

Guernsey

Exchange rate: US\$1.00 = 0.68 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), 1984 (severe disability benefit and carer's allowance), and 2016 (social insurance).

Type of program: Social insurance and social assistance system.

Coverage

Social insurance: Employed and self-employed persons younger than age 65; nonemployed persons, and persons aged 65 or older, with an annual income of at least £17,290.

Voluntary coverage for nonemployed persons younger than age 65 with an annual income of less than £17,290, and for previously insured persons living abroad.

Social assistance and disability income-tested allowances: Residents of Guernsey.

Source of Funds

Insured person: 6% of covered earnings; none if aged 65 or older; 9.9% of annual income for nonemployed persons younger than age 65 (old age and survivors). Voluntary contributions are possible for nonemployed persons younger than age 65 with income below the minimum earnings limit, and under certain conditions, for previously insured persons living abroad.

The minimum weekly earnings used to calculate contributions are £133.

The maximum weekly earnings used to calculate contributions are £2,646.

The insured's contributions also finance sickness, maternity, work injury, and unemployment benefits; prescription medicine; long-term care; and some medical services.

The nonemployed person's (younger than age 65) contributions also finance prescription medication, long-term care, and some medical services.

The minimum annual income of nonemployed persons used to calculate contributions is £17,290. Nonemployed persons with annual income above £17,290 pay contributions on their annual income less an income allowance of £7,336.

The maximum annual income of nonemployed persons used to calculate contributions is £137,592.

Self-employed person: 10.5% of covered earnings.

The minimum annual earnings used to calculate contributions are £6,916.

The maximum annual earnings used to calculate contributions are £137,592.

The self-employed person's contributions also finance sickness, maternity, and work injury benefits; prescription medicine; long-term care; and some medical services.

Employer: 6.5% of covered payroll.

The minimum weekly earnings used to calculate contributions are £133.

The maximum weekly earnings used to calculate contributions are £2,646.

The employer's contributions also finance sickness, maternity, work injury, and unemployment benefits; prescription medicine; and some medical services.

Government: 15% of total contributions; the total cost of social assistance and other noncontributory benefits; contributes as an employer.

Qualifying Conditions

Old-age pension: Age 65 (gradually rising by two months a year from 2020 until reaching age 70) with at least 156 weeks of paid contributions and an annual average of at least 50 weeks of paid or credited contributions in the 45-year period from age 20 to age 65.

Partial pension: Age 65 (gradually rising by two months a year from 2020 until reaching age 70) with at least 156 weeks of paid contributions and an annual average of 10 to 49 weeks of paid or credited contributions.

Dependent's supplement: Paid for a dependent wife younger than age 65 with an annual average of 50 weeks of paid or credited contributions; 10 to 49 weeks for the reduced supplement. From January 1, 2014 the supplement is only paid to people who were receiving it as at December 31, 2013, and remain eligible.

Contributions may be credited for persons who are not working to care for a child younger than age 16.

Retirement is not necessary.

The old-age pension is payable abroad.

Disability pension (invalidity benefit): Paid after entitlement to the cash sickness benefit ceases. Must be assessed as incapable of any work and have at least 50 weeks of paid or credited contributions in the relevant contribution year for the full pension.

The relevant contribution year for benefit claims made from January to June is two years before the year of the claim; for benefit claims made from July to December, one year before the year of the claim.

Partial pension: A percentage of the full pension is paid with 26 to 49 weeks of paid or credited contributions in the relevant contribution year.

The disability pension is replaced by the old-age pension at age 65 (rising by two months a year from 2020 until reaching age 70).

The disability pension is payable abroad under the majority of reciprocal agreements.

Severe disability benefit (income tested): Paid after three months of severe disability (special conditions apply if the insured is terminally ill). The insured was born in Guernsey or resided in Guernsey for at least five years. The annual household income must not exceed £93,000.

Carer's allowance (income tested): Paid to an individual older than age 18 years caring for a person with a severe disability for at least 35 hours a week. The annual household income must not exceed £93,000.

Bereavement payment (survivor grant): The deceased had an annual average of at least 50 paid or credited weekly contributions from age 20 to the year of death for the full benefit; 10 to 49 weeks for the reduced benefit. The benefit is paid to the widow(er) who was married to the deceased at the time of death.

The bereavement payment is in addition to other survivor benefits.

Widowed parent's allowance: The deceased had an annual average of at least 50 weeks of paid or credited contributions from age 20 to the year of death for the full benefit; 10 to 49 weeks for the reduced benefit. The allowance is paid to a surviving spouse below pensionable age who was married to the deceased at the time of death, and who has at least one dependent child.

The widowed parent's allowance ceases on remarriage, cohabitation, or if there is no longer at least one dependent child.

The widowed parent's allowance is replaced by the old-age pension at age 65 (rising by two months a year from 2020 until reaching age 70).

Bereavement allowance: The deceased had an annual average of at least 50 weeks of paid or credited contributions from age 20 to the year of death for the full benefit; 10 to 49 weeks for the reduced benefit. The allowance is paid for a maximum period of 52 weeks to a surviving spouse below pensionable age with no dependent children, and who was married to the deceased at the time of death.

