Old Age, Disability, and Survivors

Regulatory Framework

First law: 1940, with amendments.
Current law: 2008 (social security).
Type of program: Social insurance system.

Coverage

Private- and public-sector employees; members of cooperatives; and household, seasonal, and occasional workers.
Voluntary coverage for self-employed persons, unemployed pregnant women, and persons who were previously covered with at least 250 weeks of contributions in the last 10 years.
Special system for armed forces personnel.

Source of Funds

Insured person: 4% of monthly covered earnings for private-sector workers; 2% for public-sector workers and members of cooperatives.
The maximum monthly earnings for contribution calculation purposes are five times the minimum urban wage.
The minimum urban wage is 967.50 bolivares a month.
The insured’s contributions also finance sickness and maternity benefits and the marriage grant (see Family Allowances, below).

Self-employed person: A percentage of monthly covered earnings in the last 100 weeks.
The maximum monthly earnings for contribution calculation purposes are five times the minimum urban wage.
The minimum urban wage is 967.50 bolivares a month.

Employer: Between 11% and 13% of covered payroll for private-sector workers; 4.75% of covered payroll for public-sector workers.
The maximum monthly earnings for contribution calculation purposes are five times the minimum urban wage.
The minimum urban wage is 967.50 bolivares a month.
The employer’s contributions also finance sickness and maternity benefits and the marriage grant (see Family Allowances, below).

Government: At least 1.5% of total covered earnings to cover the cost of administration.

Qualifying Conditions

Old-age pension: Age 60 (men) or age 55 (women) with at least 750 weeks of contributions. The pensionable age is lower for those in unhealthy and arduous work.
Retirement is not necessary.
The pension is payable abroad.

Old-age grant: Age 60 (men) or age 55 (women) and does not satisfy the qualifying conditions for the old-age pension.

Disability pension: Paid for the permanent or prolonged loss of over 66.7% of working capacity with 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 last 3 years before the disability began. There is no qualifying period for a disability caused by an accident.
Partial disability pension: Paid for an assessed degree of disability of between 25% and 66.7%.
Constant-attendance supplement: Paid if the insured requires the constant attendance of others to perform daily functions.

Disability grant: Paid for an assessed degree of disability of between 5% and 24%.

Survivor pension: The insured satisfied the qualifying conditions for a pension or was a pensioner at the time of death. There is no qualifying period if the death is caused by an accident.
Eligible survivors are a widow older than age 45 or at any age with dependent children; a partner who cohabited with the deceased for at least 2 years who is older than age 45 or at any age with dependent children; a dependent widower aged 60 or older or disabled; and unmarried children younger than age 14 (age 18 if a student, no limit if disabled). A widow or partner younger than age 45 is eligible for limited benefits. In the absence of other eligible survivors, brothers and sisters younger than age 14 and dependent parents.
The widow(er)’s pension ceases on remarriage and a lump sum is paid.

Survivor grant: The insured did not satisfy the qualifying period for a pension but had at least 100 weeks of contributions during the last 4 years.

Old-Age Benefits

Old-age pension: The pension is equal to the minimum urban wage plus 30% of the reference salary and 1% of earnings for each 50-week period of contributions exceeding 750 weeks.
The reference salary is 20% of covered earnings in the last 5 years or 10% in the last 10 years (whichever is greater).
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The minimum pension is equal to the minimum urban wage.

The minimum urban wage is 967.50 bolivares a month.

Deferred pension: An additional 5% of the pension is paid for each year the pension is deferred after the pensionable age.

**Old-age grant:** The grant is 10% of the insured’s total covered earnings.

Benefit adjustment: Benefits are adjusted periodically according to changes in prices and wages.

**Permanent Disability Benefits**

Disability pension: The pension is equal to the minimum urban wage plus 30% of the reference salary and 1% of earnings for each 50-week period of contributions exceeding 750 weeks.

The reference salary is 20% of covered earnings in the last 5 years or 10% in the last 10 years (whichever is greater).

The minimum pension is equal to the minimum urban wage.

The minimum urban wage is 967.50 bolivares a month.

