Brazil

Exchange rate: US$1.00 = 2.02 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), 1999 (social insurance regulations), and 2013 (special disability pensions).

Type of program: Social insurance and social assistance system.

Coverage

Social insurance: Salaried workers in industry, commerce, and agriculture; rural workers; household workers; casual workers; elected civil servants; and self-employed persons.

Voluntary coverage for students, housewives, unemployed persons, and others persons without gainful employment.

Special systems for public-sector employees and military personnel.

Social assistance: Needy elderly or disabled persons.

Source of Funds

Insured person

Social insurance: 8% of covered earnings with monthly earnings up to 1,247.70 reais; 9% with earnings from 1,247.71 reais to 2,079.50 reais; or 11% with earnings from 2,079.51 reais to 4,159.15 reais. Voluntarily insured persons may 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 or for housewives) if they forego the right to the contributory pension.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is 678 reais.

The maximum monthly earnings used to calculate contributions are 4,159 reais.

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

Social assistance: None.

Employer

Social insurance: 20% of covered payroll.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is 678 reais.

The maximum monthly earnings used to calculate contributions are 4,159 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.

Social assistance: None.

Government

Social insurance: Earmarked taxes finance administrative costs and any deficit.

Social assistance: The total cost.

Qualifying Conditions

Old-age pension

Age pension (social insurance): Age 65 (men) or age 60 (women) for salaried and self-employed urban workers; age 60 (men) or age 55 (women) for rural workers. Retirement is not necessary.

Urban workers who were first insured before July 25, 1991, must have 60 to 180 months of contributions, according to a schedule in law; urban workers 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 180 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.

Age pension for persons with disabilities (social insurance): Age 60 (men) or age 55 (women) and assessed with a long-term physical, mental, intellectual, or sensory disability.

Contributory pension (social insurance): At least 35 years of contributions (men) or 30 years of contributions (women);
for workers exposed to hazardous substances, 15 to 25 years. Retirement is not necessary.

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

Contributory pension for persons with disabilities (social insurance): Age 60 (men) or age 55 (women) with at least 15 years of contributions and assessed with a long-term physical, mental, intellectual, or sensory disability; with at least 25 years (men) or 20 years (women) of contributions if assessed with a severe disability; at least 29 years (men) or 24 years (women) of contributions if assessed with a moderate disability; or at least 33 years (men) or 28 years (women) of contributions if assessed with a mild disability. The National Social Security Institute assesses the degree of disability.

Old-age assistance (social assistance): Age 65, not gainfully employed, and with monthly household income of less than 25% of the legal monthly minimum wage (169.50 reais) per person. Eligibility is reviewed every two years.

The legal monthly minimum wage is 678 reais.

Disability pension

Disability pension (social insurance): Assessed with a permanent incapacity for work and has 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): Assessed with a disability and with monthly household income of less than 25% of the legal monthly minimum wage (169.50 reais) per person. Eligibility is reviewed every two years.

The legal monthly minimum wage is 678 reais.

Survivor pension (social insurance): The deceased received or was entitled to receive an old-age or disability pension at the time of death. Eligible survivors include the widow(er) or partner and children younger than age 21 (no limit if disabled); if there is no eligible widow(er), partner, or child (in order of priority), parents and siblings younger than age 21 (no limit if disabled).

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

Prisoner’s survivor pension (social insurance): The insured is imprisoned and had monthly income up to 971.78 reais immediately prior to imprisonment. Eligible survivors include the widow(er) or partner and children younger than age 21 (no limit if disabled); if there is no eligible widow(er), partner, or child (in order of priority), parents and siblings younger than age 21 (no limit if disabled).

Old-Age Benefits

Old-age pension

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

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.

The maximum monthly earnings used to calculate benefits are 4,159 reais.

The minimum monthly age pension is the legal monthly minimum wage.

The legal monthly minimum wage is 678 reais.

The maximum monthly age pension is 4,159 reais.

Age pension for persons with disabilities (social insurance): Calculated in the same way as the age pension (social insurance).

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 before November 29, 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 work with exposure to hazardous substances 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.
Brazil

The minimum monthly earnings used to calculate benefits are the legal monthly minimum wage.

The maximum monthly earnings used to calculate benefits are 4,159 reais.

The minimum contributory pension is the legal monthly minimum wage.

The legal monthly minimum wage is 678 reais.

Contributory pension for persons with disabilities (social insurance): Calculated in the same way as the contributory pension (social insurance).

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.

The legal monthly minimum wage is 678 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.

The maximum monthly earnings used to calculate benefits are 4,159 reais.

The minimum monthly pension is the legal monthly minimum wage.

The legal monthly minimum wage is 678 reais.

The maximum monthly pension is 4,159 reais.

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

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.

The legal monthly minimum wage is 678 reais.

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

Survivor Benefits

Survivor pension (social insurance): 100% of the old-age or disability pension the deceased received or was entitled to receive (100% of the minimum wage for rural workers) is split equally among eligible survivors. If one survivor ceases to be eligible, the pensions for the remaining survivors are recalculated.

The minimum monthly pension is the legal monthly minimum wage.

The legal monthly minimum wage is 678 reais.

The maximum monthly pension is 4,159 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 would have been entitled to receive if disabled (100% of the minimum wage for rural workers) is split equally among eligible survivors. If one survivor ceases to be eligible, the pensions for the remaining survivors are recalculated.

The minimum monthly pension is legal monthly minimum wage.

The legal monthly minimum wage is 678 reais.

The maximum monthly pension is 971.78 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 persons without gainful employment.

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.

