

France

Exchange rate: U.S.\$1.00 equals 1.12 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1910.

Current laws: 1945, 1967, 1971, 1975, 1980, 1982, 1988, 1993, 1994, and 1995.

Type of program: Social insurance system and mandatory supplementary pension systems.

Coverage

Employed persons.

Special systems for agricultural, mining, railroad, public utility, and public employees; seamen; nonagricultural self-employed; and agricultural self-employed.

Voluntary affiliation for a nonworking head of household (old-age pension only), nonemployed persons caring for a disabled family member, and persons employed abroad.

Compulsory old-age pension affiliation for women receiving certain family benefits, including the single-parent allowance (see Family Allowances, below), and for those caring for a disabled person.

Source of Funds

Insured person: 6.55% of insurable earnings plus 0.1% of total earnings for surviving spouse's allowance.

Employer: 8.2% of insurable earnings plus 1.6% of total payroll.

Government: Variable subsidies.

Maximum earnings for contribution and benefit purposes are •2,352 a month.

Disability and survivor benefits are financed under the sickness and maternity program (see below).

Qualifying Conditions

Old-age pension: Age 60 and one quarter of insurance coverage. Benefits are payable abroad.

Disability pension: Under age 60. The loss of at least 2/3 of earning capacity in any occupation. Entry into insurance 12 months before the onset of the disability and 800 hours of employment in the last 12 months, including 200 hours in the last 3 months.

Survivor pension: At least 55 years old and married for 2 years. These conditions are waived if there is a child from the marriage. Personal income is less than •13,874 per year.

Surviving spouse's allowance: Less than 55 years old and has, or has had, a dependent child. Personal income is less than •1,887.15 per quarter.

Old-Age Benefits

Old-age pension: Depending on age or the duration of insurance coverage, 25% to 50% of average salary for the best 25 years (adjusted since 1947) as of January 1, 2008 (between January 1, 1994, and December 31, 2007, the number of years taken into account will vary between 11 and 24 years depending on the year of birth); 50% of adjusted average salary if the insured has 160 quarters of insurance coverage in any scheme as of January 1, 2003 (between January 1, 1994, and December 31, 2002, the number of quarters required will vary between 151 and 159 according to the year of birth) or is disabled, aged 65, a working mother, or a war veteran.

The full pension is awarded for insurance coverage of 150 quarters in the general scheme only. The pension is reduced for coverage of less than 150 quarters.

The pension is payable only when employment in the previous occupation has ceased definitely. Taking another job is permitted.

Minimum pension: The minimum pension, calculated on the basis of a 50% rate, cannot be less than •6,307.62 per year with 150 quarters of coverage in the general scheme. Otherwise, the minimum is reduced depending on length of coverage.

Maximum pension: 50% of maximum earnings for contribution purposes (•14,112.00 per year).

Constant-attendance allowance: •10,995.78 a year.

Spouse's supplement: •609.80 a year at age 65 (ages 60 to 64 if disabled) if the insured had 150 quarters of coverage; otherwise, proportionately reduced. Income-tested.

Child's supplement: Equal to 10% of the pension if the insured has raised three children.

Old-age allowance: Awarded in order to increase pensions up to a minimum amount of •2,807.72 a year for low-income pensioners who are 65 years old (age 60 if disabled) and, if single, who earn no more than •6,997.74 a year (•12,257.01 a year per couple).

Old-age supplement: •4,024.86 a year to a low-income pensioner; •6,641.57 for a married couple. The award is made under the same conditions as the old-age allowance (above) plus nationality and residency.

Means-tested allowance: •2,807.72 a year to low-income aged persons ineligible for the pension.

Benefit adjustment: Benefits adjusted for changes in the cost of living.

Permanent Disability Benefits

Disability pension: 50% of average earnings in the best paid 10 years if incapable of any professional activity, up to a maximum of •1,176 a month. The minimum pension is •233.98 a month.

Constant-attendance supplement: •916.32 a month.

