

## Seychelles

Exchange rate: US\$1.00 equals  
6.01 rupees (Rs).

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1971 (provident fund).

**Current laws:** 1987 (social security), implemented in 1988, with 1990 and 1994 amendments; and 2005 (Seychelles pension fund).

**Type of program:** Universal and social insurance system.

#### Coverage

**Social security fund:** All citizens residing in Seychelles territory and resident foreign employees who contribute to the Seychelles pension fund.

Special systems for the employees of three companies in the banking and industrial sector. (Employees of these companies are covered under the Seychelles pension fund, below.)

**Seychelles pension fund:** All full-time and part-time employees in the public and private sectors.

Voluntary coverage for self-employed persons.

Exclusions: Casual workers.

#### Source of Funds

##### Insured person

**Social security fund:** 5% of monthly earnings; domestic workers pay Rs50 a month. (2.5% of the combined insured person and employer monthly contribution to the social security fund is transferred by the fund to the Seychelles pension fund.)

The contributions to the social security fund also finance sickness and maternity benefits and work injury benefits.

**Seychelles pension fund:** Rs25 a month. Additional voluntary contributions are possible. (2.5% of the combined insured person and employer monthly contribution to the social security fund is transferred by the fund to the Seychelles pension fund.)

There are no maximum earnings for contribution purposes.

##### Self-employed person

**Social security fund:** Contributions are made through the tax system.

**Seychelles pension fund:** Voluntary contributions of Rs75 a month. Additional voluntary contributions are possible.

There are no maximum earnings for contribution purposes.

#### Employer

**Social security fund:** 10% on the first Rs1,000 of monthly wages, 20% on the second Rs1,000, 30% on the next Rs8,000, and 40% on wages in excess of Rs10,000; Rs50 a month for each domestic worker. (2.5% of the combined insured person and employer monthly contribution to the social security fund is transferred by the fund to the Seychelles pension fund.)

The contributions to the social security fund also finance sickness and maternity benefits and work injury benefits.

**Seychelles pension fund:** Rs50 a month for each employee. (2.5% of the combined insured person and employer monthly contribution to the social security fund is transferred by the fund to the Seychelles pension fund.)

**Government:** Contributes as an employer. Makes contributions out of the general budget and guarantees the pension benefits under the social security fund. The Seychelles pension fund contribution is taken from business tax receipts.

#### Qualifying Conditions

##### Old-age pension

**Old-age pension (social security fund):** Age 63 and has resided in Seychelles for at least 5 years immediately before the date of retirement. (The residency requirement may be waived by the Minister of Finance under special circumstances.)

The pension is not payable abroad.

**Old-age benefit (Seychelles pension fund):** Paid from age 60 but no later than age 63. The insured must have 10 continuous years of contributions to the social security fund or the Seychelles pension fund immediately before retirement or a total of 20 years of contributions to the social security fund.

If the pensioner is living abroad, the pension is paid into his or her Seychelles bank account.

**Old-age settlement (Seychelles pension fund):** Paid if the insured does not qualify for the old-age benefit.

**Migration allowance (Seychelles pension fund):** Paid if the insured is emigrating permanently.

##### Disability pension

**Disability pension (social security fund):** Must be assessed with a loss of 3/4 of earning capacity and have resided in Seychelles for at least 5 years. A reduced pension is paid for a loss of earning capacity of between 50% and 74%. (The residency requirement may be waived by the Minister of Finance under special circumstances.)

**Dependent's supplement (income-tested):** Paid for a family whose income is less than the official family subsistence level. The supplement is paid under certain conditions for each dependent child and for one adult who must be the spouse, a person caring for the insured person, or a dependent disabled adult not receiving any other benefits.

The pension is not payable abroad.

**Disability benefit (Seychelles pension fund):** Must be younger than age 63 and assessed as incapable of work by a medical board appointed by the Seychelles pension fund. The benefit is paid after receiving the social security fund disability pension for 6 months.

If the pensioner is living abroad, the pension is paid into his or her Seychelles bank account.

**Disability settlement (Seychelles pension fund):** Paid if the insured does not qualify for the disability benefit.

### Survivor pension

**Spouse pension (social security fund):** The deceased had resided in Seychelles for at least 5 years.

Eligible survivors are a widow aged 45 or older or with a dependent child younger than age 16 (or older if a student), a dependent widower, and full orphans.

A widow who does not qualify for a pension receives a limited benefit for 20 working days.

**Dependent's supplement (income-tested):** Paid for a family whose income is less than the official family subsistence level. The supplement is paid under certain conditions for each dependent child and for one adult who must be the spouse, a person caring for the insured person, or a dependent disabled adult not receiving any other benefits.

The pension is not payable abroad.

