow(er) is paid, up to a maximum of 1,075 million SK for all eligible children.

Funeral grant: A lump sum of 2,100 SK is paid to the person who paid for the funeral. The deceased and the survivor must have resided permanently or temporarily (more than 90 days) in the Slovak Republic.

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 General Health Insurance Agency administer medical services 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 the police and armed forces personnel.

Source of Funds

Insured person: 1% of gross earnings; voluntarily insured persons contribute 2% of declared earnings.

The minimum earnings for contribution purposes are equal to the minimum monthly wage of 6,900 SK; 75% of the minimum monthly wage for employees with a loss of earning capacity from 40% to 70%; 50% of the minimum monthly wage for employees with a 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 15,825 SK.

Self-employed person: Not applicable.

Employer: 1% of payroll.

The minimum earnings for contribution purposes are equal to the minimum monthly wage of 6,900 SK; 75% of the minimum monthly wage for employees with a loss of earning capacity from 40% to 70%; 50% of the minimum monthly wage for employees with a 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 15,825 SK.

Government: Any deficit.

Qualifying Conditions

Unemployment benefit: 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 (15,825 SK).

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, implemented in 1999; 1998 (childbirth 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

Persons with permanent and temporary residence in 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 student or disabled).

Foster allowance: Paid for providing foster care for at least one child up to age 3 (age 6 with chronic health problems). The child must not attend a nursery, and the foster parent must not receive the maternity benefit.

Prefoster care allowance: The allowance is paid to the child's foster parent. The allowance is not paid if the foster parent is the child's relative.

Foster care benefit: The benefit is paid at the beginning and end of the fostering relationship.

Birth allowance: Paid to persons residing permanently in the Slovak Republic for the birth of a child.

Multiple birth allowance: Paid to parents on the birth of triplets or more children or the birth of two sets of twins

within a 2-year period. The family must reside in the Slovak Republic and have at least three children younger than age 15.

Family Allowance Benefits

Child allowance: 540 SK a month is paid for each child.

Foster allowance: 3,320 SK a month is paid. The allowance is increased by 1,740 SK for each severely disabled child.

Prefoster care allowance: 4,230 SK a month is paid. The allowance is increased by 3,000 SK if caring for three or more children.

Foster care benefit: A lump sum equal to 8,840 SK is paid at the beginning and 22,100 SK at the end of the fostering relationship when the child reaches age 18.

Birth allowance: A lump sum of 4,460 SK is paid for each child; for multiple births of three or more children (or the birth of two sets of twins in 2 years) 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: 2,420 SK a month is paid for a child up to age 6; 2,980 SK if aged 7 to 15; and 3,170 SK if older than age 15.

Administrative Organization

Ministry of Labor, Social Affairs, and Family (<http://www.employment.gov.sk>) provides supervision.

Slovenia

Exchange rate: US\$1.00 equals 202.80 tolar.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1922.

Current law: 1999 (social insurance), implemented in 2000, with 2000, 2001, 2002, 2003, and 2005 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 nationals of Slovenia aged 15 or older who do not have compulsory insurance coverage for certain periods; nationals of Slovenia with previous insurance coverage during at least 5 of the last 10 years, if they join in the first 6 months after the cessation of compulsory insurance coverage; foreign nationals 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 wage of all employed persons in Slovenia in the second to last month before the claim is made.

The insured's contributions also finance permanent disability benefits related to work injury. The death benefit and funeral allowance are financed under Sickness and Maternity, below.

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 minimum benefit is equal to the legal minimum wage of 122,600 tolar. 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 for the second to last month before the claim is made.

The self-employed person's contributions also finance permanent disability benefits related to work injury. The death benefit and funeral allowance are financed under Sickness and Maternity, below.

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 permanent disability benefits related to work injury. The death benefit and funeral allowance are financed under Sickness and Maternity, below.

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

Men: Age 58 with 40 years of contributions; age 63 with 20 years of contributions; or age 65 with 15 years of contributions.

Women: Age 55 and 4 months (age 55 and 8 months in 2007) with 36 years and 3 months of contributions (36 years and 6 months in 2007); age 60 and 4 months (age 60 and 8 months in 2007) with 20 years of contributions; or age 62 and 4 months (age 62 and 8 months in 2007) with 15 years of contributions.

Age 58 with 35 of insurance coverage (men) or age 53 with 30 years of insurance coverage (women), subject to conditions.

The full pensionable age in 2006 is age 61 and 6 months (men) or age 55 and 4 months (women). The full pensionable age will increase gradually to age 63 (men) in 2009 and to age 61 (women) in 2023, with the contribution period increasing to 40 years and 38 years, respectively.

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, means-tested):

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.

Earnings test: The insured's earnings must not exceed 81,807.77 tolar a month (in 2005), and the value of his or her taxable property must not exceed 4,933,400 tolar (in 2005).

Disability pension: Payable 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 insurance coverage if younger than age 20; have insurance coverage in at least 1/4 of the years if younger than age 30 (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 assistance and attendance of another person on a daily basis.

Survivor pension: The deceased had at least 5 years of insurance 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 53 and 6 months (age 54 in 2007) 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 insurance coverage before 2000, the monthly pension is equal to 35% (men) or 40% (women) of the insured's average adjusted earnings during the best 16 consecutive years (17 years in 2007, 18 years in 2008) since 1970, plus 2% of average adjusted earnings for each additional year of insurance coverage before 2000 (3% for each year for women) up to a maximum of 20 years, and 1.5% of average adjusted earnings for each year from 2000.

If the insured has at least 15 years of insurance coverage from 2000, the monthly pension is equal to 35% (men) or 38% (women) of the insured's average adjusted earnings during the best 16 consecutive years (17 years in 2007, 18 years in 2008) since 1970, plus 1.5% of average adjusted earnings for each additional year of insurance coverage.

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 104,495.45 tolar 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.

Early pension: There is no early pension.

Deferred pension: The pension is increased by 0.3% for each month of insurance coverage between ages 63 and 64 (men) or between ages 61 and 62 (women), by 0.2% for each month of insurance between ages 64 and age 65 (men) or between ages 62 and 63 (women), and by 0.1% for each month of insurance 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 86,288.26 tolar a month.