Partial disability: 30% of average earnings in the best paid 10 years up to a maximum of •705.60 a month. The minimum pension is •233.98 a month.

Benefit adjustment: Benefits adjusted for changes in the cost of living.

Survivor Benefits

Survivor pension: Equal to 54% of the insured's pension. Payable to a widow, divorced or nonmarried wife, or widower; must not have remarried. The pension is proportionately divided if there is more than one qualified surviving spouse. The minimum pension is •2,843.87 a year if the insured had 60 quarters of coverage. If the acquired coverage period is less, the minimum is reduced proportionately.

The old-age pension is payable to a disabled widow or widower aged 55 whose spouse was also disabled, regardless of income or the length of marriage.

Child's supplement: Equal to 10% of the pension if the surviving spouse gave birth to, or raised, three children.

Child care supplement: •965.40 a year.

Benefit adjustment: Benefits adjusted for changes in the cost of living.

Surviving spouse's allowance: Payable for up to 2 years following the death of the insured. The amount is •503.24 a month. If the beneficiary is at least age 50, payment is extended until age 55. Income-tested.

Administrative Organization

Ministry of Labor and Social Affairs provides general supervision and issues regulations.

National Old-Age Pension Insurance Fund administers old-age pensions and surviving spouse's allowances.

National Sickness Insurance Fund administers disability and survivor pensions.

Contributions are collected by joint collection agencies.

Sickness and Maternity

Regulatory Framework

First law: 1928.

Current laws: 1945, 1967, 1971, 1974, 1978, and 1999.

Type of program: Social insurance system.

Coverage

Employed persons. Pensioners and some groups of nonemployed persons are also covered for medical benefits.

Special systems for agricultural, clergy, mining, railroad, public utility, and public employees; seamen; nonagricultural self-employed; and agricultural self-employed (medical benefits are provided under the general system for some groups).

Voluntary affiliation for residents not working in covered employment.

Source of Funds

Insured person: 6.8% of total earnings; old-age pensioners (low-income pensioners are exempt), 1.4% of old-age pension and 2.4% of private pension; unemployed, 2% of guaranteed minimum income for unemployed; 1% of unemployment benefits and training allowances. Flat-rate contributions for students, young persons, and others not covered otherwise.

Employer: 12.80% of total payroll.

Government: Proceeds from a 12% surcharge on automobile insurance premiums plus proceeds from an earmarked tax on the costs of pharmaceutical advertising, alcohol, and tobacco; government also provides funds for new hospital construction and part of the cost for certain health and social services.

The above contributions also finance disability and survivor benefits.

Qualifying Conditions

Sickness benefit: For benefit entitlement of up to 6 months, 200 hours of paid employment in the last 3 months; beyond 6 months but less than 3 years, 800 hours of paid employment in the last 12 months, including 200 hours in the first 3 months.

Maternity benefit: Ten months of registration and 200 hours of paid employment in the last 3 months preceding the start of pregnancy.

Medical benefits: For benefit entitlement, 60 hours paid employment in the last month with contributions paid on wages amounting to at least 60 times the minimum wage, or 120 hours of employment in the last 3 months with contributions of an amount equal to 120 times the minimum wage. Under these conditions, benefits can be paid for 1 year.

With 1,200 hours of employment in the course of 1 year or contributions of an amount equal to 2,030 times the minimum wage, benefits are paid for 2 years.

Sickness and Maternity Benefits

Sickness benefit: For sickness leave of no more than 6 months, 50% of the daily basis salary (mean salary of the 3 months preceding the onset of sickness). The maximum benefit is •39.20 a day; 2/3 of the daily basis salary from the 31st day onward if the insured has at least three dependent children. Benefit is payable at a maximum of •52.27 a day.

For sickness leave beyond 6 months, benefit is paid at 51.49% of the daily basis from the first day of the 7th month onward. The maximum benefit is •40.32 a day; 68.66% of the daily salary basis if the insured has at least three dependent children. Benefit is payable at a maximum of •53.76.

