

Lesotho

Exchange rate: US\$1.00 =
13.71 South African rand/maloti.

Old Age, Disability, and Survivors

Regulatory Framework

First Law: 1983 (pensions).

Current Law: 2005 (pensions).

Type of program: Universal system.

Coverage

Residents of Lesotho.

Special systems for judges, members of parliament, and certain civil servants.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Old-age pension: Age 70.

Survivor pension: Paid if the deceased received or was entitled to receive an old-age pension.

Eligible survivors include a widow, a dependent widower, and children younger than age 18.

Old-Age Benefits

Old-age pension: 550 maloti a month is paid.

Survivor Benefits

Survivor pension: 100% of the old-age pension the deceased received or was entitled to receive is paid. The pension is split equally among eligible survivors.

Administrative Organization

Ministry of Labour and Employment (http://www.gov.ls/gov_webportal/ministries/labour%20and%20employment/labour.html) administers the program.

Sickness and Maternity

Regulatory Framework

First and current law: 1992 (labor code).

Type of program: Employer-liability (cash benefits only) system.

Note: Public-sector employers provide two months of paid maternity leave.

Coverage

Employed persons.

Exclusions: Self-employed persons, citizens aged 70 or older, military, and police personnel.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: The total cost (provides benefits directly to employees).

Government: None; contributes as an employer.

Qualifying Conditions

Cash sickness benefits (employer liability): Must have at least six months of continuous employment with the same employer. Must provide a medical certificate.

Cash maternity benefits (employer liability): Must have at least one year of continuous employment with the same employer. Must provide medical certificates indicating the expected and actual dates of childbirth.

Sickness and Maternity Benefits

Sickness benefits (employer liability): 100% of the employee's normal earnings is paid for up to 12 days in the first 12 months; 50% for up to 24 days in each subsequent 12 month period of continuous employment.

Maternity benefits (employer liability): 100% of the employee's normal earnings is paid for 12 weeks for up to two children.

Administrative Organization

Ministry of Labour and Employment (http://www.gov.ls/gov_webportal/ministries/labour%20and%20employment/labour.html) administers the program.

Work Injury

Regulatory Framework

First and current law: 1977 (worker's compensation).

Type of program: Social insurance system.

Coverage

Employed persons.

Exclusions: Self-employed persons, household workers, family labor, home-based workers, farmers and foresters, and unpaid apprentices.

Special system for judges, members of parliament, and certain civil servants.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: A percentage of gross monthly payroll according to the terms of an agreement, contract, industry-wide mandate, or ministerial directive.

Government: None; contributes as an employer.

Qualifying Conditions

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

Temporary Disability Benefits

No statutory benefits are provided.

Permanent Disability Benefits

Permanent disability pension: If the insured is assessed with a total disability, up to 8,000 maloti a month is paid.

Workers' Medical Benefits

Benefits include medical, surgical and hospital treatment, skilled nursing, and medicine, up to 10,000 maloti; the

maintenance, repair, and renewal of prosthetic devices or any other artificial appliances, up to 10,000 maloti; and transportation costs, up to 1,500 maloti.

Survivor Benefits

Survivor pension: Up to 72,000 maloti a month is paid.

Eligible survivors include a widow or dependent widower; children younger than age 18 or disabled; and dependent siblings, and parents.

Death grant: A lump sum of 5,000 maloti is paid.

Administrative Organization

Ministry of Labour and Employment (http://www.gov.ls/gov_webportal/ministries/labour%20and%20employment/labour.html) administers the program.

Unemployment

Regulatory Framework

The 1992 labor code requires employers to provide severance pay in cases of dismissal to employees with at least one year of continuous service with the same employer. The employer pays two weeks of wages (at the rate payable at the time the contract is terminated) for each completed year of continuous service with the employer. The employer can make the severance payment immediately or delay it for up to 12 months.