Benefit adjustment: Benefits are adjusted twice a year according to changes in the average wage.

State pension (social assistance, means-tested): The state pension is 34,796.98 tolar (33.3% of the minimum pension basis of 104,495.45 tolar).

Benefit adjustment: The state pension is adjusted according to changes in the minimum pension basis.

Permanent Disability Benefits

Disability pension: The pension for an assessed disability that is the result of an illness or a nonwork-related injury is calculated as a percentage of the minimum pension basis (104,495.45 tolar a month), according to the length of the insurance coverage period.

If the insured has at least 15 years of insurance 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 insurance coverage before 2000 (3% for each year for women) up to 20 years, and 1.5% of average adjusted earnings for each year from 2000.

If the insured has at least 15 years of insurance coverage from 2000, the monthly pension is equal to 35% (men) or 38% (women) of the insured's average adjusted earnings;

plus 1.5% of average adjusted earnings for each additional year of insurance coverage.

The insurance coverage period for pension calculation purposes includes 2/3 of the period between the onset of disability and age 58 (men and women) and 1/2 of the period between ages 58 and age 63 (men) or age 61 (women).

The minimum monthly pension payable for a disability that began before age 63 (men) or age 61 (women) is 45% (men) or 48% (women) of the minimum pension basis, respectively. The minimum monthly pension payable for a disability that began from age 63 (men) or age 61 (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 104,495.45 tolar 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 at the onset of disability.

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 (86,288.26 tolar a month), according to the degree of disability and the assessed need for constant assistance and 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 86,288.26 tolar 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; two survivors receive a combined total of 80%; 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: Payable 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 (86,288.26 tolar a month) and the survivor pension for one survivor up to a maximum 100% of the difference for four or more survivors.

Benefit adjustment: Benefits are adjusted twice a year according to changes in the average wage.

Death benefit: Dependent family members may receive a monthly benefit equal to 25% of the average monthly national wage, depending on the deceased's average earnings in the last year.

The average monthly national wage is based on wages from January to September in the last calendar year before the insured's death.

The average monthly national wage is 279,506 tolar (October 2005).

Funeral allowance: The allowance is paid to the person who paid for the insured's funeral and varies between zero and 60% of the average monthly national wage, depending on the deceased's average earnings in the last year.

The average monthly national wage is 279,506 tolar (October 2005).

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 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 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, below) and the death benefit and funeral allowance (see Old Age, Disability, and Survivors, above).

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 minimum wage.

The maximum assessed income for contribution purposes is 2.4 times the average gross wage of employed persons in Slovenia for the second 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, above).

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 persons, and for emergency health care for uninsured persons; pays for the collection of blood, organs, and tissues for transplantation.

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 payable 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 122,600 tolar. 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 122,600 tolar. 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 of 279,506 tolar (October 2005).

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 shorter 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 the age of 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 payable for 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 insurance coverage period is required for optical, hearing, and dental prostheses (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. Medicines are provided free of charge, 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 transplantation; 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 care; preventive care services, diagnosis, and treatment of infectious diseases, including HIV infection; and long-term nursing care in the form of home visits and the provision of treatment and home nursing in social care institutions.

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 subsidized benefits.

Dependents' Medical Benefits

Benefits include general and specialist care, dental care, surgery, hospitalization, rehabilitation, transportation, medicines, and technical aids. A 6-month insurance coverage period is required for optical, hearing, and dental prostheses (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. Medicines are provided free of charge, 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 neuromus-

cular diseases, paraplegia, tetraplegia, cerebral palsy, epilepsy, hemophilia, mental illness, diabetes, sclerosis, and psoriasis; for organ transplantation; 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 care; preventive care services, diagnosis, and treatment of infectious diseases, including HIV infection; and long-term nursing care in the form of home visits and the provision of treatment and home nursing in social care institutions.

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.mdds.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 a tripartite Assembly comprising 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 work-shops.

Source of Funds

Insured person: For temporary disability and medical benefits, see source of funds under Sickness and Maternity, above. For permanent disability benefits, see source of funds under Old Age, Disability, and Survivors, above.

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, above.

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, above.

Flat-rate contributions from 642 tolar to 2,231 tolar 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 onset of disability. 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 122,600 tolar. 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 (104,495.45 tolar) payable with at least 40 years (men) or 38 years (women) of insurance coverage.

The minimum pension is 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 (86,288.26 tolar a month), according to the degree of disability and the assessed need for constant assistance and attendance.

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: Payable 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 (86,288.26 tolar a month) and the survivor pension for one survivor up to a maximum 100% of the difference for four or more survivors.

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 53 and 6 months (age 54 in 2007) 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 a tripartite Assembly comprising 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; and members of handicraft and fishery cooperatives.

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; 0.2% of gross earnings for members of handicraft and fishery cooperatives.

There are no minimum earnings for contribution purposes.

There are no maximum earnings for contribution purposes.

Self-employed person: 0.2% of earnings.

Employer: 0.06% of payroll.

There are no minimum earnings for contribution purposes.

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 in full-time insured employment 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 assistance (means-tested): Entitlement to the unemployment benefit has ceased or the unemployed person has received training for less than 12 months.

Means test: The average monthly income in the last 3 months per family member must not exceed 80% of the guaranteed monthly wage of 55,853 tolar. The guaranteed wage, an amount that provides a worker with material and social security, is adjusted annually.

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 100% of the guaranteed wage of 55,853 tolar a month.

The maximum benefit is equal to 300% of the guaranteed wage of 55,853 tolar a month.

Benefit adjustment: Benefits are adjusted annually according to changes in the guaranteed wage.

The duration of the benefit is related to the length of the insurance coverage period. Benefits are payable for up to 3 months with 1 to 4 years of insurance coverage; for 6 months with 5 to 14 years; for 9 months with 15 to 24 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.

Unemployment assistance (earnings-tested): The benefit is equal to 80% of the guaranteed wage of 55,853 tolar a month, minus any taxes and contributions payable in relation to the guaranteed wage. The benefit is payable for up to 15 months (or 3 years if the conditions for the old-age pension are satisfied during this period).

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 tripartite Administrative Board and a Managing Director, administers the program through its headquarters, 12 regional units, and several local offices.