Benefit is payable after a 3-day waiting period for up to 360 days in a 3-year period.

For chronic or prolonged illness, the period of entitlement is 3 years; the 3-year period can also be noncontinuous.

Benefit adjustment: Cash sickness may be adjusted in accordance with changes to wages in cases in which sickness leave exceeds 3 months.

Maternity benefit: 100% of net earnings. Payable for 6 weeks before and 10 weeks after the expected date of childbirth for the first and second child; for 8 weeks before and 18 weeks after the expected date of childbirth for the third child; for 12 weeks before and 22 weeks after the expected date of childbirth for twins; for 24 weeks before and 22 weeks after the expected date of childbirth for triplets.

Benefit is payable for 2 additional weeks if maternity hospital care is needed because of a pathological condition in connection with the pregnancy, except in cases of multiple birth of three or more.

The maximum benefit is •62.88 a day; in Alsace-Moselle, •61.47 a day.

Benefits that are payable in cases of adoption correspond to those for the postnatal period.

Workers' Medical Benefits

Cash refunds of part of medical expenses. Benefits include general and specialist care, hospitalization, laboratory services, medicines, dental care, maternity care, appliances, and transportation. The insured normally pays for services and is reimbursed by the local sickness fund.

The amount reimbursed depends on the type of service, for example, 70% for medical services, 60% for paramedical services, 80% for hospitalization, and 35% or 65% for pharmaceuticals.

The insured pays a set daily fee for hospital room and board charges (disabled children, war victims, and work accident victims are exempt) in addition to the above cost-sharing arrangements. There is no limit to duration.

Dependents' Medical Benefits

Same as for insured person except for in-kind benefits.

Following divorce from, or death of, the insured, medical benefits are payable for 1 year or until the youngest child's third birthday. Protection is unlimited for an eligible person who has raised three or more children.

Administrative Organization

Ministry of Labor and Social Affairs provides general supervision.

Governed by a bipartite body, the National Sickness Insurance Fund coordinates regional funds and financial equalization.

Governed by a bipartite body, Regional Sickness Insurance Funds coordinate local funds.

Governed by a bipartite body, Primary Sickness Insurance Funds register the insured, pay cash benefits, and administer refunds of medical expenses.

Contributions are collected by joint collection agencies.

Work Injury

Regulatory Framework

First law: 1898.

Current laws: 1946, 1967, 1972 (agriculture), and 1994.

Type of program: Social insurance system.

Coverage

Employed persons, vocational education students, and certain nonpaid members of social service organizations.

Special systems for agricultural, mining, railroad, public utility, and public employees; seamen; nonagricultural self-employed; and agricultural self-employed.

Source of Funds

Insured person: None.

Employer: Total cost. Contributions vary according to the assessed degree of risk. The average contribution is 2.26% of total payroll.

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

During the first 28 days, the benefit is 60% of earnings; thereafter, 80% of earnings. Benefit is payable from the day following the onset of the incapacity for work.

Permanent Disability Benefits

Permanent disability pension: 100% of average earnings during last the 12 months, if totally disabled. The minimum and maximum pensions are established by formula.

Constant-attendance supplement: 40% of pension.

Partial disability: Average earnings of the last 12 months preceding disability multiplied by 50%, then multiplied by the degree of incapacity for a disability between 10% and 50%; for a disability above 50%, the average earnings of the last 12 months preceding disability are multiplied by 150%.

A lump sum is payable if less than 10% incapacity.

Workers' Medical Benefits

All necessary care, including medical treatment and surgery, hospitalization, medicines, appliances, rehabilitation, and transportation. Services are paid for directly by the fund, with no cost-sharing by patient.

Survivor Benefits

Survivor pension: 30% of earnings of the insured if under age 55, or 50% from age 55 or if disabled. The pension is payable to a widow or a widower.

