

## Seychelles

Exchange rate: US\$1.00 = 12.10 rupees.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First laws:** 1971 (provident fund); and 1987 (social security), implemented in 1988.

**Current laws:** 2005 (Seychelles pension fund) and 2010 (social security fund).

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

#### Coverage

**Social security fund:** All citizens residing in Seychelles.

**Seychelles pension fund:** All citizens who are full-time and part-time employees in the public and private sectors, including casual workers.

Voluntary coverage for self-employed persons.

#### Source of Funds

##### Insured person

*Social security fund:* 2.5% of monthly earnings; household workers pay 50 rupees a month. (5.4% of the combined insured person and employer monthly contribution to the social security fund is transferred 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:* 50 rupees a month or 1% of monthly earnings, whichever is greater.

Additional voluntary contributions are possible.

There are no maximum earnings used to calculate contributions.

##### Self-employed person

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

*Seychelles pension fund:* 100 rupees a month or 2% of monthly earnings, whichever is greater. Additional voluntary contributions are possible.

There are no maximum earnings used to calculate contributions.

##### Employer

*Social security fund:* 20% of gross monthly wages; 50 rupees a month for each household worker. (5.4% of the combined insured person and employer monthly

contribution to the social security fund is transferred 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:* 50 rupees a month or 1% of monthly earnings for each employee, whichever is greater.

##### Government:

*Social security fund:* Contributes as an employer and guarantees the pension benefits. Makes contributions out of the general budget.

*Seychelles pension fund:* 1% of monthly earnings for each insured person.

#### Qualifying Conditions

##### Old-age pension

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

The pension is not payable abroad.

*Old-age benefit (Seychelles pension fund):* Age 60 to 63. The insured must have at least 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.

The pension is payable abroad.

*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 permanently leaves the country.

##### Disability pension

*Disability pension (social security fund):* Must be assessed with at least a 66.7% loss of earning capacity and have resided in Seychelles for at least five years. A reduced pension is paid for a 50% to 74% loss of earning capacity. (The Minister of Finance may waive the residency requirement under special circumstances.)

*Dependent's supplement (income-tested):* Family income must be below 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 adult with a disability who is not receiving any other benefits.

The pension is not payable abroad.

*Disability benefit (Seychelles pension fund):* Must be younger than age 63 and assessed with an incapacity for work by a medical board appointed by the Seychelles pen-

## Seychelles

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sion fund. The benefit is paid after six months of receiving the social security fund disability pension.

The pension is payable abroad.

*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 resided in Seychelles for at least five years.

Eligible survivors are a widow aged 45 or older or with a dependent child younger than age 16 (age 25 if a student), a dependent widower, and full orphans.

The pension ceases on remarriage or cohabitation.

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

Dependent's supplement (income-tested): Family income must be below 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 adult with a disability who is 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 partner who lived with the deceased for at least three years. The surviving spouse must have resided in Seychelles for at least five 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 if there are no eligible surviving spouse or child and if the deceased was younger than the retirement age.

Survivor benefits are payable abroad.

### Old-Age Benefits

**Old-age pension (social security fund):** 2,400 rupees a month is paid.

Benefit adjustment: Benefits are reviewed and adjusted annually according to changes in the cost of living. (Benefits were last adjusted in December 2010.)

**Old-age benefit (Seychelles pension fund):** A percentage of the insured's average monthly earnings in the last five years before retirement is paid, according to four earnings classes.

Any voluntary contributions to the fund may be used to calculate pensions or refunded as a lump sum with interest.

The maximum pension (including the social security fund old-age pension) is 15,000 rupees a month.

**Old-age settlement (Seychelles pension fund):** A lump sum of the total of the insured's and the employer's contributions plus 5% interest is paid. The average lump sum is 20,000 rupees.

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

### Permanent Disability Benefits

**Disability pension (social security fund):** 2,100 rupees 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 at least six months.

Dependent's supplement (income-tested): 900 rupees a month is paid for an adult and 800 rupees 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 according to changes in the cost of living. (Benefits were last adjusted in November 2008.)

**Disability benefit (Seychelles pension fund):** The monthly pension is based on the insured's average monthly earnings in the last five years before the disability is assessed.

**Disability settlement (Seychelles pension fund):** A lump sum of the total of the insured's and the employer's contributions plus 6% interest is paid.

### Survivor Benefits

**Spouse pension (social security fund):** 1,350 rupees a month is paid to an eligible widow or dependent widower. The benefit is paid for up to one year.

A limited benefit is paid for up to 20 business days to a widow(er) who does not qualify for a pension.