Employment Service of Slovenia Administrative Board comprises representatives of employers, employees, government, and the Employment Service of Slovenia Workers' Council.

Family Allowances

Regulatory Framework

First law: 1949.

Current law: 2003 (family).

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: Payable for a child younger than age 18 (age 26 if a student, in training, or disabled). The benefit is payable to a parent or the child's guardian.

Birth grant (layette): Payable for a newborn child whose father or mother resides permanently in Slovenia.

Large family allowance: Payable to families with three or more children younger than age 18 (age 26 if a student, in training, or disabled).

Special child care allowance: Payable for a child who is younger than age 18 (age 26 if a student) and needs special medical care. The allowance may be paid simultaneously with the parent income supplement.

Parent income supplement: Payable 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 paid simultaneously 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 average monthly national wage in the calendar year before making

the claim for the benefit. The minimum benefit for a single child living with both parents is 3,570 tolar (December 2005).

The maximum benefit is paid for children in households with earnings equal to 15% or less of the average monthly national wage in the calendar year before making the claim for the benefit. The maximum benefit for a single child living with both parents is 21,580 tolar (December 2005).

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 57,190 tolar is paid for the purchase of clothing and other necessities (December 2005).

Large family allowance: The annual benefit is 80,070 tolar (December 2005).

Special child care allowance: The monthly allowance is 20,590 tolar (December 2005); 41,180 tolar for a child in need of constant care (December 2005).

Parent income supplement: The monthly benefit is the legal minimum wage of 122,600 tolar.

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 0.84 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1919.

Current law: 1994 (social security), with 1994, 1997, 2001, 2002, and 2003 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 insurance 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 gross earnings.

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

The minimum monthly earnings for contribution purposes are €635.70 (€635.70, €731.10, or €881.10 for certain occupational classes); the minimum daily earnings for contribution purposes are €21.04.

The maximum monthly earnings for contribution purposes are €2,897.70; the maximum daily earnings for contribution purposes for certain occupational classes are €96.59.

Self-employed person: Not applicable.

Employer: 23.6% of gross earnings.

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

The minimum monthly earnings for contribution purposes are €635.70 (€635.70, €731.10, or €881.10 for certain occupational classes); the minimum daily earnings for contribution purposes are €21.04.

The maximum monthly earnings for contribution purposes are €2,897.70; the maximum daily earnings for contribution purposes for certain occupational classes are €96.59.

Government: An annual subsidy.

Qualifying Conditions

Old-age pension: Age 65 with 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.

Part-time employment is possible after retirement.

Earnings test: The maximum annual earnings (excluding the pension) of a pensioner receiving the minimum pension must not exceed €6,330.69; €7,384.83 with a dependent spouse.

The retirement age is reduced for disabled persons with an assessed disability of 65% or more. The normal retirement age is reduced by a period equal to 0.25% of the insured's total contribution period before the onset of the certified disability (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 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. The pension is paid at a reduced rate.

Partial pension: Age 60 with 15 years of contributions, including 2 years of contributions in the last 15 years, with working time reduced to between 25% and 85% of full working time. The hours of reduced working time must be filled by a person registered as unemployed if the insured retires before age 65.

Deferred pension: The pension may be deferred if the insured has 35 years of contributions at age 65.

Benefits are payable abroad under reciprocal agreement.

Disability pension: Payable for the loss of normal earning capacity. If younger than age 26, the insured must have contributed during 50% of the period between age 16 and the onset of disability; if older than age 25, the insured must have contributed during 25% of the period from age 20 to the onset of disability 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 €6,330.69; €7,384.83 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.

Eligible survivors are the widow(er); children younger than age 18 (age 22 if unemployed or earning less than 75% of the minimum wage, age 24 if a full orphan and earning less than 75% 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.

Earnings test: The maximum annual earnings (excluding the pension) of a pensioner receiving the minimum pension must not exceed €6,330.69.

Benefits are payable abroad under reciprocal agreement.

Old-Age Benefits

Old-age pension: The monthly pension is equal to 50% of insured earnings in the last 180 months divided by 210, plus 3% of insured earnings for each year of contributions between 16 and 25 years of contributions and 2% of insured earnings for each year of contributions exceeding 25 years, up to a maximum of 100%.

The minimum monthly earnings for benefit calculation purposes are €631.20.

The maximum monthly earnings for benefit calculation purposes are €2,897.70.

The minimum monthly pension at age 65 is €466.98; €565.74 with a dependent spouse.

Earnings test: The maximum annual earnings (excluding the pension) of a pensioner receiving the minimum pension must not exceed €6,330.69; €7,384.83 with a dependent spouse.

The maximum monthly pension is €2,232.54 (€31,255.56 a year).

Schedule of payments: There are 14 payments a year.

Early pension for unemployed persons: The pension is reduced by 8% for each year the pension is taken before age 65 for persons with 30 years of contributions, by 7.5% with 31 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 or more years of contributions.

The minimum early pension before age 65 is €435.12; €528.72 with a dependent spouse.

Earnings test: The maximum annual earnings (excluding the pension) of a pensioner receiving the minimum pension must not exceed €6,330.69; €7,384.83 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.

The maximum monthly deferred pension is €2,232.54 (€31,255.56 a year).

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 benefit base.

Benefit base: If the disability is the result of a nonwork accident, the monthly benefit base is 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 and the insured is younger than age 52 at the onset of disability, the monthly benefit base is equal to the insured's earnings in the contribution period divided by 1.1666. If the disability is the result of a common illness and the insured is aged 52 or older at the onset of disability, the monthly benefit base is equal to the insured's earnings in the last 96 months divided by 112. If the disabled is not insured and the disability is the result of a nonwork accident or common illness, the monthly benefit base is equal to the insured's earnings in the last 96 months divided by 112.

The minimum monthly earnings for benefit calculation purposes are €631.20.

The maximum monthly earnings for benefit calculation purposes are €2,897.70.

The minimum monthly pension is €466.98; €565.74 with a dependent spouse.

Earnings test: The maximum annual earnings (excluding the pension) of a pensioner receiving the minimum pension must not exceed €6,330.69; €7,384.83 with a dependent spouse.