Orphan's pension: 15% of earnings for each of the first two children under age 16 (age 17 if unemployed, age 18 if an apprentice, age 20 if a student or if disabled); 10% for each additional child; 20% each if full orphan.

Other dependent relatives: 10% of earnings each, up to maximum of 30%.

Maximum survivor pension: 85% of earnings of insured.

Funeral grant: Cost of burial up to a set limit.

Administrative Organization

Ministry of Labor and Social Affairs provides general supervision.

National Sickness Insurance Fund administers the program at the national level.

Primary Sickness Insurance Funds pay benefits.

Regional Sickness Insurance Funds assess contributions and implement prevention.

Contributions are collected by joint collection agencies.

Unemployment

Regulatory Framework

First law: 1905.

Current laws: 1967 (legal extension of 1958 labor-management agreement on unemployment insurance), 1972 (guaranteed income for unemployed aged 60 and over), 1974 (agriculture), 1984 (insurance scheme and assistance scheme), 1986 (conversion insurance scheme), 1988 (recycling education allowance), 1992 (unique decreasing allowance), and 1995 (employment replacement allowance).

Type of program: Social insurance system and solidarity system (social assistance).

Coverage

Unemployment insurance: Employed persons.

Excluded: Public-sector workers to whom the same compensation rules are applicable by their employers.

Special systems for construction workers, dockworkers, merchant seamen, aviators, domestic workers, seasonal workers, doorkeepers, and disabled personnel in sheltered workshops.

Solidarity program (means-tested): Long-term unemployed having exhausted unemployment insurance; certain other designated categories.

Source of Funds

Insured person: 2% of monthly earnings.

Employer: 3.60% of payroll.

Government: Total cost of the solidarity program.

Maximum earnings for contribution and benefit purposes are •9,408 a month.

Qualifying Conditions

Unemployment benefit: Under age 60, or between ages 60 and 65 without enough required quarters of coverage to qualify for a full old-age pension (159 quarters in 2002), and 4 months of work during the last 18 months. Must be resident in France, registered at an employment office, and capable of, and available for, work. Unemployment is not due to voluntary leaving, misconduct, or refusal of a suitable job offer.

Solidarity allowance: Long-term unemployed or aged 50 and over and unemployed with 5 years of employment during the last 10 years preceding the end of the employment contract. The benefit is income-tested with monthly earnings not to exceed •935.20 for a single person; •1,469.60 for a couple.

Insertion allowance: Awarded to foreign nationals, victims of accidents at work, those diagnosed with an occupational illness, refugees, certain groups of noncitizens, or those in detention immediately prior to unemployment. The allowance is income-tested with monthly earnings not to exceed •846.90 for a single person; •1,693.80 for a couple.

Preretirement benefit: At least 59 years and 6 months old and receiving unemployment benefit for 365 days. Must have 12 years of contributions and 1 year of uninterrupted employment, or 2 years of interrupted employment, in the last 5 years. Otherwise, must have 160 quarters of recognized contributions for the old-age pension as of December 31, 2001.

Unemployed retirement-equivalent allowance: Awarded to unemployed persons with 160 quarters of recognized contributions for the old-age pension. The allowance is income-tested with monthly earnings not to exceed •1,383.84 for a single person; •1,989.27 for a couple.

Unemployment Benefits

Unemployment benefit: The benefit varies according to the value of declared previous income but is between 57.4% and 75.0% of the daily reference wage. The duration of the benefit award varies according to age (between 4 months and 30 months for insured persons less than 50 years old and between 4 months and 60 months for insured persons aged 50 and older) and the length of covered employment.

Solidarity allowance: Variable amount renewable every 6 months if qualifying conditions are still satisfied. The maximum allowance is •400.80 a month with additional total supplements of •174.90 under certain conditions of age and activity. Income from employment is not excluded under certain conditions for a period of up to 12 months; conditions are waived for those older than age 50.

Insertion allowance: Variable income-tested allowance is renewable only once after the initial 6-month period if qualifying conditions are still satisfied. The maximum allowance is •282.30 a month. Income from employment is not excluded under certain conditions for a period of up to 12 months.

