

Venezuela

Exchange rate: US\$1.00 = 2,640.00 bolívares.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1940.

Current laws: 1995 (minimum pension), 2011 (social assistance), 2012 (social security), and 2012 (social insurance).

Type of program: Social insurance and social assistance system.

Coverage

Social insurance: Public- and private-sector employees; members of cooperatives; and household, seasonal, and casual workers.

Voluntary coverage for self-employed persons.

Special system for military personnel.

Social assistance: Needy residents of Venezuela.

Source of Funds

Insured person

Social insurance: 4% of monthly covered earnings for private-sector workers; 2% for public-sector workers.

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

The legal monthly minimum wage is 97,531.56 bolívares (177,507.44 bolívares as of November 2017).

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

Social assistance: None.

Self-employed person

Social insurance: 13% of declared earnings.

Social assistance: None.

Employer

Social insurance: From 9% to 11% of covered payroll for private-sector workers, according to the assessed degree of risk; 4% of covered payroll for public-sector workers.

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

The legal monthly minimum wage is 97,531.56 bolívares (177,507.44 bolívares as of November 2017).

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

Social assistance: None.

Government

Social insurance: At least 1.5% of total covered earnings for administrative costs; contributes as an employer.

Social assistance: The total cost.

Qualifying Conditions

Old-age pension (social insurance): Age 60 (men) or age 55 (women) with at least 750 weeks of contributions (250 weeks in the last 10 years for the voluntarily insured); if less than 750 weeks of contributions, the insured may continue to contribute until reaching 750 weeks. The normal retirement age is lower for those who perform unhealthy and arduous work.

Deferred pension: The pension may be deferred.

Special supplement: Paid to a person receiving an old-age pension.

The old-age pension is payable abroad.

Old-age grant (social insurance): Age 60 (men) or age 55 (women) with less than 750 weeks of contributions.

Old-age social pension (Gran Misión en Amor Mayor, social assistance, income tested): Age 60 (men) or age 55 (women), a resident of Venezuela for the last 10 years, and with total monthly household income below the legal monthly minimum wage.

The legal monthly minimum wage is 97,531.56 bolívares (177,507.44 bolívares as of November 2017).

Special supplement: Paid to a person receiving an old-age social pension.

Disability pension (social insurance): Must be assessed with at least a 66.7% permanent or prolonged loss of working capacity and have at least 250 weeks of contributions (reduced by 20 weeks of contributions for each year the insured is younger than age 35), including at least 100 weeks in the three years before the disability began.

The disability pension cannot be combined with a cash sickness benefit (see Sickness and Maternity).

Special supplement: Paid to a pensioner receiving a disability pension.

Constant-attendance supplement: Paid if the insured requires the constant attendance of others to perform daily functions.

Partial disability pension: Must be assessed with a 25% to 66.6% permanent or prolonged loss of working capacity.

Disability grant (social insurance): Must be assessed with at least a 66.7% permanent or prolonged loss of working capacity and have at least 100 weeks of contributions in the

last four years before the disability began, but not meet the contribution requirements for a disability pension.

Survivor pension (social insurance): The deceased received or was entitled to receive a social insurance old-age or disability pension or was a pensioner at the time of death. There is no minimum qualifying period if the death was caused by an accident.

Eligible survivors include a widow older than age 45 or a female partner older than age 45 who cohabited with the deceased for at least two years; a widow or partner with dependent children; a dependent widower aged 60 or older (at any age if disabled); and unmarried children younger than age 14 (age 18 if a student, no limit if disabled). If there are no other survivors, siblings younger than age 14 and dependent parents are eligible.

Special supplement: Paid to a person receiving a survivor pension.

Survivor grant (social insurance): The deceased did not meet the contribution requirements for a social insurance old-age or disability pension but had at least 100 weeks of contributions in the four years before death.

Funeral grant (social insurance): Paid to the person who paid for the funeral of the insured or old-age or disability pensioner.

Old-Age Benefits

Old-age pension (social insurance): The pension consists of a basic amount of 3,000 bolívares a month and an annual amount equal to 30% of the insured's reference salary and 1% of the reference salary for each 50-week period of contributions exceeding 750 weeks. The pension is paid monthly.

The reference salary is 20% of the insured's total covered earnings in the last five years or 10% in the last 10 years, whichever is greater.

The minimum monthly old-age pension is the legal monthly minimum wage.

The legal monthly minimum wage is 97,531.56 bolívares (177,507.44 bolívares as of November 2017).

Deferred pension: An additional 5% of the pension is paid for each year the pension is deferred after the normal retirement age.

Special supplement: 29,259.47 bolívares a month is paid.

Old-age grant (social insurance): A lump sum of 10% of the insured's total covered earnings is paid.

Benefit adjustment: Benefits are adjusted periodically according to changes in prices and wages.

