

## Guatemala

Exchange rate: US\$1.00 equals 7.59 quetzales.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1969, implemented on a national level in 1977.

**Current law:** 2003 (old-age, disability, and survivors).

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

#### Coverage

Employees, including agricultural workers and some public-sector employees.

Voluntary coverage for the self-employed.

Special system for other public-sector employees.

#### Source of Funds

**Insured person:** 1.83% of gross earnings.

There are no minimum earnings for contribution purposes.

The maximum monthly earnings for contribution and benefit purposes are 6,000 quetzales.

**Self-employed person:** Voluntary contributions of 5.5% of declared earnings.

There are no minimum earnings for contribution purposes.

The maximum monthly earnings for contribution and benefit purposes are 6,000 quetzales.

**Employer:** 3.67% of payroll.

There are no minimum earnings for contribution purposes.

The maximum monthly earnings for contribution and benefit purposes are 6,000 quetzales.

**Government:** 25% of the cost of benefits paid; also contributes as an employer. The minimum monthly pension is not guaranteed by government.

#### Qualifying Conditions

**Old-age pension:** Age 60 with at least 180 months of contributions. If the insured does not fully meet the qualifying conditions, no pension or other cash benefit is paid.

Early pension: There is no early pension.

Deferred pension: There is no deferred pension.

The pension is not payable abroad.

**Disability pension:** Assessed as disabled with at least 36 months of contributions in the last 6 years and younger

than age 45; at least 60 months of contributions in the last 9 years and aged 45 to 54; at least 120 months of contributions in the last 12 years and age 55 (younger in certain cases) or older.

The disability pension is awarded according to two degrees of disability: total disability, involving the loss of 2/3 of earning capacity; and severe disability, involving the complete loss of earning capacity and the need for the constant attendance of another person.

The pension is not payable abroad.

**Survivor pension:** The deceased had at least 36 months of contributions in the last 6 years or was receiving a pension or qualified for the old-age pension at the time of death.

#### Old-Age Benefits

**Old-age pension:** The pension is equal to 50% of the insured's average earnings in the last 60 months, plus an additional 0.5% for each 6-month period of contributions beyond 120 months.

Dependent's supplement: 10% of the insured's pension for a wife or partner or a disabled husband, for each child younger than age 18 or disabled, and for a dependent mother and a dependent disabled father.

The minimum monthly pension, including supplements, is 340 quetzales.

The maximum monthly pension, including supplements, is 4,800 quetzales.

The maximum pension received by a family is 80% of the insured's earnings, up to 6,000 quetzales.

Schedule of payments: Twelve payments a year.

Benefit adjustment: Benefits are adjusted at least every 3 years according to an actuarial assessment.

#### Permanent Disability Benefits

**Disability pension:** For a total disability, the pension is equal to 50% of the insured's average earnings in the last 36 months, plus an additional 0.5% for each 6-month period of contributions beyond 120 months. If the insured has worked for less than 36 months, the pension is equal to 50% of average earnings for the total number of months worked.

Dependent's supplement: 10% of the insured's pension for a wife or partner or a disabled husband, for each child younger than age 18 or disabled, and for a dependent mother and a dependent disabled father.

The minimum monthly pension, including supplements, is 340 quetzales.

The maximum monthly pension, including supplements, is 4,800 quetzales.

Constant-attendance supplement: 25% of the insured's pension is paid for a severe disability.

Schedule of payments: Twelve payments a year.

Benefit adjustment: Benefits are adjusted at least every 3 years according to an actuarial assessment.

### **Survivor Benefits**

**Survivor pension:** The spouse's pension is equal to 50% of the total disability or old-age pension paid or payable to the deceased.

The minimum monthly pension for a spouse is 170 quetzales.

**Orphan's pension:** Each orphan receives 25% of the deceased's pension; 50% for each full orphan.

The minimum monthly orphan's pension is 85 quetzales; 170 quetzales for a full orphan.

**Dependent parent's pension:** Each receives 25% of the deceased's pension.

The minimum monthly pension for a dependent parent is 85 quetzales.

Schedule of payments: Twelve payments a year.

The maximum total survivor pension is 100% of the deceased's pension; the sum of the minimum monthly pensions must not exceed 340 quetzales.

**Funeral grant:** A lump sum of 600 quetzales.

Benefit adjustment: Benefits are adjusted at least every 3 years according to an actuarial assessment.

### **Administrative Organization**

Ministry of Labor and Social Welfare (<http://www.mintrabajo.gob.gt>) provides general supervision.

Social Security Institute (<http://www.igssgt.org>) administers the program.