Preretirement benefit: The continuation of entitlement to the same value of benefit as initially awarded under unemployment benefit until age 60.

Unemployed retirement-equivalent allowance: A variable income-tested allowance awarded until age 60 to replace the solidarity allowance, the insertion allowance, or to complement unemployment benefit. The maximum benefit is •877 a month.

Administrative Organization

Unemployment insurance organizations with bipartite (labor-management) governing bodies administer unemployment insurance and pay unemployment insurance benefits.

Family Allowances

Regulatory Framework

First law: 1932.

Current law: 1946.

Type of program: Universal system.

Coverage

Family allowances: Families living in France for at least 3 months.

Source of Funds

Insured person: None, except the self-employed and farmers.

Employer: 5.4% of payroll.

Government: 1.1% of total revenues used to finance family allowances.

Qualifying Conditions

Family allowances: At least two children under age 20 and earnings of less than 55% of the minimum wage.

Young child allowance: Paid from the fifth month of pregnancy until the child is age 3. Income-tested.

Family supplement: Three or more children older than age 3 and up to age 21, and earnings below a certain ceiling.

Accommodation allowance: At least one child under age 21. Paying rent or monthly mortgage payments. Income-tested.

Single-parent allowance: Awarded for a limited period to a single woman who is pregnant or caring for children.

Family support allowance: Payable, under certain conditions, to a parent raising a child without the help of the other parent, or to a third person caring for the child.

Adoption allowance: Payable for 21 months to a family adopting a child. Income-tested.

Child-rearing allowance: Paid to a parent who stops paid work or reduces paid activity to raise a second or subsequent child; employed for 24 months during last 5 years or 10 years preceding the birth or the adoption. The allowance is paid until the child reaches age 3.

Home child care allowance: Paid to employed parents who pay for a person to care for their young child at home.

Accredited child care benefit: Awarded for children under age 6 if parents are working and pay for child care by an accredited carer. The benefit includes a cash benefit and the payment of social security contributions.

Special allowance: Caring for a handicapped child.

Beginning of school year allowance: Awarded for children between ages 6 and 18. Income-tested.

Parental child care allowance: Awarded for a maximum period of 12 months to a parent who has fully or partially ceased employment to care for a seriously sick, injured, or handicapped child.

Family Allowance Benefits

Family allowances: •108.86 a month for two children; •139.47 for each subsequent child. An additional •30.62 for children from age 11 to age 16; •54.43 for children over age 16 (except for the first in a two-child family).

Young child allowance: A maximum of •156.31 a month per family.

Family supplement: •141.68 a month per family.

Accommodation allowance: A variable amount depending on rent level, income, and the number of children.

Single-parent allowance: The allowance is equal to the difference between earnings and the guaranteed income. The guaranteed income is •512.81 a month during pregnancy; •683.75 with one child and •170.94 for each additional child.

Family support allowance: •102.95 or •76.54.

Adoption allowance: •156.31 a month.

Child-rearing allowance: A maximum of •484.97.

Home child care allowance: Covers part of social security contributions where employed parents pay for a person to care for their young child at home.

Accredited child care benefit: According to family income and the age of the child, the benefit is paid at a rate between •130.90 and •199.78 a month for a child under age 3; between •65.46 and •99.91 for a child aged 3 to age 6.

Special allowance: •109.40 a month, plus an eventual additional amount of •82.05, •246.15, or •916.32 according to the degree of handicap of the child.

Beginning of school year allowance: •249.07 per child.

Parental child care allowance: •484.97 for couples and •641.34 for single-parent families.

Administrative Organization

Ministry of Labor and Social Affairs provides general supervision.

Governed by a tripartite body (representatives of employer, employee, and family organizations), the National Family Allowances Fund coordinates funds and ensures financial equalization.

Governed by a tripartite body (representatives of employer, employee, and family organizations), the Local Family Allowances Funds pay benefits.