Brazil
Exchange rate: US$1.00 = 1.57 reais

Old Age, Disability, and Survivors

Regulatory Framework

**First laws:** 1923 (railroads), 1934 (commerce), and 1936 (industry).

**Current laws:** 1991 (social security), 1991 (social insurance), 1993 (social assistance), and 1999 (social insurance regulations).

**Type of program:** Social insurance and social assistance system.

Coverage

**Social insurance:** Employed persons in industry, commerce, and agriculture; rural workers; household workers; some categories of casual workers; elected civil servants; and self-employed persons.

Voluntary coverage for students, housewives, unemployed persons, and other categories.

Special systems for public-sector employees and military personnel.

**Social assistance:** Needy elderly persons or persons with disabilities.

Source of Funds

**Social insurance**

**Insured person:** 8% of covered earnings with total monthly earnings up to 1,107.52 reais; 9% with earnings from 1,107.53 reais to 1,845.87 reais; or 11% with earnings from 1,845.88 reais to 3,691.74 reais. Voluntarily insured contribute 20% of declared earnings or 11% of the legal monthly minimum wage (5% for small businesses with annual income up to 60,000 reais) for the age pension only.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage (545 reais).

The maximum monthly earnings used to calculate contributions are 3,691.74 reais.

The self-employed person’s contributions also finance sickness and maternity benefits.

**Employer:** 20% of covered payroll.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage (545 reais).

The maximum monthly earnings used to calculate contributions are 3,691.74 reais.

Small businesses with annual earnings greater than 60,000 reais but less than 3,600,000 reais contribute 2.75% to 7.83% of monthly declared earnings, depending on annual earnings declared in the last 12 months and the industry sector.

The employer’s contributions also finance sickness and maternity benefits and family allowances.

**Government:** Earmarked taxes finance administrative costs and any deficit.

**Social assistance**

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** The total cost.

Qualifying Conditions

Old-age pension

**Age pension (social insurance):** Age 65 (men) or age 60 (women); age 60 (men) or age 55 (women) for rural workers. Retirement is not necessary.

Persons who were first insured before July 25, 1991, must have 60 to 174 months of contributions, according to a schedule in law; persons first insured since July 25, 1991, must have at least 180 months of contributions. Rural workers who were first insured before July 25, 1991, must show proof of 60 to 174 months of work in the rural sector, according to a schedule in law; rural workers first insured since July 25, 1991, must show proof of 180 months of work in the rural sector.

**Contributory pension (social insurance):** The insured must have at least 35 years of contributions (men) or 30 years of contributions (women); for arduous employment, 15 years to 25 years. Retirement is not necessary.

Early contributory pension: Age 53 with at least 30 years of contributions (men) or age 48 with at least 25 years of contributions (women); for persons first insured before December 16, 1998, the insured must also contribute 40% of the difference between the required contribution years at age 53 (men) or age 48 (women) and the number of years actually paid as of December 16, 1998.
Brazil

The contributory pension is payable abroad under bilateral or multilateral agreement.

**Old-age assistance (social assistance):** Age 65, without remunerated work, and with family monthly earnings less than 25% of the legal monthly minimum wage for each person (136.25 reais). Eligibility is reviewed every two years.

**Disability pension**

**Disability pension (social insurance):** The insured must be assessed with a permanent incapacity to work and have at least 12 months of contributions. The contribution period is waived if the disability is the result of an accident. Employment must cease.

The National Social Security Institute assesses the degree of disability.

The disability pension is payable abroad under bilateral or multilateral agreement.

**Disability benefit (social assistance):** The insured must be assessed with a disability and have family monthly earnings less than 25% of the legal monthly minimum wage for each person (136.25 reais). Eligibility is reviewed every two years.

**Survivor pension (social insurance):** The deceased was a pensioner or insured at the time of death.

Eligible survivors include the widow(er) or partner and children younger than age 21 (no limit if disabled); in the absence of the above (in order of priority), parents and siblings younger than age 21 (no limit if disabled). The pension is split equally among eligible survivors. If one survivor ceases to be eligible, the pensions for the remaining survivors are recalculated.

**Prisoner’s survivor pension (social insurance):** The insured is imprisoned and had monthly income up to 862.60 reais immediately prior to imprisonment.

Eligible survivors include the spouse or partner and children younger than age 21 (no limit if disabled); in the absence of the above (in order of priority), parents and siblings younger than age 21 (no limit if disabled). The pension is split equally among eligible family members. If one family member ceases to be eligible, the pensions for the remaining members are recalculated.