The bereavement allowance ceases on remarriage or cohabitation.

The bereavement allowance is replaced by the old-age pension at age 65 (rising by two months a year from 2020 until reaching age 70).

Death grant: The deceased had an annual average of 45 to 52 weeks of paid or credited contributions from age 20

to the year of death and 26 weeks since 1971 for the full benefit; 10 to 44 weeks for the reduced benefit. The grant is paid on the death of the insured to the surviving spouse or child.

All survivor payments, allowances, and grants are payable abroad.

Supplementary benefits (means tested): Must be aged 18 or older, not in full-time education, with a total household income, including supplementary benefit, below the prescribed minimum amount required to live on (the "requirement rate"), and capital of £20,000 or less. The requirement rate varies according to circumstances. Some earnings and benefits are disregarded for the calculation of total income.

Old-Age Benefits

Old-age pension: £204.45 a week is paid.

Partial pension: £40.89 a week to £200.36 a week is paid depending on the annual average of contributions paid or credited below the maximum of 50.

Dependent's supplement: £102.41 a week is paid for a dependent adult; £20.48 a week to £100.36 a week with a partial pension.

Supplementary benefit (means tested): Up to £609 a week is paid, according to the household income and circumstances, and the number and age of dependents.

Benefit adjustment: All old-age benefits are adjusted annually on the recommendation of the Social Security Department.

Permanent Disability Benefits

Disability pension (invalidity benefit): £180.81 a week is paid.

Partial pension: £99.47 a week to £175.42 a week is paid depending on the annual average of contributions paid or credited below the maximum of 50.

Severe Disability Benefit: £100.45 a week is paid.

Carer's Allowance: £81.28 a week is paid.

Supplementary benefit (means tested): Up to £609 a week is paid, according to the household income and circumstances, and the number and age of dependents.

Benefit adjustment: All disability benefits are adjusted annually on the recommendation of the Social Security Department.

Survivor Benefits

Bereavement payment (survivor grant): A lump sum of £1,856 is paid; £371 to £1,819 for the reduced benefit.

Widowed parent's allowance: £214.99 a week is paid; £91.73 a week to £211.91 a week for the reduced benefit.

Bereavement allowance: £184.86 a week is paid; £36.97 a week to £181.16 a week for the reduced benefit.

Death grant: A lump sum of £587 is paid; £293.50 to £440.25 for the reduced benefit.

Supplementary benefit (means tested): Up to £609 a week is paid, according to the household income and circumstances, and the number and age of dependents.

Benefit adjustment: All survivors benefits are adjusted annually 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 (medicine).

Current laws: 1971 (social assistance), 1978 (social insurance), 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 at least £133.

Long-term and respite care benefit: Residents of Guernsey.

Medical benefits: Residents of Guernsey.

Source of Funds

Insured person: See source of funds under Old Age, Disability, and Survivors. All persons over age 65 contribute 2.9% of annual income (long-term care and medical benefits).

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; the total cost of supplementary benefits.

Qualifying Conditions

Cash sickness benefits: Must have at least 26 weeks of paid contributions since first becoming covered, and at least 26 weeks of paid or credited contributions in the relevant contribution year. The full benefit is paid with at least 50 weeks of paid or credited contributions in the relevant contribution year; the benefit is proportionately reduced with less than 50 weeks of paid or credited contributions.

The relevant contribution year for benefit claims made from January to June is two years before the year of the claim; for benefit claims made from July to December, one year before the year of the claim.

Cash maternity allowances: Must have at least 26 weeks of paid contributions since first becoming covered and at least 26 weeks of paid or credited contributions in the relevant contribution year. The full benefit is paid with at least 50 weeks of paid or credited contributions in the relevant contribution year; the benefit is proportionately reduced with less than 50 weeks of paid or credited contributions.

The relevant contribution year for benefit claims made from January to June is two years before the year of the claim; for benefit claims made from July to December, one year before the year of the claim.

The insured may choose to receive the maternity allowance or maternity grant (but not both).

Maternity grant: Must be insured and ordinarily resident in Guernsey.

The insured may choose to receive the maternity allowance or maternity grant (but not both).

Long-term and respite care benefit: Must have resided in Guernsey for at least five years, including the year immediately before receiving the long-term care benefit, and must receive residential care, residential care with elderly mentally infirm care, or nursing care in an approved care facility. The insured must make a copayment of £193.97 a week for long-term care (no copayment for respite care).

Sickness and Maternity Benefits

Sickness benefit: £150.43 a week is paid after a three-day waiting period if the insured has at least 50 weeks of paid or credited contributions in the relevant contribution year; with 26 to 49 weeks of contributions, £82.74 a week to £145.95 a week is paid depending on the number of contributions paid or credited.

The benefit is paid for up to 26 weeks. If the person remains unable to work after 26 weeks, the sickness benefit is replaced by the disability pension (invalidity benefit).

Maternity allowance: £150.43 a week is paid if the insured has at least 50 weeks of paid or credited contributions in the relevant contribution year; with 26 to 49 weeks of contributions, £82.74 a week to £145.95 a week is paid depending on the number of contributions paid or credited.