Dependent's supplement (income-tested): 900 rupees a month is paid for an adult and 800 rupees a month for each child.

**Orphan's pension (social security fund):** 1,050 rupees a month is paid for each full orphan.

**Funeral grant:** A lump sum of 1,600 rupees is paid.

Benefit adjustment: Benefits are reviewed and adjusted annually according to changes in the cost of living. (Benefits were last adjusted in November 2008.)

**Survivor benefit (Seychelles pension fund):** If there are no eligible surviving children, 80% of the deceased's pension is paid to the surviving spouse 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 up to 50% of the deceased's pension; if the deceased elected to pay a higher pension to surviving children, the spouse's pension is reduced but must not be less than 25% of the deceased's pension.

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

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

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

**Preretirement death benefit (Seychelles pension fund):** A lump sum of the total of the deceased's and the employer's contributions plus 6% interest is paid.

### **Administrative Organization**

Ministry of Finance (<http://www.finance.gov.sc>) administers the social security fund program.

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

Social Welfare Agency, directed by a chief executive officer, administers income-tested benefits.

## **Sickness and Maternity**

### **Regulatory Framework**

**First law:** 1979.

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

**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.

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

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

**Government:** None.

### **Qualifying Conditions**

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

Dependent's supplement (income-tested): Family income must be below 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 adult with a disability who is not receiving any other benefits.

### **Sickness and Maternity Benefits**

**Sickness benefit:** The employer pays the full salary for the first two months and is reimbursed 80% of the amount paid or 2,000 rupees, whichever is lower; thereafter, the social security fund pays up to 1,800 rupees a month for up to 130 working days.

Dependent's supplement (income-tested): 900 rupees a month is paid for an adult and 800 rupees for each child.

Benefit adjustment: Benefits are adjusted periodically according to changes in the cost of living. (Benefits were last adjusted in November 2008.)

**Maternity benefit:** The employer pays the full salary for two weeks before and eight weeks after the expected date of childbirth and is reimbursed 80% of the amount paid up to 1,800 rupees. For a prolonged incapacity resulting from pregnancy or childbirth, a sickness benefit is paid.

Dependent's supplement (income-tested): 900 rupees a month is paid for an adult and 800 rupees for each child.

Benefit adjustment: Benefits are adjusted periodically according to changes in the cost of living. (Benefits were last adjusted in November 2008.)

### **Workers' Medical Benefits**

No statutory benefits are provided.

Government clinics and hospitals provide medical services under the National Health Plan.

### **Dependents' Medical Benefits**

No statutory benefits are provided.

Government clinics and hospitals provide medical services under the National Health Plan.

### **Administrative Organization**

Ministry of Finance (<http://www.finance.gov.sc>) administers the social security fund program.

Social Welfare Agency, directed by a chief executive officer, administers income-tested benefits.

## **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.

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

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

**Government:** None.

### **Qualifying Conditions**

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

Dependent's supplement (income-tested): Family income must be below 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 adult with a disability who is not receiving any other benefits.

### **Temporary Disability Benefits**

For an assessed degree of disability of at least 50%, 1,800 rupees a month is paid for up to 130 working days.

A Ministry of Health medical board assesses the degree of disability.

Dependent's supplement (income-tested): 900 rupees a month is paid for an adult and 800 rupees for each child.

Benefit adjustment: Benefits are adjusted periodically according to changes in the cost of living. (Benefits were last adjusted in November 2008.)

### **Permanent Disability Benefits**

If the insured is assessed with a total disability, 1,300 rupees a month is paid until retirement age after receiving a temporary disability benefit for up to 130 working days.

A Ministry of Health medical board assesses the disability.

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

Dependent's supplement (income-tested): 900 rupees a month is paid for an adult and 800 rupees 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 November 2008.)

### **Workers' Medical Benefits**

Free medical care is provided. Benefits include medical and surgical care, hospitalization, medicine, appliances, and transportation.

### **Survivor Benefits**

1,800 rupees 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 cohabitation.

Benefit adjustment: Pensions are adjusted annually according to changes in the cost of living. (Benefits were last adjusted in November 2008.)

### **Administrative Organization**

Ministry of Finance (<http://www.finance.gov.sc>) administers the social security fund program.

Social Welfare Agency, directed by a chief executive officer, administers income-tested benefits.

## **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 (1,900 rupees a month if full time; 1,475 rupees a month if part time), youth training scheme (1,300 rupees a month), apprenticeship scheme (1,300 rupees a month), and skill acquisition program (1,300 rupees a month).