

Guatemala

Exchange rate: US\$1.00 equals 7.66 quetzales.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1969, implemented on a national level in 1977.

Current law: 2003 (old-age, disability, and survivors).

Type of program: Social insurance system.

Note: Beginning September 2007, a means-tested flat-rate pension will be paid to all eligible persons aged 65 or older. Administered by the Ministry of Labor and Social Welfare, the pension will be financed by contributions paid by workers and employers and by an annual state budget allocation.

Coverage

Employees, including agricultural workers and some public-sector employees.

Voluntary coverage for self-employed persons.

Special system for other public-sector employees.

Source of Funds

Insured person: 1.83% of covered earnings.

There are no minimum earnings for contribution purposes.

The maximum monthly earnings for contribution and benefit purposes are 6,000 quetzales.

Self-employed person: Voluntary contributions of 5.5% of declared earnings.

There are no minimum earnings for contribution purposes.

The maximum monthly earnings for contribution and benefit purposes are 6,000 quetzales.

Employer: 3.67% of covered payroll.

There are no minimum earnings for contribution purposes.

The maximum monthly earnings for contribution and benefit purposes are 6,000 quetzales.

Government: 25% of the cost of benefits paid; also contributes as an employer. The minimum monthly pension is not guaranteed by government.

Qualifying Conditions

Old-age pension: Age 60 with at least 180 months of contributions. If the insured does not fully meet the qualifying conditions, no pension or other cash benefit is paid.

Early pension: There is no early pension.

Deferred pension: There is no deferred pension.

The pension is not payable abroad.

Disability pension: The insured must be assessed as disabled, have at least 36 months of contributions in the last 6 years, and be younger than age 45; at least 60 months of contributions in the last 9 years and aged 45 to 54; at least 120 months of contributions in the last 12 years and aged 55 (younger in certain cases) or older.

The disability pension is awarded according to two degrees of disability: total disability, involving the loss of 2/3 of earning capacity; and severe disability, involving the complete loss of earning capacity and the need for the constant attendance of another person.

The pension is not payable abroad.

Survivor pension: The deceased had at least 36 months of contributions in the last 6 years or was receiving a pension or qualified for the old-age pension at the time of death.

Old-Age Benefits

Old-age pension: The pension is equal to 50% of the insured's average earnings in the last 60 months, plus an additional 0.5% for each 6-month period of contributions exceeding 120 months.

Dependent's supplement: 10% of the insured's pension is paid for a wife or partner or a disabled husband, for each child younger than age 18 or disabled, and for a dependent mother and a dependent disabled father.

The minimum monthly pension, including supplements, is 340 quetzales.

The maximum monthly pension, including supplements, is 4,800 quetzales.

The maximum pension received by a family is 80% of the insured's earnings, up to 6,000 quetzales.

Schedule of payments: Twelve payments a year.

Benefit adjustment: Benefits are adjusted at least every 3 years according to an actuarial assessment.

Permanent Disability Benefits

Disability pension: For a total disability, the pension is equal to 50% of the insured's average earnings in the last 36 months, plus an additional 0.5% for each 6-month period of contributions exceeding 120 months. If the insured has worked for less than 36 months, the pension is equal to 50% of average earnings for the total number of months worked.

Dependent's supplement: 10% of the insured's pension is paid for a wife or partner or a disabled husband, for each child younger than age 18 or disabled, and for a dependent mother and a dependent disabled father.

The minimum monthly pension, including supplements, is 340 quetzales.

The maximum monthly pension, including supplements, is 4,800 quetzales.

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Constant-attendance supplement: 25% of the insured's pension is paid for a severe disability.

Schedule of payments: Twelve payments a year.

Benefit adjustment: Benefits are adjusted at least every 3 years according to an actuarial assessment.

Survivor Benefits

Survivor pension: The spouse's pension is equal to 50% of the total disability or old-age pension paid or payable to the deceased.

The minimum monthly pension for a spouse is 170 quetzales.

The pension ceases on remarriage, and a lump sum is paid.

Remarriage settlement: A lump sum is paid equal to 12 months' pension.

Orphan's pension: Each orphan receives 25% of the deceased's pension; 50% for each full orphan.

The minimum monthly orphan's pension is 85 quetzales; 170 quetzales for a full orphan.

Dependent parent's pension: Each receives 25% of the deceased's pension.

The minimum monthly pension for a dependent parent is 85 quetzales.

Schedule of payments: Twelve payments a year.

All survivor benefits combined must not exceed 100% of the deceased's pension; the sum of the minimum monthly pensions must not exceed 340 quetzales.

Funeral grant: Up to 10% of the deceased's basic monthly earnings is paid to the person who paid for the funeral.

