

Venezuela

Exchange rate: US\$1.00 =
6,346.65 bolívares soberanos.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1940 (social insurance).

Current laws: 1995 (minimum pension), 2002 (social security system), 2011 (social assistance), 2012 (social security), 2012 (social insurance), and 2014 (public-sector employees).

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.

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 40,000 bolívares soberanos (April 2019, increasing to 150,000 bolívares soberanos as of October 2019).

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

Contributions are paid weekly.

Social assistance: None.

Self-employed person

Social insurance: 13% of monthly declared earnings.

The self-employed person's contributions also finance cash sickness and maternity benefits, and medical benefits.

Contributions are paid weekly.

Social assistance: None.

Employer

Social insurance: From 9% to 11% of monthly covered payroll for private-sector workers, depending on the assessed degree of risk; 4% of monthly 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 40,000 bolívares soberanos (April 2019, increasing to 150,000 bolívares soberanos as of October 2019).

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

Contributions are paid weekly.

Social assistance: None.

Government

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

The government's contributions also finance cash sickness and maternity benefits, and medical benefits.

Social assistance: The total cost.

Qualifying Conditions

Old-age pension (Pensión por Vejez, 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). The normal retirement age is lower for those who perform unhealthy and arduous work.

If the insured has less than 750 weeks of contributions, he or she may continue to contribute until reaching 750 weeks or claim an old-age settlement.

Deferred pension: The pension may be deferred.

The old-age pension is payable abroad.

Old-age settlement (Indemnización Única por Vejez, 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) and a resident of Venezuela for the last 10 years.

Income test: Monthly household income must be below the legal monthly minimum wage.

The legal monthly minimum wage is 40,000 bolívares soberanos (April 2019, increasing to 150,000 bolívares soberanos as of October 2019).

Disability pension (Pensión por Invalidez, social insurance): Must be assessed with at least a 66.7% permanent or prolonged loss of work 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.

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

Partial disability: Must be assessed with a 25% to 66.6% permanent or prolonged loss of work capacity and meet the contribution requirements for the total disability pension.

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

Disability grant (Indemnización Única por Invalidez, social insurance): Must be assessed with at least a 66.7% permanent or prolonged loss of work 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 the disability pension.

Survivor pension (Pensión por Sobreviviente, 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 (any age if disabled); and unmarried orphans 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 settlement (Indemnización Única por Sobreviviente, 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 (Asignación Funeraria de Sepelio, 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 (Pensión por Vejez, social insurance): 100% of the legal monthly minimum wage is paid.

The legal monthly minimum wage is 40,000 bolívares soberanos (April 2019, increasing to 150,000 bolívares soberanos as of October 2019).

Deferred pension: The old-age pension is increased by 5% for each year of deferral after the normal retirement age.

The legal monthly minimum wage is 40,000 bolívares soberanos (April 2019, increasing to 150,000 bolívares soberanos as of October 2019).

Benefit adjustment: Benefits are adjusted periodically based on changes in the legal monthly minimum wage.

Old-age settlement (Indemnización Única por Vejez, social insurance): A lump sum of 10% of the insured's total covered earnings is paid.

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 40,000 bolívares soberanos (April 2019, increasing to 150,000 bolívares soberanos as of October 2019).

Benefit adjustment: Benefits are adjusted periodically based on changes in the legal monthly minimum wage.

Permanent Disability Benefits

Disability pension (Pensión por Invalidez, social insurance): 100% of the legal monthly minimum wage is paid.

The legal monthly minimum wage is 40,000 bolívares soberanos (April 2019, increasing to 150,000 bolívares soberanos as of October 2019).

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

Partial disability: A percentage of the full disability pension is paid based on the assessed loss of work capacity.

Benefit adjustment: Benefits are adjusted periodically based on changes in the legal monthly minimum wage.

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

Survivor Benefits

Survivor pension (Pensión por Sobreviviente, 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 40,000 bolívares soberanos (April 2019, increasing to 150,000 bolívares soberanos as of October 2019).

Benefit adjustment: Benefits are adjusted periodically based on changes in the legal monthly minimum wage.

Survivor settlement (Indemnización Única por Sobreviviente, social insurance): A lump sum of 10% of the deceased's total covered earnings is paid.

Funeral grant (Asignación Funeraria de Sepelio, social insurance): A lump sum is paid.

Administrative Organization

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

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

Sickness and Maternity

Regulatory Framework

First law: 1940 (social insurance).

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), 2012 (social security), and 2018 (universal maternity protection).

Type of program: Universal (birth grant and medical benefits) and social insurance (cash and medical benefits) system.

Coverage

Universal: Pregnant women who are citizens of Venezuela.

Social insurance: Public- and private-sector employees; members of cooperatives; household, seasonal, and casual workers; persons receiving old-age, disability, or survivor benefits, and certain unemployed persons and their dependents (medical benefits only).

Source of Funds

Insured person

Universal: None.