Old-age social pension (Gran Misión en Amor Mayor, social assistance, income tested): The legal monthly minimum wage is paid.

The legal monthly minimum wage is 97,531.56 bolívares (177,507.44 bolívares as of November 2017).

Special supplement: 29,259.47 bolívares a month is paid.

Permanent Disability Benefits

Disability pension (social insurance): The pension consists of a basic amount of 3,000 bolívares a month and an annual amount equal to 30% of the insured's reference salary and 1% of the reference salary for each 50-week period of contributions exceeding 750 weeks. The pension is paid monthly.

The reference salary is 20% of the insured's total covered earnings in the last five years or 10% in the last 10 years, whichever is greater.

The minimum disability pension is 40% of the insured's reference salary or the legal monthly minimum wage, whichever is greater.

The legal monthly minimum wage is 97,531.56 bolívares (177,507.44 bolívares as of November 2017).

Special supplement: 29,259.47 bolívares a month is paid.

Constant-attendance supplement: Up to 50% of the disability pension is paid.

Partial disability: A percentage of the full disability pension is paid according to the assessed loss of working capacity.

Disability grant (social insurance): A lump sum of 10% of the insured's total covered earnings is paid.

Benefit adjustment: Benefits are adjusted periodically according to changes in prices and wages.

Survivor Benefits

Survivor pension (social insurance): The minimum monthly survivor pension is the legal monthly minimum wage. If there is more than one eligible survivor, the monthly survivor pension is split equally among all eligible survivors.

The amounts paid are recalculated if the number of eligible survivors changes.

If there is no eligible widow(er), partner, or orphan, a lump sum of 10% of the deceased's total covered earnings may be paid to eligible siblings and parents as a lump sum.

The legal monthly minimum wage is 97,531.56 bolívares (177,507.44 bolívares as of November 2017).

Special supplement: 29,259.47 bolívares a month is paid.

Survivor grant (social insurance): A lump sum of 10% of the deceased's total covered earnings is paid.

Funeral grant (social insurance): A lump sum of 5,000 bolívares is paid.

Administrative Organization

Ministry of the People's Power for Labor and Social Security (<http://www.mpppst.gob.ve/mpppstweb/>) provides general supervision.

Social Insurance Institute (<http://www.ivss.gov.ve/>), managed by a tripartite board and director general, collects contributions and administers the program.

Sickness and Maternity

Regulatory Framework

First law: 1940.

Current laws: 1998 (health care), 2007 (protection of children and adolescents), 2007 (family, maternity, and paternity protection), 2011 (household workers), 2012 (social insurance), 2012 (labor law), and 2012 (social security).

Type of program: Social insurance system.

Coverage

Public- and private-sector employees; members of cooperatives; household, seasonal, and casual workers; persons receiving old-age, disability, or survivor benefits; and certain dependents.

Source of Funds

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

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

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

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

Qualifying Conditions

Cash sickness, maternity, and paternity benefits: There is no minimum qualifying period.

Medical benefits: There is no minimum qualifying period.

Sickness and Maternity Benefits

Sickness benefit: 66.7% of the insured's average daily earnings is paid after a three-day waiting period for up to 52 weeks; may be extended under certain conditions. The benefit is reduced by 50% if the insured is hospitalized.

Maternity benefit: 100% of the insured's earnings is paid for up to six weeks before and 20 weeks after the date of childbirth (may be extended under certain conditions) or for 26 weeks from the date of placement for the adoption of a child younger than age 3.

Paternity benefit: 100% of the insured's earnings is paid for 14 days immediately following the date of childbirth or the date of placement for the adoption of a child younger than age 3.

Workers' Medical Benefits

The Social Security Institute's medical facilities normally provide free medical services directly to patients for up to 52 weeks; may be extended for another 52 weeks for convalescent care. Benefits include general and specialist care, hospitalization, laboratory services, medicine, dental care, maternity care, appliances, and transportation.

Unemployed insured persons and their dependents are covered for medical benefits for up to 52 weeks; may be extended for another 52 weeks. Benefits include general and specialist care, hospitalization, laboratory services, medicine, dental care, maternity care, appliances, and transportation.

Dependents' Medical Benefits

Medical benefits for dependents (and survivors) are the same as those for the insured. Pensioners' dependents receive medical benefits for a maximum of 26 weeks.

Administrative Organization

Ministry of the People's Power for Labor and Social Security (<http://www.mpppst.gob.ve/mpppstweb/>) provides general supervision.

Social Insurance Institute (<http://www.ivss.gov.ve/>), managed by a tripartite board and director general, administers the program.

Work Injury

Regulatory Framework

First law: 1923.

Current laws: 1991 (social insurance), 2005 (prevention and working conditions), and 2012 (social security).

Type of program: Social insurance system.