Schedule of payments: There are 14 payments a year.

Constant-attendance supplement: Equal to 50% of the pension.

The minimum monthly pension with the constant-attendance supplement is €700.47; €848.61 with a dependent spouse.

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 benefit base (see the benefit base definition, above). The pension may be increased to 75% of the benefit base if the insured is older than age 55.

The minimum monthly earnings for benefit calculation purposes are €631.20.

The maximum monthly earnings for benefit calculation purposes are €2,897.70.

The minimum monthly pension is €435.12 if aged 60 to 64 at the onset of disability (€528.72 with a dependent spouse); €466.98 from age 65 (€565.74 with a dependent spouse).

Earnings test: The minimum pension is subject to a maximum annual earnings limit (excluding the pension) of €6,330.69; €7,384.83 with a dependent spouse.

Schedule of payments: There are 14 payments a year.

Partial permanent disability pension: 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 onset of disability.

The minimum monthly earnings for benefit calculation purposes are €631.20.

The maximum monthly earnings for benefit calculation purposes are €2,897.70.

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

Survivor Benefits

Survivor pension: The pension is equal to 52% of the deceased's base earnings or, if the deceased was a pensioner, 52% of the adjusted base 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 €631.20.

The maximum monthly earnings for benefit calculation purposes are €2,897.70.

The minimum monthly pension is €347.22; €435.12 with dependent children or if aged 60 to 64; €466.98 if aged 65 or older.

Earnings test: The maximum annual earnings (excluding the pension) of a pensioner receiving the minimum pension must not exceed €6,330.69.

Schedule of payments: There are 14 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 calculated on the basis of 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 €631.20.

The maximum monthly earnings for benefit calculation purposes are €2,897.70.

The minimum monthly orphan's pension is €141.18 for each orphan (€200 if disabled and younger than age 18); €488.40 is split among all eligible orphans if there is more than one; the full minimum monthly orphan's pension is €488.40.

Earnings test: The maximum annual earnings (excluding the pension) of a pensioner receiving the minimum pension must not exceed €6,330.69.

Schedule of payments: There are 14 payments a year.

The total survivor pension 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) 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'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 €631.20.

The maximum monthly earnings for benefit calculation purposes are €2,897.70.

The minimum monthly pension is €141.18 for each other eligible survivor. In the absence of an eligible widow or orphan, the minimum monthly pension for a single beneficiary is €363.42 if aged 65 or older (€342.18 if younger than age 65); €347.22 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 €6,330.69.

The total survivor pension must not exceed 100% of the deceased's base earnings.

Schedule of payments: There are 14 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/imserso>) 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), and 2001 (maternity).

Type of program: Social insurance system. Cash and medical benefits.

Coverage

Employed persons. (Insured persons who leave covered employment may sign a special agreement in order to continue insurance coverage.)

Pensioners are covered for medical benefits.

Voluntary coverage for temporary disability is possible for self-employed persons and agricultural workers.

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: 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: An annual subsidy.

Qualifying Conditions

Cash sickness benefits: The insured must have 180 days of contributions in the last 5 years.

Cash maternity benefits: The insured must have 180 days of contributions in the 5 years before childbirth or before the official date of fostering (or adopting) a child. The adopted or fostered child must be younger than age 6 (age 18 if disabled or with assessed social or familial difficulties).

Maternity risk allowance: The benefit is paid to pregnant women with 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.

Medical benefits: 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 onset of the incapacity; 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 €631.20.

The maximum monthly earnings for benefit calculation purposes are €2,897.70.

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 the second and subsequent children).

The minimum monthly earnings for benefit calculation purposes are €631.20.

The maximum monthly earnings for benefit calculation purposes are €2,897.70.

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 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.

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 and 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.

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 and 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 communities provide benefits through their health services.

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: Not applicable.

Employer: 0.81% to 16.2% of payroll, according to the assessed degree of risk. The average contribution rate is 1.98% of payroll.

The minimum monthly earnings for contribution purposes are €631.20.

The maximum monthly earnings for contribution purposes are €2,897.70.

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 onset of disability, plus the daily average earnings of the extra hours worked in the last 12 months. The benefit is payable from the day following the onset of disability for up to 12 months; may be extended to 18 months.

The minimum monthly earnings for benefit calculation purposes are €631.20.

The maximum monthly earnings for benefit calculation purposes are €2,897.70.

Permanent Disability Benefits

Permanent disability pension: For a 100% loss of working capacity in all types of work, the monthly pension is equal to 100% of the insured's earnings.

The insured's earnings are based on 1/12 of the sum of daily earnings multiplied by 365, on annual earnings from extra hours worked, and on any other earnings received in the last year.

The minimum monthly earnings for benefit calculation purposes are €631.20.

The maximum monthly earnings for benefit calculation purposes are €2,897.70.

The minimum monthly pension is €466.98; €565.74 with a dependent spouse.

Earnings test: The maximum annual earnings (excluding the pension) of a pensioner receiving the minimum pension must not exceed €6,330.69; €7,384.83 with a dependent spouse.

Constant-attendance supplement: Equal to 50% of the pension.

The minimum monthly pension with the constant-attendance supplement is €700.47; €848.61 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 earnings. The pension may be increased to 75% of earnings if the insured is older than age 55.

The insured's earnings are based on 1/12 of the sum of daily earnings multiplied by 365, on annual earnings from extra hours worked, and on any other earnings received in the last year.

The minimum monthly earnings for benefit calculation purposes are €631.20.

The maximum monthly earnings for benefit calculation purposes are €2,897.70.

The minimum monthly pension is €435.12 if aged 60 to 64 at the onset of disability (€528.72 with a dependent spouse); €466.98 from age 65 (€565.74 with a dependent spouse).

Earnings test: The maximum annual earnings (excluding the pension) of a pensioner receiving the minimum pension must not exceed €6,330.69; €7,384.83 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.

Partial permanent disability pension: 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 onset of disability.

The minimum monthly earnings for benefit calculation purposes are €631.20.

The maximum monthly earnings for benefit calculation purposes are €2,897.70.

A multiprofessional Team for Disability Assessment under the control of the National Institute of Social Security assesses and reviews the disability.

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 for pension calculation purposes; 70% if there are dependent children and income is below a government-set level.