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

Partial disability: For an assessed degree of disability of between 25% and 66.6%, a percentage of the total disability pension is paid according to the assessed degree of disability.

**Disability grant:** The grant is 36 months of total disability pension multiplied by the assessed degree of disability.

Benefit adjustment: Benefits are adjusted periodically according to changes in prices and wages.

**Survivor Benefits**

**Survivor pension:** An eligible widow(er) or partner receives 40% of the deceased’s pension. Other widows or partners receive a lump sum of 2 years of survivor pension.

Remarriage settlement: A lump sum of 2 years of pension is paid.

**Orphan’s pension:** Each orphan younger than age 14 (age 18 if a student, no limit if disabled) receives 20% of the deceased’s pension; one full orphan receives 40% of the pension; two or more full orphans receive 20% each.

All surviving benefits combined must not exceed 100% of the deceased’s pension.

**Other eligible survivors (in the absence of the above):**

Eligible siblings and parents may receive an amount equal to 10% of the deceased’s total covered earnings.

The amount paid is recalculated if the number of eligible survivors changes.

Benefit adjustment: Pensions are adjusted periodically according to changes in prices and wages.

**Survivor grant:** 10% of the deceased’s total covered earnings is paid.

**Funeral grant:** The grant must not be greater than five times the deceased’s monthly salary.

Benefit adjustment: Benefits are adjusted periodically according to changes in prices and wages.

**Administrative Organization**

Ministry of the People’s Power for Labor and Social Security (http://www.mintra.gov.ve) provides general supervision.

Managed by a tripartite board and director general, the Social Insurance Institute (http://www.ivss.gov.ve) administers the program.

**Sickness and Maternity**

**Regulatory Framework**

**First law:** 1940, with amendments.

**Current law:** 2008 (social security).

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

**Coverage**

Private- and public-sector employees; members of cooperatives; household, seasonal, and occasional workers; and recipients of old-age, disability or survivor benefits; and certain dependents.

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

**Qualifying Conditions**

**Cash sickness and maternity benefits:** Must be currently insured.

**Medical benefits:** Must be currently insured.

**Sickness and Maternity Benefits**

**Sickness benefit:** The benefit is 66.7% of average daily earnings and is paid after a 3-day waiting period for up to 52 weeks; may be extended under certain conditions. The benefit is reduced by 50% if the insured is hospitalized.
Maternity benefit: The benefit is 66.7% of earnings and is paid for up to 6 weeks before and 12 weeks after the date of childbirth.

Workers’ Medical Benefits
Free medical services are normally provided directly to patients by the medical facilities of the Social Security Institute 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.

Dependents’ Medical Benefits
Free medical services are normally provided directly to patients by the medical facilities of the Social Security Institute. Benefits include general and specialist care, hospitalization, laboratory services, medicine, dental care, maternity care, appliances, and transportation.

The maximum duration of medical benefits for the dependents of pensioners is 26 weeks; survivors of pensioners are entitled to medical service benefits for up to 52 weeks.

Administrative Organization
Ministry of the People’s Power for Labor and Social Security (http://www.mintra.gov.ve) provides general supervision.

Managed by a tripartite board and director general, the Social Insurance Institute (http://www.ivss.gov.ve) administers the program.

Work Injury
Regulatory Framework
First law: 1923, with amendments.
Type of program: Social insurance system.

Coverage
Private- and public-sector employees; members of cooperatives; and household and custodial workers.
Exclusions: Self-employed persons.

Source of Funds
Insured person: None.
Self-employed person: Not applicable.
Employer: 0.75% to 10% of covered payroll, according to the assessed degree of risk.
Government: See source of funds under Old Age, Disability, and Survivors, above.

Qualifying Conditions
Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits
The benefit is 100% of the insured’s earnings and is paid after a 3-day waiting period until the insured is rehabilitated, recovered, or certified with a permanent disability.

Constant-attendance supplement: Up to 50% of the pension is paid if the insured requires the constant attendance of others to perform daily functions.