**Survivor benefit (Seychelles pension fund):** The deceased was insured.

Eligible survivors are a widow(er) or cohabiting partner with whom the deceased lived for at least 3 years. The surviving spouse must have resided in Seychelles for at least 5 years (may be waived in special circumstances). Eligible surviving children must be younger than age 18 (age 25 if a full-time student).

**Death benefit (Seychelles pension fund):** Paid to a surviving spouse or other dependent if the deceased was older than the retirement age.

**Preretirement death benefit (Seychelles pension fund):** Paid to a named survivor in the absence of an eligible surviving spouse and children and if the deceased was younger than the retirement age.

### Old-Age Benefits

**Old-age pension (social security fund):** Rs1,700 a month is paid.

**Benefit adjustment:** Benefits are reviewed and adjusted annually for changes in the cost of living. (Benefits were last adjusted in January 2006.)

**Old-age benefit (Seychelles pension fund):** The monthly pension is based on a percentage of the insured's aver-

age monthly earnings in the last 5 years before retirement, according to four earnings classes.

If the insured has paid voluntary contributions to the fund, these may be used in the pension calculation or refunded as a lump sum with interest added.

The maximum pension (including the social security fund old-age pension of Rs1,700) is Rs8,100 month (December 2006).

**Old-age settlement (Seychelles pension fund):** A lump sum is paid equal to the total of the insured's and the employer's contributions plus 5% interest. The average lump sum is Rs17,000.

**Migration allowance (Seychelles pension fund):** A lump sum is paid equal to the total of the insured's and the employer's contributions plus interest.

### Permanent Disability Benefits

**Disability pension (social security fund):** Rs1,650 a month is paid.

**Partial disability (earnings-tested):** The full pension is reduced according to earnings. The pension is paid until retirement age after receiving sickness benefits for 6 months.

**Dependent's supplement (income-tested):** Rs650 a month is paid for an adult and Rs600 a month for each child.

The combined disability pension and dependent supplements must not exceed 80% of the insured's previous earnings.

**Benefit adjustment:** Benefits are reviewed and adjusted annually for changes in the cost of living. (Benefits were last adjusted in January 2006.)

**Disability benefit (Seychelles pension fund):** The monthly pension is based on the insured's average monthly earnings in the last 5 years before being assessed by the medical board as incapable of work.

**Disability settlement (Seychelles pension fund):** A lump sum is paid equal to the total of the insured's and the employer's contributions plus 5% interest.

### Survivor Benefits

**Spouse pension (social security fund):** The monthly pension is Rs1,350 for an eligible widow or a dependent widower and is paid for a maximum of 1 year.

A widow(er) who does not qualify for a pension receives a limited benefit for 20 working days.

**Dependent's supplement (income-tested):** Rs650 a month is paid for an adult and Rs600 a month for each child.

The pension ceases on remarriage or if the widow(er) cohabits with a partner.

**Orphan's pension (social security fund):** Each full orphan receives Rs775 a month.

**Funeral grant:** A lump sum of Rs1,550 is paid.

**Benefit adjustment:** Benefits are reviewed and adjusted annually for changes in the cost of living. (Benefits were last adjusted in January 2006.)

**Survivor benefit (Seychelles pension fund):** If there are no eligible surviving children, the spouse's pension is equal to 80% of the deceased's pension and is paid for life (70% if the surviving spouse was at least 10 years younger than the deceased). If there are eligible surviving children, the spouse's pension is equal to a maximum of 50% of the deceased's pension; if the deceased had elected to pay a higher pension to surviving children, the spouse's pension will be reduced accordingly but must not be less than 25% of the deceased's pension.

**Orphan's pension (Seychelles pension fund):** The minimum monthly pension is equal to 40% of the deceased's pension (if the deceased had elected to pay a higher pension to surviving children, up to a maximum of 75% of the deceased's pension); full orphans receive 80%.

The pension is split equally among all eligible orphans and paid to the child(ren)'s guardian.

**Death benefit (Seychelles pension fund):** One month's pension is paid.

**Preretirement death benefit (Seychelles pension fund):** A lump sum is paid equal to the total of the deceased's and the employer's contributions plus 5% interest.

### **Administrative Organization**

Ministry of Finance administers the social security fund program.

Directed by a chief executive officer and a tripartite board of trustees, the Seychelles Pension Fund (<http://www.pensionfund.sc>) administers the supplementary pension program.

### **Sickness and Maternity**

#### **Regulatory Framework**

**First law:** 1979.

**Current law:** 1987 (social security), implemented in 1988, with 1990 and 1994 amendments.

**Type of program:** Social insurance system. Cash sickness and maternity benefits only.

#### **Coverage**

Employed and self-employed persons.