The survivor pensions are payable abroad under bilateral or multilateral agreement.

**Old-Age Benefits**

**Old-age pension**

**Age pension (social insurance):** The monthly benefit is 70% of the insured’s average earnings plus 1% of average earnings for each year of contributions, up to 100%.

For persons first insured before November 29, 1999, average earnings used to calculate benefits are based on the best 80% of monthly earnings since July 1994.

For persons first insured after November 28, 1999, average earnings used to calculate benefits are based on the best 80% of total monthly earnings.

Insured persons may opt for the pension to be calculated using the Factor Previdenciario method. The Factor Previdenciario is an actuarial coefficient based on the insured’s contribution rate, contribution period, age, and life expectancy.

The minimum monthly earnings used to calculate benefits are the legal monthly minimum wage (545 reais).

The maximum monthly earnings used to calculate benefits are 3,691.74 reais.

The minimum monthly age pension is the legal monthly minimum wage (545 reais).

The maximum monthly age pension is 3,691.74 reais.

Schedule of payments: Thirteen payments a year.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index.

**Contributory pension (social insurance):** 100% of the insured’s average earnings is paid.

For persons first insured on or before November 28, 1999, average earnings used to calculate benefits are based on the best 80% of monthly earnings since July 1994, multiplied by the Factor Previdenciario.

For persons first insured after November 28, 1999, average earnings used to calculate benefits are based on the best 80% of total monthly earnings, multiplied by the Factor Previdenciario.

The Factor Previdenciario is not applied to arduous work with 15, 20, or 25 years of contributions.

The Factor Previdenciario is an actuarial coefficient based on the insured’s contribution rate, contribution period, age, and life expectancy.

The minimum monthly earnings used to calculate benefits are the legal monthly minimum wage (545 reais).

The maximum monthly earnings used to calculate benefits are 3,691.74 reais.

The minimum contributory pension is the legal monthly minimum wage (545 reais).

The maximum contributory pension is 3,691.74 reais.

Schedule of payments: Thirteen payments a year.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index.

**Old-age assistance (social assistance):** The monthly benefit is the legal monthly minimum wage (545 reais).

Benefit adjustment: Benefits are adjusted annually according to changes in the minimum wage.
Permanent Disability Benefits

Disability pension

Disability pension (social insurance): 100% of the insured’s average earnings is paid; 100% of the minimum wage for rural workers.

For persons first insured on or before November 28, 1999, average earnings used to calculate benefits are based on the best 80% of monthly earnings since July 1994.

For persons first insured after November 28, 1999, average earnings used to calculate benefits are based on the best 80% of total monthly earnings.

The minimum monthly earnings used to calculate benefits are the legal monthly minimum wage (545 reais).

The maximum monthly earnings used to calculate benefits are 3,691.74 reais.

The minimum monthly pension is the legal monthly minimum wage (545 reais).

The maximum monthly pension is 3,691.74 reais.

Schedule of payments: Thirteen payments a year.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index.

Disability assistance (social assistance): The monthly benefit is the legal monthly minimum wage (545 reais).

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index.

Survivor Benefits

Survivor pension (social insurance): 100% of the pension the deceased received or was eligible to receive is paid; 100% of the minimum wage for rural workers.

The minimum monthly pension is the legal monthly minimum wage (545 reais).

The maximum monthly pension is 3,691.74 reais.

Schedule of payments: Thirteen payments a year.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index or the minimum wage.

Prisoner’s survivor pension (social insurance): 100% of the disability pension the insured was eligible to receive is paid; 100% of the minimum wage for rural workers.

The minimum monthly pension is legal monthly minimum wage (545 reais).

The maximum monthly pension is 862.60 reais.

Schedule of payments: Thirteen payments a year.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index or the minimum wage.

Administrative Organization

Ministry of Social Insurance (http://www.previdencia.gov.br) provides general supervision.


Sickness and Maternity

Regulatory Framework

First laws: 1923 (railroads), 1934 (commerce), and 1936 (industry).

Current laws: 1990 (health), 1991 (social security), and 1991 (social insurance).

Type of program: Social insurance system.

Coverage

Cash sickness and maternity benefits: Employed persons in industry, commerce, and agriculture; rural workers; household workers; some categories of casual workers; elected civil servants; and self-employed persons.