Permanent Disability Benefits
Permanent disability pension: The pension is 100% of the insured’s last covered earnings. If the insured person has an assessed degree of disability of at least 66.7%, is unable to continue in the same job, and is subsequently rehabilitated and reinserted into the workforce, the pension will be reduced based on the percentage of the reassessed degree of disability.

Constant-attendance supplement: Up to 50% of the pension is paid if the insured requires the constant attendance of others to perform daily functions.

Partial disability: For an assessed degree of disability greater than 25% but less than 66.7%, a percentage of the full pension is paid according to the assessed degree of disability. For an assessed degree of disability of up to 25%, a lump sum of 5 years of the full disability pension is paid.

Schedule of payments: Fourteen 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: An eligible widow(er) or partner receives 60% of the deceased’s last covered salary. Other widows or partners receive a lump sum of 2 years of survivor pension.

Eligible survivors are a widow, widower, or partner older than age 45; unmarried children younger than age 18 (age 25 if a student, no limit if disabled); brothers and sisters younger than age 18 (age 25 if a student, no limit if disabled); and other dependent family members.

Orphan’s pension: Each eligible orphan receives 20% of the deceased’s last covered salary, up to 40%; 100% if there are no other eligible survivors. If there are other eligible survivors (excluding a widow(er) or partner), 40% is split equally among orphans and other dependent family members.
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Other eligible survivors (in the absence of the above):
In the absence of an eligible widow(er), partner, or orphan, other dependent family members may each receive 20% of the deceased’s last covered salary, up to 60%.
Schedule of payments: Fourteen payments a year.

Funeral grant: 5,000 bolivares is paid.

Administrative Organization
Ministry of the People’s Power for Labor and Social Security (http://www.mintra.gov.ve) provides general supervision.
National Institute for Prevention, Health, and Security at Work (http://www.inpsasel.gov.ve) manages and administers the program.

Unemployment

Regulatory Framework
First law: 1940, with amendments.
Current law: 2005 (unemployment).
Type of program: Social insurance system.

Coverage
Private- and public-sector employees, members of cooperatives, household and custodial workers, self-employed persons, and apprentices.

Source of Funds
Insured: 0.5% of covered earnings.
The minimum monthly earnings for contribution calculation purposes are equal to one minimum urban wage.
The maximum monthly earnings for contribution calculation purposes are 10 times the minimum urban wage.
The minimum urban wage is 967.50 bolivares a month.
The insured’s contributions also help finance health insurance for unemployed persons.

Self-employed person: 2.5% of covered earnings.
The minimum monthly earnings for contribution calculation purposes are equal to one minimum urban wage.
The maximum monthly earnings for contribution calculation purposes are 10 times the minimum urban wage.
The minimum urban wage is 967.50 bolivares a month.
The self-employed person’s contributions also help finance health insurance for unemployed persons.

Employer: 2% of covered payroll.
The minimum monthly earnings for contribution calculation purposes are equal to one minimum urban wage.
The maximum monthly earnings for contribution calculation purposes are 10 times the minimum urban wage.
The minimum urban wage is 967.50 bolivares a month.
The employer’s contributions also help finance health insurance for unemployed persons.

Government: Contributes as necessary; may subsidize up to 50% of contributions for low-income insured persons.

Qualifying Conditions
Unemployment benefits: The insured must have at least 12 months of contributions in the 24 months before unemployment began and must be available for training or suitable employment. Self-employed persons must have involuntarily lost their income.

Unemployment Benefits
The benefit is 60% of the insured’s average monthly earnings in the last 12 months and is paid for up to 5 months.

Workers’ Medical Benefits
Unemployed insured persons and dependent family members are covered for health insurance for 26 weeks.

Administrative Organization
Ministry of the People’s Power for Labor and Social Security (http://www.mintra.gov.ve) provides general supervision.
Employment services administer training and guidance.
Managed by a tripartite board and director general, the Social Insurance Institute (http://www.ivss.gov.ve) administers the program.

Family Allowances

Regulatory Framework
Marriage grant: A lump sum of 7,000 bolivares is paid with at least 100 weekly contributions made in the 3 years before marriage. (The grant is provided under Old Age, Disability, and Survivors, above.)