Benefit adjustment: Benefits are adjusted at least every 3 years according to an actuarial assessment.

Administrative Organization

Ministry of Labor and Social Welfare (<http://www.mintrabajo.gob.gt>) provides general supervision.

Social Security Institute (<http://www.igssgt.org>) administers the program.

Sickness and Maternity

Regulatory Framework

First law: 1952 (maternity and children).

Current law: 1964 (sickness and maternity), implemented in 1968, with 2003 amendment.

Type of program: Social insurance system.

Coverage

Employees of firms with three or more workers. Freight or passenger transport enterprises with one or more workers.

Exclusions: Self-employed persons.

Source of Funds

Insured person: 2% of gross earnings.

There are no maximum earnings for contribution purposes.

Self-employed person: Not applicable.

Employer: 4% of gross payroll.

There are no maximum earnings for contribution purposes.

Government: 2% of gross payroll.

There are no maximum earnings for contribution purposes.

Qualifying Conditions

Cash sickness and maternity benefits: The insured must have 3 months of contributions in the 6 months before the incapacity began.

Medical benefits: The insured must be in covered employment.

Sickness and Maternity Benefits

Sickness benefit: The benefit is equal to 2/3 of average earnings (according to the applicable formula) and is paid after a 3-day waiting period for up to 26 weeks; may be extended to 39 weeks. The receipt of benefits for multiple periods of illness must not exceed 52 weeks in a 24-month period.

The maximum monthly benefit is 2,400 quetzales.

Maternity benefit: The benefit is equal to 100% of earnings and is paid for 30 days before and 54 days after the expected date of childbirth. Nursing mothers are also permitted 1 hour a day at work to nurse their child, for up to a maximum of 10 months.

Benefit adjustment: Benefits are adjusted at least every 3 years according to an actuarial assessment.

Workers' Medical Benefits

Benefits include general, specialist, and maternity care; surgery; hospitalization; pharmaceuticals; laboratory services; X-rays; appliances; transportation; rehabilitation; and retraining. Medical services are normally provided directly to patients through the medical facilities of the Social Security Institute.

Free medical benefits for accidents, sickness, and maternity care are provided for pensioners through the old-age, disability, and survivors program in 19 departments.

Dependents' Medical Benefits

The wife or companion of an insured man receives the same maternity care as an insured woman and in 19 departments also receives sickness and accident benefits.

Free medical benefits for accidents, sickness, and maternity care are provided for pensioners through the old-age, disability, and survivors program in 19 departments.

Administrative Organization

Ministry of Labor and Social Welfare (<http://www.mintrabajo.gob.gt>) provides general supervision.

Social Security Institute (<http://www.igssgt.org>) administers the program and operates 24 hospitals, 35 clinics, 16 first-aid stations, and other medical services.

Work Injury

Regulatory Framework

First law: 1947.

Current law: 1994, implemented in 1995, with 2003 amendment.

Type of program: Social insurance system.

Note: Work injury benefits are administered as part of the old-age, disability, and survivor program.

Coverage

All insured workers in the country.

Exclusions: Self-employed persons.

Source of Funds

Insured person: 1% of gross earnings.

There are no minimum and maximum earnings for contribution purposes.

Self-employed person: Not applicable.

Employer: 3% of gross payroll.

There are no minimum and maximum earnings for contribution purposes.

Government: 1.5% of gross payroll.

There are no minimum and maximum earnings for contribution purposes.

Qualifying Conditions

Work injury benefits: The insured must have 3 months of contributions before the onset of the work injury or occupational disease.

Temporary Disability Benefits

The benefit is equal to 2/3 of earnings and is paid after a 1-day waiting period.

The minimum daily benefit is 8 quetzales.

The maximum monthly benefit is 2,400 quetzales.

Benefit adjustment: Benefits are adjusted at least every 3 years according to an actuarial assessment.

Permanent Disability Benefits

Permanent disability benefit: A lump sum of between 495 quetzales and 4,950 quetzales is paid according to the assessed degree of disability.

Benefit adjustment: Benefits are adjusted at least every 3 years according to an actuarial assessment.

Workers' Medical Benefits

Benefits include medical treatment, surgery, hospitalization, medicines, appliances, transportation, rehabilitation services, X-rays, laboratory tests, and retraining.

Survivor Benefits

Funeral grant: A lump sum of 412.50 quetzales is paid toward the cost of funeral expenses.

Benefit adjustment: Benefits are adjusted at least every 3 years according to an actuarial assessment.

Administrative Organization

Ministry of Labor and Social Welfare (<http://www.mintrabajo.gob.gt>) provides general supervision.

Social Security Institute (<http://www.igssgt.org>) administers contributions and benefits and provides medical benefits through its 24 hospitals and 35 clinics as well as through private clinics.