Coverage

Public- and private-sector employees; members of cooperatives; and household and custodial workers.

Voluntary coverage for self-employed persons.

Exclusions: Military personnel.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: 0.75% to 10% of covered payroll, according to the assessed degree of risk.

Government: None; contributes as an employer.

Qualifying Conditions

Must be assessed with a work injury or occupational disease.

Temporary Disability Benefits

100% of the insured's earnings is paid after a three-day waiting period until the insured is rehabilitated, recovered, or certified with a permanent disability.

Permanent Disability Benefits

Permanent disability pension: For an assessed permanent or prolonged loss of working capacity of at least 66.7%, the pension consists of a basic monthly amount of 3,000 bolívares and an annual amount of 30% of the insured's reference salary plus 1% of the reference salary for each 50-week period of contributions exceeding 750 weeks.

The reference salary is 20% of the insured's total covered earnings in the last five years or 10% in the last 10 years, whichever is greater.

The minimum monthly permanent disability pension is 66.66% of the insured's covered earnings.

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

Partial disability: For an assessed permanent or prolonged loss of working capacity of 26% to 66.6%, a percentage of the full permanent disability pension is paid according to the assessed loss of working capacity. For an assessed permanent or prolonged loss of working capacity of 5% to 25%, a lump sum of three times the insured's reference salary multiplied by the assessed loss of working disability is paid.

Schedule of payments: 14 payments a year.

Workers' Medical Benefits

Benefits include free general, specialist, and dental care; hospitalization; medicine; laboratory services; appliances; and rehabilitation services.

Survivor Benefits

Survivor pension: The minimum monthly survivor pension is the legal monthly minimum wage. If there is more than one eligible survivor, the monthly survivor pension is split equally among all eligible survivors.

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

If there is no eligible widow(er), partner, or orphan, a lump sum of 10% of the deceased's total covered earnings may be paid to eligible siblings and parents as a lump sum.

The legal monthly minimum wage is 97,531.56 bolívares a month (177,507.44 bolívares as of November 2017).

Funeral grant: A lump sum of 5,000 bolívares is paid.

Administrative Organization

Ministry of the People's Power for Labor and Social Security (<http://www.minpptrass.gob.ve/>) provides general supervision.

National Institute for Prevention, Health, and Security at Work (<http://www.inpsasel.gob.ve/>) collects contributions and administers the program.

Unemployment

Regulatory Framework

First law: 1940.

Current laws: 2005 (unemployment) and 2012 (social security).

Type of program: Social insurance system.

Coverage

Public- and private-sector employees, members of cooperatives, household and custodial workers, self-employed persons, and apprentices.

Source of Funds

Insured: 0.5% of covered earnings.

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

The maximum monthly earnings used to calculate contributions are 10 times the legal monthly minimum wage.

The legal monthly minimum wage is 97,531.56 bolívares (177,507.44 bolívares as of November 2017).

The insured person's contributions also finance health insurance for unemployed persons.

Self-employed person: 2.5% of covered earnings.

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

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

The legal monthly minimum wage is 97,531.56 bolívares (177,507.44 bolívares as of November 2017).

The self-employed person's contributions also finance health insurance for unemployed persons.

Employer: 2% of covered payroll.

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

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

The legal monthly minimum wage is 97,531.56 bolívares (177,507.44 bolívares as of November 2017).

The employer's contributions also finance health insurance for unemployed persons.

Government: Any deficit; contributes as an employer; may subsidize up to 50% of contributions for low-income insured persons.

Qualifying Conditions

Must have at least 12 months of contributions in the 24 months before unemployment began and be available for training or suitable employment. Self-employed persons must have involuntarily lost their income.

Unemployment Benefits

60% of the insured's average monthly earnings in the last 12 months is paid for up to five months.

Unemployment beneficiaries and their dependents receive medical benefits for up to 52 weeks (see Sickness and Maternity).

Administrative Organization

Ministry of the People's Power for Labor and Social Security (<http://www.minpptrass.gob.ve/>) provides general supervision.

Employment services administer training and guidance.

Social Insurance Institute (<http://www.ivss.gov.ve/>), managed by a tripartite board and director general, administers the program.

Family Allowances

Regulatory Framework

First and current law: 2015 (food basket).

Type of program: Employer-liability system.

Coverage

Public- and private-sector employees.

Exclusion: Self-employed persons.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: The total cost.

Government: None; contributes as an employer.

Qualifying Conditions

Food cash transfer (Cestaticket Socialista): There is no minimum qualifying period.

Family Allowance Benefits

Food cash transfer (Cestaticket Socialista): 135,000 bolívares a month is paid (May 2017).

Administrative Organization

Employers pay the food cash transfer directly to employees.

Ministry of the People's Power for Labor and Social Security (<http://www.mpppst.gob.ve/>) provides general supervision.