Voluntary coverage for students, housewives, unemployed persons, and other categories.

Special systems for public-sector employees and military personnel.

Medical benefits: Citizens of Brazil.

Source of Funds

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

Self-employed person: See source of funds under Old Age, Disability, and Survivors.

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


Qualifying Conditions

Cash sickness benefits: The insured must have contributed in the last 12 months. There is no qualifying period in the event of an accident or serious illness.

Cash maternity benefits: There is no minimum qualifying period for salaried workers, household workers, and casual workers; 10 months of contributions for self-employed persons. Rural workers must show proof of 10 months of work in the rural sector.

Medical benefits: There is no minimum qualified period.

Sickness and Maternity Benefits

Sickness benefit: 91% of average earnings is paid; 100% of the minimum wage for rural workers. The benefit is paid
after a 15-day waiting period (during which the employer is required to pay 100% of earnings); there is no waiting period for self-employed persons and voluntarily covered persons. There is no limit to duration. Average earnings used to calculate benefits are based on the best 80% of total monthly earnings. The minimum monthly earnings used to calculate benefits are the legal monthly minimum wage (545 reais). The maximum monthly earnings used to calculate benefits are 3,691.74 reais. Schedule of payments: Thirteen payments a year. Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index or the minimum wage. 

**Maternity benefit:** 100% of the last wage is paid; 100% of average earnings in the last 12 months for self-employed and voluntarily covered women; 100% of the minimum wage for rural workers. The benefit is paid for 120 days, from 28 days before until 91 days after the expected date of childbirth. The benefit is paid for two weeks in the case of a miscarriage. The benefit is also paid for 120 days to a woman who adopts a child younger than age 1; 60 days if the child is aged 1 to 4; or 30 days if the child is aged 4 to 8. The minimum monthly earnings used to calculate benefits are the legal monthly minimum wage (545 reais). The maximum monthly earnings used to calculate benefits vary according to the category of worker.

**Workers’ Medical Benefits**
Medical services are provided directly to patients in rural and urban areas through the Unified Health System. Benefits include general, specialist, maternity, and dental care; hospitalization; medicine (some cost sharing is required); and necessary transportation. There is no limit to duration.

**Dependents’ Medical Benefits**
Medical services are provided directly to patients in rural and urban areas through the Unified Health System. Benefits include general, specialist, maternity, and dental care; hospitalization; medicine (some cost sharing is required); and necessary transportation. There is no limit to duration.

**Administrative Organization**

**Work Injury**

**Regulatory Framework**

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

**Coverage**
Employed persons, casual workers, and rural workers. Exclusions: Self-employed persons and household workers.

**Source of Funds**
Insured person: None. Self-employed person: Not applicable. Employer: 1% to 3% of gross payroll according to the assessed degree of risk; 0.1% of gross payroll for employers of rural workers. There are no minimum or maximum earnings used to calculate contributions. Government: None.

**Qualifying Conditions**
Work injury benefits: There is no minimum qualifying period. Accidents that occur while commuting to and from work are covered.

**Temporary Disability Benefits**
91% of average earnings is paid after a 15-day waiting period (during which the employer is required to pay 100% of earnings). No waiting period is required for casual and rural workers. There is no limit to duration. Average earnings used to calculate benefits are based on the best 80% of total monthly earnings. For rural workers, average earnings are 100% of the legal monthly minimum wage. The minimum monthly earnings used to calculate benefits are the legal monthly minimum wage (545 reais). The maximum monthly earnings used to calculate benefits are 3,691.74 reais. Schedule of payments: Thirteen payments a year. Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index.
**Permanent Disability Benefits**

**Permanent disability pension:** 100% of average earnings is paid if the insured is incapable of any work.

Average earnings used to calculate benefits are based on the best 80% of total monthly earnings.

The minimum monthly earnings used to calculate benefits are the legal monthly minimum wage (545 reais).

The maximum monthly earnings used to calculate benefits are 3,691.74 reais.

Constant-attendance supplement: If the insured requires the constant attendance of others to perform daily functions, 25% of the pension is paid.

Schedule of payments: Thirteen payments a year.

National Social Security Institute doctors assess the degree of disability every two years.

**Accident benefit (partial disability):** 50% of average earnings is paid to workers with disabilities who are capable of some kind of work.

Average earnings used to calculate benefits are based on the best 80% of total monthly earnings.

