

Algeria

Exchange rate: US\$1.00 = 87.81 dinars.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1949.

Current laws: 1983 (social security), implemented in 1984, and 1994 (early pension).

Type of program: Social insurance system.

Coverage

All employed persons with a labor contract, household workers, veterans, and certain categories of fishermen and apprentices with earnings of at least half the legal minimum wage.

The legal monthly minimum wage is 18,000 dinars.

Special systems for military personnel and self-employed persons (nonwage earners).

Source of Funds

Insured person: 7% of gross earnings (old age). See Sickness and Maternity for disability and survivors benefits and the death grant.

Self-employed person: Not applicable.

Employer: 10.25% of gross payroll (old age). See Sickness and Maternity for disability and survivors benefits and the death grant.

Government: None; the government subsidizes the minimum pension.

Qualifying Conditions

Old-age pension: Age 60 (men) or age 55 (women and veterans) with at least 15 years of contributions; any age with at least 32 years of contributions or for workers with a total disability who do not qualify for a disability pension.

Employment must cease.

Workers who do not have the required number of years of coverage at the normal retirement age can continue working for up to five years to qualify.

The retirement age is reduced for persons employed in arduous or unhealthy work, women who have raised at least one child for at least nine years, and veterans with a disability.

Partial pension: Age 50 (men) with at least 20 years of contributions and age 45 (women) with at least 15 years

of contributions (women) and voluntarily retired from employment.

Early pension: Age 50 (men) and age 45 (women) with at least 20 years of contributions. The insured must be involuntarily unemployed due to economic factors such as downsizing or business closure, must have worked at least three of the last 10 years for the same employer, and must not receive income from any professional activity.

Dependent spouse's supplement: Paid for a dependent spouse with no income.

Constant-attendance supplement: Paid if the insured requires the constant attendance of others to perform daily functions.

Retirement settlement: Age 60 with at least five years or 20 quarters of coverage and less than 15 years of contributions.

All old-age benefits are payable abroad only under reciprocal agreement.

Disability pension: Must be assessed with a total (100%) loss of working capacity and have at least 60 days of employment in the last 12 months or 180 days in the last three years.

Partial disability: Must be assessed with at least a 50% loss of earning capacity.

Constant-attendance supplement: Paid if the insured requires the constant attendance of others to perform daily functions.

All disability benefits are payable abroad only under reciprocal agreement.

Survivor pension: The deceased received or was entitled to receive an old-age or disability pension.

Death grant: The deceased had at least 15 days (or 100 hours) of insured employment in the three months before death.

Eligible survivors include a widow(er) of any age; children younger than age 18 (age 25 if an apprentice with earnings up to half the legal minimum wage, age 21 if a student, no limit if disabled or a daughter without income); and dependent parents with income below the minimum old-age pension.

The legal monthly minimum wage is 18,000 dinars.

All survivor benefits are payable abroad only under reciprocal agreement.

Old-Age Benefits

Old-age pension: 2.5% of the insured's average monthly earnings in the five years before retirement or the best five years of the total professional career, whichever is greater, multiplied by the number of years of contributions, up to 80%, is paid.

To calculate the pension, each covered year or covered quarter is based on 180 days or 45 days of work, respectively.

The minimum pension is 75% of the legal monthly minimum wage.

The maximum pension is 15 times the legal monthly minimum wage.

The legal monthly minimum wage is 18,000 dinars.

Dependent spouse's supplement: 2,500 dinars is paid.

Constant-attendance supplement: 40% of the insured's pension is paid. The minimum supplement is 12,000 dinars a year.

Partial pension and early pension: The pension is reduced by 1% for each year the pension is taken before the normal retirement age. The pension is increased by 1% every 12 months until the pensioner reaches the normal retirement age. The pension is then recalculated using the number of years the pension was taken before the normal retirement age and the insured's total coverage period.

Early pension: A lump sum is paid according to the number of years that the insured retires before the normal retirement age (The benefit is financed by the employer. The employer directs the contribution to the specific fund which pays the pensioner).