Social insurance: See source of funds under Old Age, Disability, and Survivors (cash and medical benefits) and under Unemployment (medical benefits for unemployed persons).

Self-employed person

Universal: None.

Social insurance: See source of funds under Old Age, Disability, and Survivors (cash and medical benefits) and under Unemployment (medical benefits for unemployed persons).

Employer

Universal: None.

Social insurance: See source of funds under Old Age, Disability, and Survivors (cash and medical benefits) and under Unemployment (medical benefits for unemployed persons).

Government

Universal: The total cost.

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

Qualifying Conditions

Cash sickness, maternity, and paternity benefits (social insurance): There is no minimum qualifying period.

Birth grant (Bono Parto Humanizado, Plan Nacional Parto Humanizado, universal): Paid to a mother upon the birth of a child.

Medical benefits (Plan Nacional Parto Humanizado, universal): There is no minimum qualifying period.

Medical benefits (social insurance): There is no minimum qualifying period.

Eligible dependents include a wife or female partner who has lived in the same household with the primary insured for at least one year, is pregnant, or has a common child with the primary insured; a disabled husband; unmarried children or orphaned siblings up to age 18 (no limit if disabled); and a dependent mother or dependent and disabled father.

Sickness and Maternity Benefits

Sickness benefit (Indemnización Diaria por Incapacidad Temporal, social insurance): 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 not hospitalized.

Maternity benefit (Permiso de Maternidad, social insurance): 100% of the insured's last monthly 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 (Licencia de Paternidad, social insurance): 100% of the insured's last earnings is paid for 14 days immediately after the date of childbirth or the date of placement for the adoption of a child younger than age 3.

Birth grant (Bono Parto Humanizado, Plan Nacional Parto Humanizado, universal): A lump sum of 100,000 bolívares soberanos is paid (October 2019).

Workers' Medical Benefits

Medical benefits (Plan Nacional Parto Humanizado, universal): Benefits include free pre-natal, natal, and post-natal care.

Medical benefits (social insurance): 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 (Plan Nacional Parto Humanizado, universal): Dependents are covered in their own right.

Medical benefits (social insurance): Benefits for dependents (and survivors) are the same as those for the insured. Pensioners' dependents receive medical benefits for up to 26 weeks.

Administrative Organization

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

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

Work Injury

Regulatory Framework

First law: 1940 (social insurance).

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.

Special system for military personnel.

Source of Funds

Insured person: None.

Self-employed person: No information available.

Employer: 0.75% to 10% of covered payroll, depending on 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 last monthly 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 (Pensión por Invalidez): 100% of the legal monthly minimum wage is paid.

The legal monthly minimum wage is 40,000 bolívares soberanos (April 2019, increasing to 150,000 bolívares soberanos as of October 2019).

Constant-attendance supplement (Gran invalidez): 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 work capacity of 26% to 66.6%, a percentage of the full permanent disability pension is paid based on the assessed loss of working capacity. For an assessed permanent or prolonged loss of work capacity of 5% to 25%, a lump sum 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 (Pensión por Sobreviviente): 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 40,000 bolívares soberanos (April 2019, increasing to 150,000 bolívares soberanos as of October 2019).

Funeral grant (Asignación Funeraria de Sepelio): A lump sum is paid.

Administrative Organization

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

National Institute for Prevention, Health, and Security at Work (INPSASEL) administers the program and collects contributions.

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 monthly 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 40,000 bolívares soberanos (April 2019, increasing to 150,000 bolívares soberanos as of October 2019).

The insured person's contributions also finance medical benefits for unemployed persons under Sickness and Maternity.

Self-employed person: 2.5% of monthly 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 40,000 bolívares soberanos (April 2019, increasing to 150,000 bolívares soberanos as of October 2019).

The self-employed person's contributions also finance medical benefits for unemployed persons under Sickness and Maternity.

Employer: 2% of monthly 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 10 times the legal monthly minimum wage.

The legal monthly minimum wage is 40,000 bolívares soberanos (April 2019, increasing to 150,000 bolívares soberanos as of October 2019).

The employer's contributions also finance medical benefits for unemployed persons under Sickness and Maternity.

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

Qualifying Conditions

Unemployment benefit (Prestación Dineraria por Pérdida Involuntaria del Empleo): Must have at least 12 months of contributions in the 24 months before unemployment began, be involuntarily unemployed or have an involuntary loss of income, and be available for training or suitable employment.

Unemployment Benefits

Unemployment benefit (Prestación Dineraria por Pérdida Involuntaria del Empleo): 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 the Social Process of Labor (<http://www.mpppst.gob.ve/mpppstweb/>) provides general supervision.

Employment services administer training and guidance.

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

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): 100% of the legal monthly minimum wage is paid a month.

The legal monthly minimum wage is 40,000 bolívares soberanos (April 2019, increasing to 150,000 bolívares soberanos as of October 2019).

Administrative Organization

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

Employers pay the food cash transfer directly to employees.