Schedule of payments: Thirteen payments a year.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index.

**Workers’ Medical Benefits**

Medical treatments are directly provided to patients in urban and rural areas by the Unified Health System. Medical and dental treatment, hospital treatment, medicine (some cost sharing is required), and transportation. There is no limit to duration.

**Survivor Benefits**

**Survivor pension:** 100% of the pension the deceased received or was eligible to receive is paid; 100% of the minimum wage for rural workers. The pension is split equally among eligible survivors. If one survivor ceases to be eligible, the pensions for the remaining survivors are recalculated.

Eligible survivors include the widow(er) or partner and children younger than age 21 (no limit if disabled); if there is no widow(er), partner, or child, other eligible survivors include (in order of priority) parents and brothers and sisters younger than age 21 (no limit if disabled).

The minimum monthly pension is the legal monthly minimum wage (545 reais).

The maximum monthly pension is 3,691.74 reais.

Schedule of payments: Thirteen payments a year.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index or the minimum wage.

**Administrative Organization**

Ministry of Health (http://www.saude.gov.br) provides general supervision of the Unified Health System.

Ministry of Social Insurance (http://www.previdencia.gov.br) provides general supervision.


Federal, state, and municipal institutions are part of the Unified Health System and administer medical benefits.

**Unemployment**

**Regulatory Framework**

First laws: 1965 (severance pay fund) and 1986 (unemployment insurance).

Current law: 1990 (unemployment insurance) and 1991 (traditional fishermen).

Type of program: Social assistance system.

Note: Employers contribute 8% of earnings to the Guarantee Fund for Severance Pay (FGTS), which has individual savings accounts to which the insured has access in the event of unemployment, marriage, retirement, and other contingencies.

**Coverage**

Persons employed in the formal private sector and other categories of workers, such as household workers and fishermen (during closed season periods).

Exclusions: Self-employed persons.

**Source of Funds**

**Insured person:** None.

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

**Employer:** None.

**Government:** The total cost is financed by earmarked taxes.

**Qualifying Conditions**

**Unemployment benefits:** The insured must have worked at least six of the last 36 months. If the insured had six months to 11 months of coverage, the benefit is paid for three months; if the insured had 12 months to 23 months of coverage, for four months; 24 months or more of coverage in the last 36 months, five months. Unemployment must not be due to misconduct or resignation. The insured must lack other resources to support self or family and must not receive other social insurance benefits.Unemployment Benefits

**Unemployment benefit (means-tested):** The monthly benefit varies according to average earnings in the last
three months of employment: 80% of average earnings is paid with average earnings up to 899.67 reais; 50% of average earning plus a lump sum of 719.12 reais with average earnings of 899.68 reais to 1,499.58 reais; a lump sum of 1,019.70 with average earnings greater than 1,499.58 reais.

The minimum monthly benefit is the legal monthly minimum wage (545 reais).

The maximum monthly benefit is 1,019.70 reais.

The benefit is paid for three to five months, depending on the insured’s duration of coverage. Under special conditions, the benefit may be extended for an additional two months.

Benefit adjustment: Benefits are adjusted annually according to changes in the minimum wage.

Administrative Organization
Ministry of Labor and Employment (http://www.mte.gov.br) provides general supervision.
Worker Assistance Fund Advisory Council administers the program.

Family Allowances

Regulatory Framework
First law: 1941 (large families).
Current laws: 1991 (social insurance) and 1998 (family allowances).
Type of program: Employment-related system.

Coverage
Low-income employees with one or more children.
Exclusions: Household, casual, and rural workers; elected civil servants; and 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: See source of funds under Old Age, Disability, and Survivors.

Qualifying Conditions
Family allowances (income-tested): Employees with monthly income up to 862.60 reais. The child must be younger than age 14. The parents are required to present annual proof of vaccinations for children up to age 6 and proof of school attendance each semester from age 7. The parent must be currently in insured employment or receiving a sickness benefit. The allowance is paid to both parents if both are insured.

Family Allowance Benefits
Family allowances (income-tested): 29.43 reais is paid monthly for each child if the insured’s earnings do not exceed 573.91 reais; 20.74 reais a month if earnings are between 573.92 reais and 862.60 reais.

Employers pay allowances and the total cost is reimbursed by the National Social Security Institute.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index.

Administrative Organization
Ministry of Social Insurance (http://www.previdencia.gov.br) provides general supervision.
Employers pay benefits to employees.