The monthly base earnings are based on 1/12 of the sum of daily earnings multiplied by 365, on annual earnings from extra hours worked, and on any other earnings received in the last year.

The minimum monthly earnings for benefit calculation purposes are €631.20.

The maximum monthly earnings for benefit calculation purposes are €2,897.70.

The minimum monthly pension is €347.22; €435.12 with dependent children or if aged 60 to 64; €466.98 if aged 65 or older.

Earnings test: The maximum annual earnings (excluding the pension) of a pensioner receiving the minimum pension must not exceed €6,330.69.

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 calculated on the basis of 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 €631.20.

The maximum monthly earnings for benefit calculation purposes are €2,897.70.

The minimum monthly orphan's pension is €141.18 for each orphan (€200 if disabled and younger than age 18); €488.40 split among all eligible orphans if there is more than one; the full minimum monthly orphan's pension is €488.40.

Earnings test: The maximum annual earnings (excluding the pension) of a pensioner receiving the minimum pension must not exceed €6,330.69.

The total survivor pension 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 widow(er) 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 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 €631.20.

The maximum monthly earnings for benefit calculation purposes are €2,897.70.

The minimum monthly pension is €141.18 for each other eligible survivor. In the absence of an eligible widow(er) or orphan, the minimum monthly pension for a single beneficiary is €363.42 if aged 65 or older (€342.18 if younger than age 65); €347.22 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 €6,330.69.

The total survivor pension 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 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 and other specified groups.

Source of Funds

Insured person: 1.55% of gross earnings; 1.60% of gross earnings if employed under a fixed-term contract.

The minimum monthly earnings for contribution purposes are €635.70 (€635.70, €731.10, or €881.10 for certain occupational classes); the minimum daily earnings for contribution purposes are €21.04.

The maximum monthly earnings for contribution purposes are €2,897.70; the maximum daily earnings for contribution purposes for certain occupational classes are €96.59.

Self-employed person: Not applicable.

Employer: 6% of payroll; 6.7% of payroll on behalf of those employed under full-time fixed-term contracts; 7.7% of 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 €635.70 (€635.70, €731.10, or €881.10 for certain occupational classes); the minimum daily earnings for contribution purposes are €21.04.

The maximum monthly earnings for contribution purposes are €2,897.70; the maximum daily earnings for contribution purposes for certain occupational classes are €96.59.

Government: Variable subsidies; contributes as an employer.

Qualifying Conditions

Unemployment benefit: Must have 360 days of contributions during the last 6 years and be registered at an employment office.

Unemployment assistance: Entitlement to the contributory unemployment benefit is exhausted or does not meet the qualifying conditions for the unemployment benefit. The unemployed person's monthly income must not exceed €359.52 (75% of €479.10).

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 or more days of contributions.

The minimum monthly earnings for benefit calculation purposes are €631.20.

The minimum benefit is equal to €383.28 a month.

The maximum benefit is equal to €1,257.64 a month.

The benefit ceases if the insured refuses a suitable job offer or training.

Unemployment assistance: The monthly benefit is equal to €383.28 (80% of €479.10). The benefit is paid for 6 months and may be extended for two additional 6-month periods.

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 law: 2005.

Type of program: Social insurance and social assistance system.

Coverage

Certain families with children residing legally in Spain.

Exclusions: Pensioners.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost is financed from general revenue.

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 €4,874.10 (75% of €6,498.80). The recipients must not receive any other state family benefits. The child and the recipients must reside legally in the territory.

Income test: Annual family income must not exceed €9,091.99 for a family with one child; €10,455.79 with two children; €15,500.63 with three children, plus €2,510.67 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): Payable on the birth or adoption of the third and each subsequent child. The recipients must not receive any other state family benefits. The child and the recipients must reside legally in the territory.

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: Payable on the birth or adoption of two or more children in the territory. There is no income test. 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; €581.66 for each child younger than age 18 and assessed as at least 33% disabled; €3,618.60 for each child older than age 17 and at least 65% disabled; and €5,427.96 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 17.

Birth or adoption grant (income-tested): A lump sum of €450.76 is paid for the third and each subsequent child; the benefit is doubled for a child assessed as at least 33% disabled.

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: 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 €540.90.

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 7.94 kronor.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1913.

Current laws: 1962; 1998; 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 0.73% of assets (2003).

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 0.73% of assets (2003).

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 the employer (plus a small government appropriation 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 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): Work capacity must be reduced by at least 25%, and the person must be insured at the onset of disability. The pension comprises two elements: an earnings-related element that is independent of insurance periods but the insured must have a minimum of 1 year of income in Sweden within a given period; a residence-based guaranteed element that is payable on the basis of periods of residence and a minimum insurance period of 3 years.

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: an earnings-related survivor element that is dependent on the deceased's accrued old-age pension rights; a residence-based guaranteed element that is payable if the deceased resided in Sweden for at least 3 years.

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 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 proportionally 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 development of 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 statistics.

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 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 for a single pensioner (77,153 kronor for a married pensioner).

Old-age pensions are subject to taxation.

Benefit adjustment: Benefits are adjusted annually in relation 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.

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 payable to a widow(er) younger than age 65 who was married to, or who cohabited with (under certain conditions), the insured 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.

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 payable 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.

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.

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

Orphan's pension (child pension): Payable 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% or 20% per child if there is more than one orphan, and the total amount is split equally among the children.

The maximum orphan's pension must not exceed 100% of the deceased's pension. If an adult is receiving an earnings-related survivor pension or widow's pension, the total sum of the orphan's pension must not exceed 80% of the deceased's pension.

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

Widow 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 met 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 insured for cash sickness benefits above the guaranteed level for at least 240 days before childbirth.

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 lost earnings, based on an annual income ceiling of 297,750 kronor. The benefit is payable from the 15th day of incapacity for the duration of the incapacity. The benefit is paid for every day of the week (7 days). Pensioners are limited to 180 days of benefit after retirement.

Employers pay sickness benefits for days 2 to 14 equal to 80% of 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 income loss 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 payable 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 income loss. The benefit is payable for 50 days, beginning no earlier than 60 days nor 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 income loss, 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 benefit 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 a refund of part of travel costs, 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.