The minimum early pension is 75% of the legal monthly minimum wage.

The legal monthly minimum wage is 18,000 dinars.

Retirement settlement: A lump sum of 2.5% of the insured's average monthly earnings in the five years before retirement or the best five years of the total work history, whichever is greater, multiplied by the number of years of contributions is paid.

Benefit adjustment: Benefits are adjusted annually in May.

Permanent Disability Benefits

Disability pension: 80% of the insured's average earnings in the last year or the best three years of the insured's total work history, whichever is greater, is paid.

At the normal retirement age, the disability pension ceases and is replaced by the old-age pension of at least the same amount.

Constant-attendance supplement: 40% of the pension is paid.

Partial disability: 60% of the insured's average earnings in the last year or the best three years of the insured's total work history, whichever is greater, is paid.

The minimum pension is 75% of the legal monthly minimum wage.

The legal monthly minimum wage is 18,000 dinars.

Benefit adjustment: Benefits are adjusted annually in May.

Survivor Benefits

Spouse's pension: 75% (50% if there are other survivors) of the old-age or disability pension the deceased received or was entitled to receive is paid to the widow(er). If there is more than one widow, the pension is split equally.

Other eligible survivors: 30% of the old-age or disability pension the deceased received or was entitled to receive is paid for one other survivor; 40% is split equally if there is more than one other survivor.

If there is no surviving spouse, 45% of the old-age or disability pension the deceased received or was entitled to receive is paid to a full orphan and 30% to a dependent parent.

All survivor benefits combined must be at least 75% of the legal monthly minimum wage.

The legal monthly minimum wage is 18,000 dinars.

All survivor benefits combined must not exceed 90% of the old-age or disability pension the deceased received or was entitled to receive.

Benefit adjustment: Benefits are adjusted annually in May.

Death grant: A lump sum of 12 times the deceased's best monthly earnings in the year before death is paid.

The minimum death grant is 12 times the legal monthly minimum wage.

The legal monthly minimum wage is 18,000 dinars.

Administrative Organization

Ministry of Labor, Employment and Social Security provides general supervision.

National Retirement Fund (<http://www.cnr-dz.com>) administers the old-age program for salaried employees.

National Social Insurance Fund (<http://www.cnas.dz>) administers the disability and survivors program for salaried employees.

National Social Security Fund for Nonwage Earners (<http://www.casnos.com.dz>) administers the old-age and disability program for nonwage earners (self-employed persons).

Sickness and Maternity

Regulatory Framework

First law: 1949.

Current law: 1983 (social security), implemented in 1984.

Type of program: Social insurance system.

Coverage

Cash and medical benefits: Employed persons.

Medical benefits only: Self-employed persons; unemployment beneficiaries, early pensioners, national liberation war pensioners, persons with at least a 50% assessed degree of disability, unemployed students and their dependents; social assistance beneficiaries.

Source of Funds

Insured person: 1.5% of gross earnings.

The insured person's contributions also finance disability benefits, survivor benefits, and the death grant under Old Age, Disability, and Survivors.

Self-employed person: 7.5% of annual taxable income (medical benefits).

Employer: 12.5% of gross payroll.

The employer's contributions also finance disability benefits, survivor benefits, and the death grant under Old Age, Disability, and Survivors.

Government: None.

Qualifying Conditions

Cash sickness benefits: Must be in covered employment when the incapacity began. For up to six months of benefits, the insured must have been employed for at least 15 days (or 100 hours) in the last quarter or 60 days (or 400 hours) in the last 12 months; for more than six months of benefits, the insured must have been employed for at least 60 days (or 400 hours) in the last 12 months or 180 days in the last three years.

Cash maternity benefits: Must have at least 15 days (or 100 hours) of insured employment in the last three months or 60 days (or 400 hours) in the last 12 months before the pregnancy began.

Medical benefits: Must have at least 15 days (or 100 hours) of insured employment in the three months before the year in which the incapacity began or 60 days (or 400 hours) of employment in the last 12 months.