**Government:** The cost of medical benefits.

**Qualifying Conditions**

**Cash sickness benefits:** The insured must have contributed in the last 12 months. There is no qualifying period for 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 in predominantly family based subsistence activities 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 (the employer pays 100% of earnings for the first 15 days); there is no waiting period for self-employed persons or voluntarily insured 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.

The legal monthly minimum wage is 678 reais.

The maximum monthly earnings used to calculate benefits are 4,159 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 for employed women, household workers, and casual workers; 100% of average earnings in the last 12 months for self-employed and voluntarily insured women; 100% of the minimum wage for rural workers in predominantly family based subsistence activities. The benefit is paid for 120 days, from 28 days before to 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 12.

The minimum monthly earnings used to calculate benefits are the legal monthly minimum wage.

The legal monthly minimum wage is 678 reais.

The maximum monthly earnings used to calculate benefits are 28,059.29 reais for employed women and casual workers; 4,159 reais for household workers, self-employed persons, and voluntarily insured women; and 678 reais for rural workers in predominantly family based subsistence activities.

**Workers’ Medical Benefits**

The Unified Health System provides medical services directly to patients in rural and urban areas. 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 benefits for dependents are the same as those for the insured.

**Administrative Organization**


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

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

**Work Injury**

**Regulatory Framework**

**First laws:** 1919, 1944, and 1967.
Brazil

**Current laws:** 1991 (social security) and 1991 (social insurance).

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

**Coverage**
Employed persons, casual workers, household workers, and rural workers in predominantly family based subsistence activities.

Exclusions: Self-employed persons.

**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 in predominantly family based subsistence activities.

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 (the employer pays 100% of earnings for the first 15 days). There is no waiting period for casual workers, household workers, or rural workers in predominantly family based subsistence activities.

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.

The legal monthly minimum wage is 678 reais.

The maximum monthly earnings used to calculate benefits are 4,159 reais.

Schedule of payments: Thirteen payments a year.

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

**Workers’ Medical Benefits**
The Unified Health System provides medical services directly to patients in urban and rural areas by the Unified Health System. Benefits include medical and dental care, hospitalization, medicine (some cost sharing is required), and transportation. There is no limit to duration.

**Survivor Benefits**

**Survivor pension:** 100% of the permanent disability pension the deceased received or was entitled to receive is paid; 100% of the minimum wage for rural workers in predominantly family based subsistence activities. 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.

The legal monthly minimum wage is 678 reais.

The maximum monthly pension is 4,159 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.
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 an employee’s individual account in the Guarantee Fund for Severance Pay (FGTS). The insured may withdraw funds from an individual account 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. Unemployment must not be due to misconduct or resignation. Must have no other means of support and must not receive other social insurance benefits.

Unemployment Benefits

Unemployment benefit (means tested): The monthly benefit varies according to the insured’s average earnings in the last three months of employment: 80% of average earnings is paid with average earnings up to 1,090.43 reais; 50% of average earnings plus a lump sum of 872.35 reais with average earnings of 1090.44 reais to 1,817.56 reais; a lump sum of 1,235.91 with average earnings greater than 1,817.56 reais.

The minimum monthly benefit is the legal monthly minimum wage.

The legal monthly minimum wage is 678 reais.

The maximum monthly benefit is 1,235.91 reais.

The benefit is paid for three to five months, depending on the insured’s duration of coverage. With six to 11 months of coverage, the benefit is paid for three months; with 12 to 23 months of coverage, four months; and with 24 months or more of coverage, five months. 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.trabalho.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), 1998 (family allowances), and 2004 (Bolsa Familia).

Type of program: Employment-related and social assistance system.

**Coverage**

Employment-related scheme: Low-income employees with one or more children.
Exclusions: Household, casual, and rural workers; elected civil servants; and self-employed persons.
Social assistance: Brazilian citizens living in poor or extremely poor households.

**Source of Funds**

Insured person

Employment-related scheme: See source of funds under Old Age, Disability, and Survivors.
Social assistance: None.

Self-employed person

Employment-related scheme: Not applicable.
Social assistance: None.
Brazil

Employer

Employment-related scheme: See source of funds under Old Age, Disability, and Survivors.

Social assistance: None.

Government

Employment-related scheme: See source of funds under Old Age, Disability, and Survivors.

Social assistance: The total cost.

Qualifying Conditions

Family allowances (employment related and income tested): Employees with monthly income up to 971.78 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.

Bolsa Familia cash grant (social assistance): Children aged 6 to 15 must maintain an 85% school attendance rate; 75% for children aged 16 to 17. Children younger than age 15 at risk of child labor must attend scheduled educational activities. Families must meet basic vaccination requirements for children younger than age 7, and women aged 14 to 44 must attend medical check-ups, including prenatal exams for pregnant women.

Family Allowance Benefits

Family allowances (employment related and income tested): 33.16 reais is paid monthly for each child if the insured’s earnings do not exceed 646.55 reais; 23.36 reais a month if earnings are between 646.55 reais and 971.78 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.

Bolsa Familia cash grant (social assistance): With monthly household income of up to 70 reais per person, a basic benefit of 70 reais a month is paid. An additional variable monthly benefit of 32 reais a month is paid for each child younger than age 16, for pregnant women for up to nine months of pregnancy, and for breastfeeding mothers for up to six months, up to five payments per household; and 38 reais a month for each child aged 16 to 17, up to two payments per household. If monthly household income per person including the basic and variable benefit is less than 70 reais a month, the difference between the monthly household income per person and 70 reais is paid.

Administrative Organization

Employment-related scheme

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


Employers pay benefits to employees.

Social Assistance (Bolsa Familia)

Ministry of Social Development and Fight Against Hunger (http://www.mds.gov.br) provides general supervision.

Interministerial Administrating Council for the Bolsa Familia Program coordinates the program’s administration.