A fee of 60 kronor to 300 kronor is paid for each doctor's consultation, 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).

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 a refund of part of travel costs, 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.

A fee of 60 kronor to 300 kronor is paid for each doctor's consultation, 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).

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 lost earnings, based on an annual income ceiling of 297,750 kronor. The benefit is payable from the 15th day of incapacity for the duration of the incapacity. The benefit is paid for every day of the week (7 days).

Employers pay temporary work injury benefits for days 2 to 14 equal to 80% of 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

If the assessed degree of loss of earning capacity is 100%, the benefit is 100% of income 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 refund of part of travel costs and a high-cost limit for prosthetic treatment.

A fee of 60 kronor to 300 kronor is paid for each doctor's consultation, 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).

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 amount 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 payable 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.

The maximum survivor benefit 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 payable 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 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: All former employees, and former students who have completed at least 1 year of full-time study, may receive benefits from the basic program. 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. Around 90% of all employees are members of the voluntary program.

Source of Funds

Insured person: For the voluntary program, the insured pays a membership fee of approximately 80 kronor to 134 kronor a month, according to the fund (covers about 12% of the cost); for the basic program, there is no membership fee.

Self-employed person: For the voluntary program, a self-employed person pays a membership fee of approximately 80 kronor to 134 kronor a month, according to the fund (covers about 12% of the cost).

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 70 hours per month) or for at least 450 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.

Basic unemployment benefits are payable to former students who do not fulfill the minimum employment qualifying conditions (above) but who have completed at least 1 year of full-time study and who have been registered as jobseekers for at least 90 days in the 10-month period since ending studies.

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 payable for up to 300 days per benefit period. 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: The benefit is equal to 80% of the insured's previous income. The maximum benefit is 730 kronor a day for the first 100 days of the benefit period; thereafter, 680 kronor a day. The benefit is payable for up to 300 days per benefit period. 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 (May 2006).

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 each month.

Supplements are payable 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 1.31 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 19,350 francs with the same employer. The unemployed 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 353 francs and 8,400 francs (old-age and survivors) and between 59 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 22,575 francs and 77,400 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 subsidies cover about 20% of the cost of old-age benefits (16.36% from federal government and 3.64% from cantons) and 50% of the cost of disability benefits (75% from federal government and 25% from cantons). 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: Payable with a minimum of 1 year's contribution.

Extraordinary pension: Payable 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: 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: Payable with a minimum of 1 year's contribution.

Extraordinary pension: Payable 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: For a full widow(er) pension, the deceased must have contributed in each year from age 21. The deceased had a minimum of 1 year's contribution.

Eligible survivors are a widow with one or more dependent children or a widow aged 45 or older who was married to the deceased for at least 5 years; a widower 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 at the onset of the incapacity that resulted in death.

Eligible survivors are a widow with one or more children or a widow 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 38,700 francs, a flat-rate 9,546 francs a year plus a variable amount calculated by multiplying annual income by 13/600 is paid; if the insured's average annual income is greater than 38,700 francs, a flat-rate 13,416 francs a year plus a variable amount calculated by multiplying average annual income by 8/600 is paid.

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 1,075 francs.

The maximum monthly old-age base pension is 2,150 francs. The combined individual pensions paid to a couple must not exceed 150% of the maximum monthly old-age base pension (3,225 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 7.1% (men) or 7.2% (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 38,700 francs, a flat-rate 9,546 francs a year plus a variable amount calculated by multiplying annual income by 13/600 is paid; if the insured's average annual income is greater than 38,700 francs, a flat-rate 13,416 francs a year plus a variable amount calculated by multiplying average annual income by 8/600 is paid. 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 7.1% (men) or 7.2% (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 2/3 disabled; half pension if at least 50% 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 (widow(er)): 80% of the deceased's pension is paid.

The minimum monthly survivor pension is 860 francs.

The maximum monthly survivor pension is 1,720 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 (1,290 francs).

The minimum monthly orphan's pension is 430 francs.

The maximum monthly orphan's pension is 860 francs.

Benefit adjustment: Benefits are adjusted every 2 years for changes in prices and wages.

Mandatory occupational pension (widow(er)): 60% of the deceased's full occupational disability pension is paid.

Mandatory occupational pension (orphan): Each orphan receives 20% of the deceased's full occupational 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 implementation.

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 care 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 care: 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 care: 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 care: 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 gross salary.

There are no maximum earnings for contribution purposes.

Medical care: None.

Government

Cash sickness and maternity benefits: None.

Medical care: Federal subsidies to cantons permit reduced premiums paid by low-income earners. Cantons must provide minimum additional assistance.

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 been affiliated with 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 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 payable 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 payable 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

Medical insurance is individual. Insured persons receive benefits 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 93 recognized funds in 2003.)

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 from 1.67% to 2.71% of insured earnings, according to the assessed degree of risk.

The maximum annual earnings for contribution purposes are 106,800 francs.

Self-employed person: Voluntary insurance.

Employer

Work-related injuries and occupational diseases: The total cost. Premiums vary from 0.04% to 17.2% of payroll, according to the assessed degree of risk.

The maximum annual earnings for contribution purposes are 106,800 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 payable 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 payable after a 3-day waiting period until recovery or certification of permanent disability.

The maximum daily earnings for benefit calculation purposes are 293 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 annual earnings for benefit calculation purposes are 106,800 francs.

Constant-attendance supplement: The benefit varies between two and six times the maximum insured daily earnings, according to the assessed degree of disability.

The maximum daily earnings for benefit calculation purposes are 293 francs.

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 widow(er) receives 40% of the deceased's 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 payable 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 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 earnings.

The maximum survivor pension is equal to 70% of the deceased's earnings; 90% if benefits are payable to both the current and the divorced spouse.

Funeral grant: A lump sum up to a maximum of 2,051 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 earnings.

The maximum monthly earnings for contribution and benefit calculation purposes are 8,900 francs.

Self-employed person: Not applicable.

Employer: 1% of payroll.

The maximum monthly earnings for contribution and benefit calculation purposes are 8,900 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 totally or partially unemployed, 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 of person), 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 payable 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 the self-employed (flat-rate contributions or 1% of gross income).

