

## Seychelles

Exchange rate: US\$1.00 = 12.98 rupees.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First laws:** 1971 (provident fund) and 1987 (social security).

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

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

#### Coverage

**Social security fund (universal):** Citizens who reside in the Seychelles.

**Seychelles pension fund (social insurance):** Employed persons, including casual and part-time workers.

#### Source of Funds

##### Insured person

*Social security fund (universal):* None.

*Seychelles pension fund (social insurance):* 2% of gross monthly earnings.

Additional voluntary contributions of at least 50 rupees are possible.

There are no maximum earnings used to calculate contributions.

##### Self-employed person

*Social security fund (universal):* None.

*Seychelles pension fund (social insurance):* 4% of gross monthly earnings.

There are no maximum earnings used to calculate contributions.

##### Employer

*Social security fund (universal):* None.

*Seychelles pension fund (social insurance):* 2% of monthly employee's earnings.

The employer's contributions to the social security fund also finance sickness and maternity and work injury benefits.

##### Government:

*Social security fund (universal):* The total cost is financed from earmarked income tax.

*Seychelles pension fund (social insurance):* None.

### Qualifying Conditions

#### Old-age pension

*Old-age pension (social security fund):* Age 63 and a resident of the Seychelles for at least five years immediately before the date of retirement. (The residency requirement may be waived under special circumstances).

The pension is not payable abroad.

*Old-age benefit (Seychelles pension fund):* Age 63 (compulsory) with at least 10 years of continuous contributions to the Seychelles pension fund immediately before retirement or a total of 20 years of contributions to the social security fund before June 30, 2010, and/or the Seychelles pension fund prior to reaching the retirement age. May continue working past retirement age or become re-employed after retiring if the salary is higher than the pre-retirement earnings or the earnings at the retirement age.

Early retirement: Age 60 with at least 10 years of continuous contributions to the Seychelles pension fund immediately before retirement or a total of 20 years of contributions to the social security fund and/or the Seychelles pension fund. Military personnel may retire at 55.

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 75% loss of earning capacity and have resided in the Seychelles for at least five years. (The residency requirement may be waived under special circumstances).

Partial disability: Must be assessed with at least a 50% loss of earning capacity and have resided in the Seychelles for at least five years. (The residency requirement may be waived 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 of 80% to 100%.

A medical board appointed by the Seychelles pension fund assesses the degree of incapacity for work and determines how long the pension is paid.

The pension is payable abroad.

**Disability settlement (Seychelles pension fund):** The insured does not qualify for the disability benefit.

### Survivor pension

**Survivor pension (social security fund):** The deceased resided in the Seychelles for at least five years.

Eligible survivors include 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.

**Abandoned child's benefit (social security fund):** Paid to a child aged 15 or older who is abandoned by the parents and is in full time education or training.

**Funeral grant (social security fund):** Paid to the person who pays for the funeral.

**Survivor benefit (Seychelles pension fund):** The deceased was insured.

Eligible survivors include a widow(er) or partner who lived with the deceased for at least three years. The benefit is not paid if the surviving spouse or partner is cohabiting with another person at the time of insured's death. The surviving spouse must have resided in the Seychelles for at least five years (may be waived in special circumstances). Eligible surviving children must be younger than age 18 (age 26 if a full-time student).

**Preretirement death benefit (Seychelles pension fund):** The deceased was younger than the retirement age at the time of death. Paid to a named survivor if there is no eligible surviving spouse or child up to age 18 (25 if a full-time student).

**Post retirement death benefit (Seychelles pension fund):** The deceased was a pensioner at the time of death. Paid to the deceased's spouse or dependent.

Survivor benefits are payable abroad.

### Old-Age Benefits

**Old-age pension (social security fund):** 2,950 rupees a month is paid.

Benefit adjustment: Benefits are reviewed and adjusted annually according to changes in the cost of living.

**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 is 17,000 rupees a month.

**Old-age settlement (Seychelles pension fund):** A lump sum is paid.

**Migration allowance (Seychelles pension fund):** A lump sum of the total of the insured's and the employer's contributions plus 4% interest is paid.

### Permanent Disability Benefits

**Disability pension (social security fund):** 2,380 rupees a month is paid.

Partial disability (earnings tested): A reduced pension is paid until retirement age after receiving sickness benefits for at least six months.

Dependent benefit (income tested): 1,200 rupees a month is paid for an adult and 1,130 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.