### **Sickness and Maternity**

#### **Regulatory Framework**

**First law:** 1952 (maternity and children).

**Current law:** 1964 (sickness and maternity), implemented in 1968, with 2003 amendment.

**Type of program:** Social insurance system. Cash and medical benefits.

#### **Coverage**

Employees of firms with three or more workers. Freight or passenger transport enterprises with one or more workers.

Exclusions: The self-employed.

### **Source of Funds**

**Insured person:** 2% of gross earnings.

There are no maximum earnings for contribution purposes.

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

**Employer:** 4% of payroll.

There are no maximum earnings for contribution purposes.

**Government:** 2% of payroll.

There are no maximum earnings for contribution purposes.

### **Qualifying Conditions**

**Cash sickness and maternity benefits:** Three months of contributions in the 6 months before the onset of incapacity.

**Medical benefits:** Must be in covered employment.

### **Sickness and Maternity Benefits**

**Sickness benefit:** The benefit is equal to 2/3 of average earnings (according to the applicable formula). The benefit is payable after a 3-day waiting period for up to 26 weeks; may be extended to 39 weeks. The receipt of benefits for multiple periods of illness must not exceed 52 weeks in a 24-month period.

The maximum monthly benefit is 2,400 quetzales.

**Maternity benefit:** The benefit is equal to 100% of earnings and is payable for 30 days before and 54 days after the expected date of childbirth. Nursing mothers are also permitted 1 hour a day at work to nurse their child, for up to a maximum of 10 months.

Benefit adjustment: Benefits are adjusted at least every 3 years according to an actuarial assessment.

### **Workers' Medical Benefits**

Benefits include general, specialist, and maternity care; surgery; hospitalization; pharmaceuticals; laboratory services; X-rays; appliances; transportation; rehabilitation; and retraining. Medical services are normally provided directly to patients through the medical facilities of the Social Security Institute.

Free medical benefits for accidents, sickness, and maternity care are provided for pensioners through the old-age, disability, and survivors program in 19 departments.

### **Dependents' Medical Benefits**

The wife or companion of an insured man receives the same maternity care as an insured woman and in 19 departments also receives sickness and accident benefits.

Free medical benefits for accidents, sickness, and maternity care are provided for pensioners through the old-age, disability, and survivors program in 19 departments.

### **Administrative Organization**

Ministry of Labor and Social Welfare (<http://www.mintrabajo.gob.gt>) provides general supervision.

Social Security Institute (<http://www.igssgt.org>) administers the program and operates 24 hospitals, 35 clinics, 16 first-aid stations, and other medical services.

### **Work Injury**

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#### **Regulatory Framework**

**First law:** 1947.

**Current law:** 1994, implemented in 1995, with 2003 amendment.

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

Note: Work injury benefits are administered as part of the old-age, disability, and survivor program.

#### **Coverage**

All insured workers in the country.

Exclusions: The self-employed.

#### **Source of Funds**

**Insured person:** 1% of gross earnings.

There are no minimum and maximum earnings for contribution purposes.

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

**Employer:** 3% of payroll.

There are no minimum and maximum earnings for contribution purposes.

**Government:** 1.5% of payroll.

There are no minimum and maximum earnings for contribution purposes.

#### **Qualifying Conditions**

**Work injury benefits:** Must have 3 months of contributions before the onset of the work injury or occupational disease.

#### **Temporary Disability Benefits**

The benefit is equal to 2/3 of earnings and is payable after a 1-day waiting period.

The minimum daily benefit is 8 quetzales.

The maximum monthly benefit is 2,400 quetzales.

Benefit adjustment: Benefits are adjusted at least every 3 years according to an actuarial assessment.

#### **Permanent Disability Benefits**

A lump sum of between 495 quetzales and 4,950 quetzales is paid according to the assessed degree of disability.

Benefit adjustment: Benefits are adjusted at least every 3 years according to an actuarial assessment.

#### **Workers' Medical Benefits**

Benefits include medical treatment, surgery, hospitalization, medicines, appliances, transportation, rehabilitation services, X-rays, laboratory tests, and retraining.

#### **Survivor Benefits**

**Funeral grant:** A lump sum of 412.50 quetzales is paid toward the cost of funeral expenses.

Benefit adjustment: Benefits are adjusted at least every 3 years according to an actuarial assessment.

#### **Administrative Organization**

Ministry of Labor and Social Welfare (<http://www.mintrabajo.gob.gt>) provides general supervision.

Social Security Institute (<http://www.igssgt.org>) administers contributions and benefits and provides medical benefits through its 24 hospitals and 35 clinics as well as through private clinics.