Employer

Nonagricultural employer: From 0.1% to 5% 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 the self-employed 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 175 francs a month for each of the first two children (195 francs in mountain regions); 180 francs a month for the third and each subsequent child (200 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 154 francs and 344 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 600 francs and 1,500 francs is paid, according to canton.

Vocational training allowances: Between 190 francs and 444 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 with wages and settle the remaining surplus or deficit with the respective fund.

Ukraine

Exchange rate: US\$1.00 equals
5.01 hryvnias (H).

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. A supplementary mandatory individual account will be introduced in 2007 and will include additional contributions by insured persons younger than age 50 (men) or age 45 (women) at the implementation date.

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 H150, plus 2% for earnings exceeding H150.

The maximum monthly earnings for contribution purposes are H2,660 (since 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 minimum wage is H262 (2005).

The maximum monthly earnings for contribution purposes are H2,660 (since June 1, 2003).

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 H2,660 (since 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: Payable 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 payable 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 payable 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 at the onset of disability.

Total disability (incapacity for any work): Group I disability, requiring constant attendance; Group II disability, not requiring constant attendance.

Partial pension for a total disability: Payable if the insured has less than 25 years (men) or 20 years (women) of covered employment.

Partial disability: 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 payable 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 payable 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: If the deceased had less than 25 years (men) or 20 years (women) of covered employment.

Funeral grant: Payable for the funeral of an employee, a student, an unemployed person, or a pensioner.

Social pension: A means-tested pension is payable 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 payable 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 H332. The minimum old-age pension is equal to the minimum subsistence level for a disabled person (January 2005).

There is no maximum pension.

The minimum wage is H262 (2005).

Partial pension: If the insured has less than 25 years (men) or 20 years (women) of covered employment, the monthly benefit is reduced in proportion to the number of years below the required number of years of insurance coverage.

Deferred pension: A supplement of 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: H50 for Groups I and II war disabled; H40 for veterans of combat operations (January 2005).

Social pension (old-age): The pension rate varies between H23.30 and H59.

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 insurance 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: H50 for Groups I and II war disabled; H40 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 H332. The minimum old-age pension is equal to the minimum subsistence level for a disabled person (January 2005).

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 insurance 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 the 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 2002 and 2003 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 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 the determination of permanent disability.

The benefit is equal to 100% of earnings for a working parent caring for a sick family member for up to 14 days per case.

Maternity benefit: 100% of earnings is payable 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 100% of the stipend; for women unemployed because of enterprise liquidation, the benefit is 100% of earnings received at the last place of work; for those registered as unemployed for at least 10 months, the benefit is 100% of the minimum wage.

Benefits to spouses of members of the armed forces are payable at 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 to eligible unemployed women until the child is age 2 (age 3 if family income satisfies the income test).

Workers' Medical Benefits

Medical services are provided directly to patients by government health providers.

Benefits include preventive care, general and specialist curative care, hospitalization, laboratory services, dental care, maternity care, and transportation. 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 2002 and 2003 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, above. 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, above. None for medical benefits.

Government: For cash benefits, see source of funds under Old Age, Disability, and Survivors, above. For medical benefits, see source of funds under Sickness and Maternity, above.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

The benefit is equal to 100% of earnings and is payable 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 earnings; Group II total disability pension (incapacity for any work, not requiring constant attendance), 60% of earnings; Group III (partial disability, incapacity for usual work), 40% of 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.

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 2002 and 2003 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: 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 discipline, 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 payable; 80% for the next 90 calendar days; 70% thereafter. Benefits are payable for up to 360 days in a 2-year period. For insured persons within 2 years of retirement, benefits are payable 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: Payable to unemployed persons who have exhausted their entitlement to unemployment benefits and if monthly average income for each family member does not exceed the established legal minimum. The benefit is H80 for an active person, H110 for a nonactive person, or H115 for a disabled person. Benefits are payable for up to 180 days.

Dependent's supplement: Payable after receiving unemployment benefits for 360 days and unemployment assistance for 180 days. The supplement is H80 for an active dependent person, H110 for a nonactive dependent person, or H115 for a disabled dependent person. The supplement is payable once every 6 months.

Funeral grant: Payable 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 Center (<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, 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 and Sickness and Maternity, above.

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: Must register early in 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 H376 (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 nonworking mothers.

Employers pay benefits to employees through the Social Insurance Fund.

United Kingdom

Exchange rate: US\$1.00 equals 0.58 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), 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 £84 up to £645 (from April 2006).

Self-employed persons aged 16 to 65 (men) or aged 16 to 60 (women) with annual income of at least £4,465 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 £97 (from April 2006) and £645 (from April 2006); certain married women and widows contribute 4.85% of weekly earnings, plus an additional 1% of weekly earnings greater than £645.

Voluntary contributors pay a flat-rate £7.55 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 £2.75 a week if earnings are greater than £4,465 (from April 2006). In addition, self-employed persons with annual profits between £5,035 and £33,540 pay an earnings-related contribution of 8%, plus 1% of any profits above £33,540.

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 £97 (from April 2006) 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 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 pension is not payable 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 (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 limits in any tax year from April 1978.

The annual lower earnings limit is £4,368 (from April 2006).

The annual upper earnings limit is £33,540 (from April 2006).

Under certain conditions, carers with earnings below set limits (or no earnings) and people who have a long-term illness or disability will be credited at a specified threshold (the low earnings threshold of £12,500 from April 2006) for each year they are providing care for another person or receiving an eligible benefit.

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): Payable if aged 80 or older and entitlement to the contributory basic state pension is less than 60% of the standard rate. 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 payable 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): Payable if the date of onset of disability was 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): Payable if the date of onset of disability was 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): Payable 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 £84 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: Payable 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 payable to a surviving spouse aged 45 or older without dependent children. The allowance is payable 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 payable 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: Payable 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.

Old-Age Benefits

Basic state retirement pension (flat-rate): The maximum weekly pension is £84.25 (from April 2006).

Dependent's supplement: £50.50 a week is paid for a dependent adult if the dependent's earnings from work are below a specified amount (from April 2006).

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.

State second pension (S2P): The pension is based on average indexed earnings.