Sickness and Maternity Benefits

Sickness benefit: 50% of the insured's daily wage (100% for an extended illness or hospitalization) is paid for the first 15 days; 100% from the 16th day up to three years (four years under certain circumstances).

The minimum earnings used to calculate the benefit is eight times the legal hourly minimum wage.

The legal hourly minimum wage is 103.84 dinars.

Maternity benefit: 100% of the insured's earnings is paid for up to 14 weeks, including up to six weeks before the expected date of childbirth.

The minimum earnings used to calculate the benefit is eight times the legal hourly minimum wage.

The legal hourly minimum wage is 103.84 dinars.

Workers' Medical Benefits

Benefits include medical treatment, surgery, hospitalization, medicine, laboratory services, ophthalmological and optical services, some dental care, functional and vocational rehabilitation, prostheses, specialized treatments, and transportation.

Government hospitals provide free medical care for an unlimited duration for certain categories of sickness; some categories may require cost sharing.

Cost sharing: Medical expenses are reimbursed at 80%; 100% for insured persons with chronic diseases, work injury beneficiaries with an assessed degree of disability of more than 50%, and old-age or disability pensioners with income below the legal minimum wage.

The legal monthly minimum wage is 18,000 dinars.

Maternity care is reimbursed at 100%, including hospital stays of up to eight days.

Dependents' Medical Benefits

Medical benefits for dependents are the same as those for the insured.

Administrative Organization

Ministry of Labor, Employment and Social Security provides general supervision.

National Social Insurance Fund (<http://www.cnas.dz>) administers the program for salaried employees.

National Social Security Fund for Nonwage Earners (<http://www.casnos.com.dz>) administers the program for nonwage earners (self-employed persons).

Work Injury

Regulatory Framework

First law: 1919.

Current law: 1983 (social security), implemented in 1984.

Type of program: Social insurance system.

Coverage

Employed persons, apprentices, students (including those in technical schools), trainees, and persons undergoing medical or vocational rehabilitation.

Exclusions: Self-employed persons.

Source of Funds

Insured person: None.

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Self-employed person: Not applicable.

Employer: 1.25% of gross payroll.

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

100% of the insured's net daily salary is paid from the day after the disability began until full recovery or certification of permanent disability.

The minimum earnings used to calculate the benefit is 3.33% of the legal monthly minimum wage.

The legal monthly minimum wage is 18,000 dinars.

Permanent Disability Benefits

Permanent disability pension: The insured's average earnings in the last 12 months before the disability began multiplied by the assessed degree of disability is paid.

A lump sum is paid if the assessed degree of disability is less than 10%.

The minimum annual earnings used to calculate the pension is 2,300 times the legal hourly minimum wage.

The legal hourly minimum wage is 103.84 dinars.

Constant-attendance supplement: If the insured requires the constant attendance of others to perform daily functions, 40% of the permanent disability pension is paid.

Foreign worker settlement: If there is no reciprocal agreement, a lump sum of three times the annual permanent disability pension the insured would be eligible to receive is paid to injured foreign workers who leave the country permanently.

Workers' Medical Benefits

Benefits include medical treatment, surgery, hospitalization, medicine, laboratory services, ophthalmological and optical services, some dental care, prostheses, functional and vocational rehabilitation, specialized treatments, and transportation.

There is no limit to duration.

Survivor Benefits

Survivor pension: 75% (50% if there are other eligible survivors) of the deceased's average earnings in the 12 months before the date of the accident resulting in the insured's death is paid. If there is more than one widow, the pension is split equally.

Eligible survivors include a widow of any age; children younger than age 18 (age 25 if an apprentice with earnings

up to half the legal minimum wage, age 21 if a student, no limit if disabled or a daughter without income); and dependent parents with income below the legal monthly minimum wage.

The legal monthly minimum wage is 18,000 dinars.

Survivors of foreign workers are eligible for benefits if they reside in Algeria or are covered under a reciprocal agreement.

Other eligible survivors: 30% of the deceased's average earnings is paid for one survivor; 40% is split equally if there is more than one eligible survivor.

If there is no surviving spouse, 45% of the deceased's average earnings is paid for a full orphan and 30% to a dependent parent.