**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 4% interest is paid.

### Survivor Benefits

**Spouse's pension (social security fund):** 2,380 rupees a month is paid to an eligible widow or dependent widower for up to one year.

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

Dependent benefit (income tested): 1,200 rupees a month is paid for an adult and 1,130 rupees a month for each child.

**Orphan's pension (social security fund):** 1,440 rupees a month is paid for each full orphan.

**Abandoned child's benefit:** (social security fund): 1,440 rupees a month is paid for each full orphan.

**Funeral grant (social security fund):** 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.

**Spouse's benefit (Seychelles pension fund):** If there are no eligible surviving children, 80% of the old-age or disability pension the deceased received or was entitled to receive 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.

**Surviving spouse's pension:** If the surviving spouse is receiving a retirement benefit in his or her own right, 50% of the old-age or disability pension the deceased received or was entitled to receive is paid; the surviving spouse may not receive the death benefit.

**Orphan's pension (Seychelles pension fund):** The minimum monthly pension is 40% of the old-age or disability pension the deceased received or was entitled to receive; 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 benefit is divided equally among all of the deceased's orphans.

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

**Preretirement death benefit (Seychelles pension fund):** A lump sum of the total of the deceased's and the employer's contributions plus 4% interest is paid; if the deceased has no surviving spouse or children, the benefit is paid to a nominated beneficiary or dependent.

**Postretirement death benefit (Seychelles pension fund):** A lump sum of one month of the old-age or disability pension the deceased received or was entitled to receive is paid.

### **Administrative Organization**

Agency for Social Protection, supervised by a board of trustees appointed by the Ministry of Finance, 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.

### **Sickness and Maternity**

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#### **Regulatory Framework**

**First law:** 1979.

**Current law:** 2010 (social security).

**Type of program:** Social insurance system. Cash sickness and maternity benefits only.

#### **Coverage**

Employed and self-employed persons.

### **Source of Funds**

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** The total cost.

### **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:** 80% of the insured's full salary or 2,380 rupees a month is paid for the first two months of sickness, whichever is lower. (The employer pays 20%.) Up to 1,800 rupees a month is paid from the third month for up to 130 working days.

Dependent's benefit (income tested): 1,200 rupees a month is paid for an adult and 1,130 rupees for each child.

Benefit adjustment: Benefits are adjusted periodically according to changes in the cost of living.

**Maternity benefit:** 80% of the insured's full salary or 2,380 rupees, whichever is lower, is paid for two weeks before and eight weeks after the expected date of childbirth. (The employer pays 20%.) For a prolonged incapacity resulting from pregnancy or childbirth, a sickness benefit is paid.

Dependent's supplement (income tested): 1,200 rupees a month is paid for an adult and 1,130 rupees for each child.

Benefit adjustment: Benefits are adjusted periodically according to changes in the cost of living.

### **Workers' Medical Benefits**

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

### **Dependents' Medical Benefits**

**Medical benefits for dependents:** Government clinics and hospitals provide medical services under the National Health Plan.

### **Administrative Organization**

Agency for Social Protection, supervised by a board of trustees appointed by the Ministry of Finance, administers the social security fund program.

## Work Injury

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### Regulatory Framework

**First law:** 1970 (employer liability).

**Current law:** 2010 (social security).

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

### Coverage

Employed persons.

Exclusions: Self-employed persons.

### Source of Funds

**Insured person:** None.

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

**Employer:** None.

**Government:** The total cost is financed from earmarked income tax.

### 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 benefit (income tested): 1,120 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.

### Permanent Disability Benefits

**Permanent disability pension:** If the insured is assessed with a total disability, and received a temporary disability benefit for up to 130 working days, 2,440 rupees a month is paid until age 63.

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 benefit (income tested): 1,120 rupees a month is paid for an adult and 1,010 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.

### Workers' Medical Benefits

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

### Survivor Benefits

**Survivor pension:** 2,120 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.

### Administrative Organization

Agency for Social Protection, supervised by a board of trustees appointed by the Ministry of Finance, administers the social security fund program.

## Unemployment

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### Regulatory Framework

Under the 1980 Unemployment Fund Act, the Agency for Social Protection provides subsistence income for unemployed persons.

The Agency for Social Protection 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 in the first year and 1,500 rupees a month in the second year), and skill acquisition program (1,300 rupees a month).