Old-person's pension (noncontributory retirement pension): £50.50 a week (from April 2006) 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 payable depending on personal circumstances and income (from earnings, savings, and other pensions). Eligible persons are guaranteed a total of £114.05 a week (single person) or £174.05 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: £78.50 a week (from April 2006) is payable 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 payable if the disability began before age 45.

Dependent's supplement: £50.50 a week (from April 2006) 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 £62.25, £41.65, or £16.50 a week according to needs (from April 2006). The mobility component is £43.45 or £16.50 a week according to needs (from April 2006).

Attendance allowance (noncontributory, no means test): £41.65 or £62.25 a week according to needs (from April 2006).

Carer's allowance (noncontributory, no means test): £46.95 a week (from April 2006) 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: £84.25 a week (from April 2006).

Bereavement allowance: The amount varies with the survivor's age when widowed or when the widowed parent's allowance ends: £84.25 a week (from April 2006) 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 payable immediately to the surviving spouse.

Guardian's allowance: £12.20 a week is paid per child; reduced to £9.70 if the higher rate of the child benefit is payable for the 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.

Inland Revenue (<http://www.hmrc.gov.uk>) is responsible for the administration of the National Insurance contribution system and for the payment of tax credits.

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), and 2005 (work and families).

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 payable 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 £84 (lower earnings limit from April 2006).

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 £84 (lower earnings limit from April 2006).

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 £84 (lower earnings limit from April 2006).

Statutory adoption pay: Paid by the employer to an employee adopting a child and whose average weekly earnings are at least £84 (lower earnings limit from April 2006).

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 (above) 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 (£84 from April 2006) 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 (£84 from April 2006) 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 (£84 from April 2006).

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 (£84 from April 2006).

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 (£84 from April 2006).

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 payable for up to 28 weeks after a 3-day waiting period at £59.20 a week (from April 2006), plus £36.60 a week for a dependent adult. The higher rate is payable from week 29 to week 52 at £70.05 a week (from April 2006), plus £36.60 a week for a dependent adult.

Statutory sick pay: £70.05 a week (from April 2006) is payable for up to 28 weeks of incapacity after a 3-day waiting period.

Maternity allowance: The allowance is paid for up to 26 weeks. The 26 weeks may start at any time from the 15th week before the expected date of childbirth to the week following childbirth. The benefit is £108.85; 90% of average weekly earnings if the resulting amount is less than £108.85 (from April 2006).

Statutory maternity pay: The benefit is payable for a total of 26 weeks (to be extended to 39 weeks from April 2007). The first 6 weeks are paid at 90% of average weekly earnings (from April 2006). The remaining 20 weeks are paid at £108.85 a week; 90% of average weekly earnings if the resulting amount is less than £108.85.

Statutory paternity pay: Paid by the employer for 1 or 2 weeks (as chosen by the employee) at £108.85 a week; 90% of average weekly earnings if the resulting amount is less than £108.85 (from April 2006).

Statutory adoption pay: Paid by the employer for up to 26 weeks at £108.85 a week; 90% of average weekly earnings if the resulting amount is less than £108.85 (from April 2006).

Workers' 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 £6.40 for each prescription and 80% of the cost of any dental work, up to a maximum of £390. 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 £6.40 for each prescription and 80% of the cost of any dental work, up to a maximum of £390. 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 prescribed disease during the course of employment.

Temporary Disability Benefits

Temporary disability benefit (short-term incapacity): In the first instance, the benefit is payable for 52 weeks. The benefit is first payable after a 3-day waiting period for up to 28 weeks at £59.20 a week (from April 2006), plus £36.60 a week for a dependent adult. From week 29 to week 52, the benefit is £70.05 a week (from April 2006), plus £36.60 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 £78.50 a week (from April 2006), plus £46.95 a week for a dependent adult caring for the claimant's child(ren), subject to certain conditions. A supplement is payable 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): Payable 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 payable if savings exceed £8,000 or if the person is working more than 16 hours a week on average.

Permanent Disability Benefits

Industrial injuries disablement benefit: If the insured is assessed as 100% disabled, £127.10 a week (from April 2006) is payable from the 15th week after the accident or the onset of disease.

Reduced earnings allowance: Only payable for an occupational accident or disease occurring before October 1990. Up to £50.84 a week (from April 2006) is paid if the insured is assessed as at least 1% disabled and unable to do the usual job, resulting in loss of earnings.

Constant-attendance allowance: If the insured is assessed as 100% disabled, £25.45 or £50.90 a week is paid according to needs (from April 2006); £76.35 or £101.80 a week if needs are greater.

Exceptionally severe disablement allowance: £50.90 a week (from April 2006) is paid if receiving either of the top two rates of constant-attendance allowance.

Partial disability: The benefit varies from £25.42 a week for an assessed degree of disability of 20% to £114.39 a week for an assessed degree of disability of 90% (from April 2006).

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: £84.25 a week (from April 2006) 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: £84.25 a week if aged 55 or older (from April 2006); a percentage of the full rate if aged 45 to 54.

Bereavement payment: A lump sum of £2,000 is payable immediately to help with costs arising on the death of a spouse.

Guardian's allowance: £12.50 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.

Inland Revenue (<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 (£84 from April 2006) 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 (£84 from April 2006) 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 payable if savings exceed £8,000.

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 £57.45 a week if aged 25 or older, £45.50 if aged 18 to 24, or £34.60 if younger than age 18 (from April 2006). The allowance is payable after a 3-day waiting period for up to 26 weeks.

Jobseeker's allowance (social assistance): The amount of the allowance depends on age and on household income and composition. A single person receives between £34.60 and £57.45 a week, depending on age (from April 2006). The allowance is payable 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.

Inland Revenue (<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 law: 1992 (consolidated legislation).

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: Working (employed or self-employed) for at least 16 hours a week.

Family Allowance Benefits

Child benefit: £17 a week is paid for the eldest qualifying child, and £11.40 is paid for each additional child (from April 2006).

Child tax credit: Provided for families with children. Eligible families can have annual income up to £58,000 (£66,000 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 payable for disabled workers and severely disabled persons.

Administrative Organization

Inland Revenue (<http://www.hmrc.gov.uk>) administers child benefits and tax credits.