All survivor benefits combined must not exceed 90% of the deceased's average annual earnings. The deceased's average annual earnings must be at least 2,300 times the legal hourly minimum wage.

The legal hourly minimum wage is 103.84 dinars.

Death grant: A lump sum of 12 times the deceased's best monthly earnings in the year before death is paid.

The minimum death grant is 12 times the legal monthly minimum wage.

The legal monthly minimum wage is 18,000 dinars.

Administrative Organization

Ministry of Labor, Employment and Social Security provides general supervision.

National Social Insurance Fund (<http://www.cnas.dz>) administers the program.

Unemployment

Regulatory Framework

First and current law: 1994 (unemployment).

Type of program: Social insurance system.

Coverage

Residents of Algeria.

Exclusions: Self-employed persons.

Source of Funds

Insured person: 0.5% of gross earnings.

Self-employed person: Not applicable.

Employer: 1% of gross payroll.

Government: None.

Qualifying Conditions

Unemployment benefit: Must be involuntarily unemployed; must have at least three years of contributions, including six months before unemployment; must not receive income from any work-related activity; must have been looking for work for at least three months. The previous employer must have paid all required social security contributions.

Lump-sum subsidy: The insured must have worked for the same employer for more than three years.

Unemployment Benefits

The benefit is calculated using a reference salary of 50% of the sum of the insured's average monthly earnings in the last 12 months and the legal monthly minimum wage. The benefit is paid for two months for each year of contributions, up to 36 months.

The legal monthly minimum wage is 18,000 dinars.

The minimum duration of benefit entitlement is 12 months.

Benefits are paid in four parts: 100% of the reference salary during the first period, 80% during the second period, 60% during the third period, and 50% during the fourth period.

The minimum monthly benefit is 70% of the legal monthly minimum wage.

The maximum monthly benefit is three times the legal monthly minimum wage.

The legal monthly minimum wage is 18,000 dinars.

Lump-sum subsidy: The employer pays 80% of the insured's average monthly earnings in the last year for each year of employment (up to 12 years).

Unemployment beneficiaries and their dependents are eligible for sickness, maternity, and family benefits (entitlement may continue for up to 12 months after the unemployment benefit ceases). Periods during which the unemployment benefit has been paid are credited when calculating old-age, disability, and survivor pensions.

Administrative Organization

Ministry of Labor, Employment and Social Security provides general supervision.

National Unemployment Insurance Fund (<http://www.cnac.dz>) administers the program.

Family Allowances

Regulatory Framework

First and current law: 1941 (family benefits).

Type of program: Employment-related system.

Coverage

Nonagricultural employees and social insurance beneficiaries.

Exclusions: Self-employed persons.

Special systems for public-sector employees and employees of certain agricultural cooperatives.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: The total cost of the school allowance.

Government: The total cost of family allowances.

Qualifying Conditions

Family benefits: The child must be younger than age 17 (age 18 if an apprentice, age 21 if a student or disabled). The insured must earn at least half the legal monthly minimum wage; have a disability or illness; or receive an unemployment benefit or old-age pension.

The legal monthly minimum wage is 18,000 dinars.

School allowance: Paid for children older than age 6. The insured must earn at least half the legal monthly minimum wage; have a disability or illness; or receive an unemployment benefit or old-age pension.

The legal monthly minimum wage is 18,000 dinars.

Family Allowance Benefits

Family allowances: If family earnings are 15,000 dinars a month or less, 600 dinars a month is paid for each of the first five children and 300 dinars for each additional child; for more than 15,000 dinars a month, 300 dinars a month is paid for each child.

School allowance: If family earnings are 15,000 dinars a month or less, 800 dinars a year is paid for each of the first five children and 400 dinars for each additional child; for more than 15,000 dinars a month, 400 dinars a year is paid for each child. The school allowance is paid once a year in addition to family allowances.

Administrative Organization

Ministry of Labor, Employment and Social Security provides general supervision.

National Social Insurance Fund (<http://www.cnas.dz>) administers the program.