

Venezuela

Exchange rate: US\$1.00 = 6.30 bolivares.

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 10 times the legal monthly minimum wage.

The legal monthly minimum wage is 9,648.18 bolivares a month (December 2015).

The insured's contributions also finance sickness and maternity benefits, and the marriage grant (see Family Allowances).

Social assistance: None.

Self-employed person

Social insurance: 13% of declared income.

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 10 times the legal monthly minimum wage.

The legal monthly minimum wage is 9,648.18 bolivares a month (December 2015).

The employer's contributions also finance sickness and maternity benefits, and the marriage grant (see Family Allowances).

Social assistance: None.

Government

Social insurance: At least 1.5% of total covered earnings for administrative costs.

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 pensionable age is lower for those in unhealthy and arduous work.

Retirement is not necessary.

The pension is payable abroad.

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

Gran Misión En Amor Mayor pension (social assistance): Age 60 (men) or age 55 (women). Total household income must be below the legal monthly minimum wage and must have resided in Venezuela for the last 10 years.

The legal monthly minimum wage is 9,648.18 bolivares a month (December 2015).

Disability pension (social insurance): Assessed with a permanent or prolonged loss of more than 66.7% of working capacity with 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 last three years before the disability began.

Partial disability pension: Assessed with a 25% to 66.6% degree of disability.

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

Disability grant (social insurance): Assessed with a permanent or prolonged loss of more than 66.7% of working capacity with at least 100 weeks of contributions in the last four years before the disability began, but does not meet the contribution requirements for a disability pension.

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

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

Funeral grant (social insurance): Paid to the person who pays for the funeral of the insured or pensioner.

Old-Age Benefits

Old-age pension (social insurance): A basic amount of 3,000 bolivares a month plus 30% of the insured's reference salary and 1% of earnings for each 50-week period of contributions exceeding 750 weeks is paid.

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

The minimum pension is the legal monthly minimum wage.

The legal monthly minimum wage is 9,648.18 bolivares a month (December 2015).

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

The legal monthly minimum wage is 9,648.18 bolivares a month (December 2015).

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.

Gran Misión En Amor Mayor pension (social assistance): The legal monthly minimum wage is paid.

The legal monthly minimum wage is 9,648.18 bolivares a month (December 2015).

Permanent Disability Benefits

Disability pension: A basic amount of 3,000 bolivares a month plus 30% of the insured's reference salary and 1% of earnings for each 50-week period of contributions exceeding 750 weeks is paid.

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

The minimum pension is 40% of the insured's reference salary.

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

Partial disability: For an assessed degree of disability of 25% to 66.6%, a percentage of the total disability pension is paid according to the assessed degree of disability.

Disability grant: A lump sum of 10% of the deceased's total covered earnings is paid.

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

Survivor Benefits

Spouse's pension: 40% of the old-age or disability pension the deceased received or was entitled to receive is paid to an eligible widow(er) or partner. (A widow or female partner younger than age 45 receives a lump sum of two years of the spouse's pension.)

The minimum spouse's pension is the legal monthly minimum wage.

The legal monthly minimum wage is 9,648.18 bolivares a month (December 2015).

Orphan's pension: 20% of the old-age or disability pension the deceased received or was entitled to receive is paid to each orphan younger than age 14 (age 18 if a student, no limit if disabled); 40% for one full orphan; and 20% each for two full orphans.

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

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

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

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

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

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

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

Administrative Organization

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

Social Insurance Institute (<http://www.ivss.gov.ve>), managed by a tripartite board and director general, 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), 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: Must be currently insured.

Medical benefits: Must be currently insured.

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.minpstrass.gob.ve>) 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 law: 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.

Qualifying Conditions

There is no minimum qualifying period.

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: A basic amount of 3,000 bolivares a month plus 30% of the insured's reference

salary and 1% of earnings for each 50-week period of contributions exceeding 750 weeks is paid.

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

The minimum 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 degree of disability of 26% to 65%, a percentage of the full pension is paid according to the assessed degree of disability. For an assessed degree of disability of 5% to 25%, a lump sum of three times the insured's last covered earnings multiplied by the assessed degree of disability is paid.

Schedule of payments: 14 payments a year.

Workers' Medical Benefits

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

Survivor Benefits

Spouse's pension: 40% of the disability pension the deceased received or was entitled to receive is paid to an eligible widow(er) or partner. (A widow or female partner younger than age 45 receives a lump sum of two years of the spouse's pension.)

The minimum spouse's pension is the legal monthly minimum wage.

The legal monthly minimum wage is 9,648.18 bolivares a month (December 2015).

Orphan's pension: 20% of the disability pension the deceased received or was entitled to receive is paid to each orphan younger than age 14 (age 18 if a student, no limit if disabled); 40% for one full orphan; and 20% each for two full orphans.

All survivor benefits combined must not exceed 100% of the disability pension the deceased received or was eligible to receive pension.

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

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

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

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

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

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>) manages 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 9,648.18 bolivares a month (December 2015).

The insured'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 minimum urban wage.

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

The legal monthly minimum wage is 9,648.18 bolivares a month (December 2015).

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

Employer: 2% of payroll.

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 9,648.18 bolivares a month (December 2015).

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

Government: Contributes as necessary; 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 must 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

Marriage grant: A lump sum of 7,000 bolivares is paid with at least 100 weeks of contributions in the three years before marriage. (The grant is provided under Old Age, Disability, and Survivors.)