The allowance is paid for 18 consecutive weeks starting no earlier than 11 weeks before the expected date of birth and no later than the actual date of birth, depending on the insured's choice.

Maternity grant: A lump sum of £376 is paid.

Long-term and respite care benefit: £429.87 a week is paid for residential home care; £545.44 a week if assessed with an elderly mental infirmity (EMI); and £802.55 a week for nursing home care.

£623.84 a week is paid for respite care provided in a residential home; £760.34 a week if assessed with an EMI; or £996.52 a week for respite care provided in a nursing home. (There are no copayments for persons receiving respite care.)

There is no limit to duration for long-term care benefits.

Workers' Medical Benefits

Medical benefits: The government provides acute hospital accommodation. Specialist group practices under contract with the government provide specialist medical services.

Cost sharing: The insured pays a flat-rate fee of £3.70 for medical prescriptions. The fund pays additional costs. There is no prescription fee for persons older than 65 or for social assistance beneficiaries and their dependents. The fund pays a partial subsidy for medical consultations directly to an approved doctor (£12) or nurse (£6).

Dependents' Medical Benefits

Medical benefits for dependents are the same as those for the insured.

Eligible dependents include the insured's children. Non-working spouses must be registered and covered in their own right.

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).

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.

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

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

Temporary disability benefit (industrial injury): £150.43 a week is paid after a three-day waiting period if the insured is unable to work due to a work accident or occupational disease for up to 26 weeks; thereafter, the insured may be entitled to receive the full disability pension (see Old Age, Disability, and Survivors) until reaching pensionable age.

Permanent Disability Benefits

Permanent disability benefit (industrial disablement): If the insured is assessed with a full disability (100%), the weekly pension is £164.75. A proportionately reduced benefit of £32.95 to £148.28 a week is paid depending on the assessed degree of disability ranging from 20% to 90%.

A medical board assesses the degree of disability.

Benefits are also provided under Old Age, Disability, and Survivors and Sickness and Maternity.

Benefit adjustment: Benefits are adjusted annually on the recommendation of the Social Security Department.

Workers' Medical Benefits

The government provides hospital accommodation. Specialist group practices under contract with the government provide specialist medical services.

There is no cost sharing.

Survivor Benefits

Bereavement payment (survivor grant): A lump sum of £1,856 is paid if the deceased had an annual average of at least 50 weeks of paid or credited contributions from age 20 to the year of death; with an annual average of 10 to 49 weeks the lump sum varies from £371 to £1,819 depending on the annual average.

Widowed parent's allowance: £214.99 a week is paid if the deceased had an annual average of at least 50 weeks of paid or credited contributions from age 20 to the year of death; with an annual average of 10 to 49 weeks, £91.73 a week to £211.91 a week is paid depending on the annual average.

If the deceased had an annual average of less than 10 weeks of paid or credited contributions and death was the result of a work injury, the minimum number of weeks of contributions used to calculate benefits is 10.

Bereavement allowance: £184.66 a week is paid if the deceased had an annual average of at least 50 weeks of paid or credited contributions from age 20 to the year of death; with an annual average of 10 to 49 weeks, £36.97 a week to £181.16 a week depending on the annual average.

The allowance is paid for a maximum period of 52 weeks to a surviving spouse below pensionable age with no dependent children, and who was married to the deceased at the time of death.

Benefit adjustment: Benefits are adjusted annually 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).

Type of program: Social insurance system.

Coverage

Employed persons with weekly earnings of at least £133.

Exclusions: Self-employed and nonemployed persons.

Source of Funds

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

Self-employed person: Not applicable.

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

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

Qualifying Conditions

Unemployment benefits: Must have at least 26 weeks of paid contributions since first becoming covered and at least 26 weeks of paid or credited contributions in the relevant

contribution year. The full benefit is paid with at least 50 weeks of paid or credited contributions in the relevant contribution year; the benefit is proportionately reduced with less than 50 weeks of paid or credited contributions.

The relevant contribution year for benefit claims made from January to June is two years before the year of the claim; for benefit claims made from July to December, one 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

£150.43 a week is paid with at least 50 weeks of paid or credited contributions in the relevant contribution year; with 26 to 49 weeks, £82.74 a week to £145.95 a week is paid depending on the contributions paid or credited.

The benefit is paid for up to 210 days in any one period of unemployment.

Requalification for the benefit requires 13 additional weeks of employment with weekly earnings of at least 40 times the young person's minimum hourly wage rate. Persons enrolled in a training course that is fully or partially funded by the States of Guernsey are not entitled to requalify for the benefit.

The young person's minimum hourly wage rate is £6.10.

Benefit adjustment: Benefits are adjusted annually 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 residents of Guernsey 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: Paid to a parent or guardian for a child younger than age 16 (age 20 if a student). The claimant was born in Guernsey or has resided in Guernsey for at least 52 weeks in the last two years.

Family Allowance Benefits

Family allowances: £15.90 a week is paid for each child.

Benefit adjustment: Benefits are adjusted annually on the recommendation of the Social Security Department.

Administrative Organization

Social Security Department (<http://www.gov.gg>) administers the program.