### **Source of Funds**

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

**Self-employed person:** Contributions are made through the tax system.

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

**Government:** None.

### **Qualifying Conditions**

**Cash sickness and maternity benefits:** There is no minimum qualifying period.

**Dependent's supplement (income-tested):** Paid for a family whose income is less than the family subsistence level. The supplement is paid under certain conditions for each dependent child and for one adult who must be the spouse, a person caring for the insured person, or a dependent disabled adult not receiving any other benefits.

### **Sickness and Maternity Benefits**

**Sickness benefit:** The employer pays the full salary for the first 2 months and is reimbursed 80% of the amount paid or Rs2,000, whichever is less; thereafter, the social security fund pays Rs1,300 a month for up to 130 working days.

**Dependent's supplement (income-tested):** Rs650 a month is paid for an adult and Rs600 for each child.

**Benefit adjustment:** Benefits are adjusted periodically according to changes in the cost of living. (Benefits were last adjusted in January 2005.)

**Maternity benefit:** The employer pays the full salary for 2 weeks before and 8 weeks after the expected date of childbirth and is reimbursed 80% of the amount paid up to Rs1,300. For a prolonged incapacity that is the result of pregnancy or childbirth, a sickness benefit is paid.

**Dependent's supplement (income-tested):** Rs650 a month is paid for an adult and Rs600 for each child.

**Benefit adjustment:** Benefits are adjusted periodically according to changes in the cost of living. (Benefits were last adjusted in January 2005.)

### **Workers' Medical Benefits**

No statutory benefits are provided.

Medical services are available in government dispensaries and hospitals under the National Health Plan.

### **Dependents' Medical Benefits**

No statutory benefits are provided.

Medical services are available in government dispensaries and hospitals under the National Health Plan.

### **Administrative Organization**

Ministry of Finance administers the social security fund program.

### **Work Injury**

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#### **Regulatory Framework**

**First law:** 1970 (employer liability).

**Current law:** 1987 (social security), implemented in 1988.

**Type of program:** Social insurance system.

#### **Coverage**

Employed persons.

Exclusions: Self-employed persons.

#### **Source of Funds**

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

**Self-employed person:** Not applicable.

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

**Government:** None.

#### **Qualifying Conditions**

**Work injury benefits:** There is no minimum qualifying period.

Dependent's supplement (income-tested): Paid for a family whose income is less than the official family subsistence level. The supplement is paid under certain conditions for each dependent child and for one adult who must be the spouse, a person caring for the insured person, or a dependent disabled adult not receiving any other benefits.

#### **Temporary Disability Benefits**

For an assessed degree of disability of at least 50%, Rs1,300 a month is paid for up to 130 working days.

The degree of disability is assessed by the medical board established by the Ministry of Health.

Dependent's supplement (income-tested): Rs650 a month is paid for an adult and Rs600 for each child.

Benefit adjustment: Benefits are adjusted periodically according to changes in the cost of living. (Benefits were last adjusted in January 2005.)

#### **Permanent Disability Benefits**

**Permanent disability pension:** If the insured is totally disabled, Rs1,300 a month is paid until retirement age after receiving a temporary disability benefit for 130 working days.

The disability is assessed by a medical board set up by the Ministry of Health.

Partial disability: A percentage of the benefit for a total disability is paid according to the assessed degree of disability.

Dependent's supplement (income-tested): Rs650 a month is paid for an adult and Rs600 for each child.

For a court award, the cost of compensation paid to an insured person for an incapacity for work is split equally between the employer and the social security fund.

Benefit adjustment: Benefits are adjusted periodically according to changes in the cost of living. (Benefits were last adjusted in January 2005.)

#### **Workers' Medical Benefits**

Free medical care is provided as required. Benefits include medical and surgical care, hospitalization, medicines, appliances, and transportation.

#### **Survivor Benefits**

**Survivor pension:** Rs1,300 a month is paid to the widow(er) if the deceased provided at least 75% of family income. The widow(er) must not be gainfully employed or self-employed.

The pension ceases on remarriage or if cohabiting with a partner.

Benefit adjustment: Pensions are adjusted annually according to changes in the cost of living. (Benefits were last adjusted in January 2005.)

#### **Administrative Organization**

Ministry of Finance administers the social security fund program.

### **Unemployment**

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#### **Regulatory Framework**

Under the 1980 Unemployment Fund Act, the social security fund provides subsistence income for unemployed persons.

The social security fund provides wages for registered unemployed and young persons who work on approved projects, including the unemployment relief scheme (Rs1,900 a month if full time; Rs1,475 a month if part time), youth training scheme (Rs1,300 a month), apprenticeship scheme (Rs1,300 a month), and skill acquisition program (Rs1,300 a month).