

## Madagascar

Exchange rate: U.S.\$1.00 equals 6,500 francs.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First and current law:** 1969, with 1994 and 1999 amendments.

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

#### Coverage

Employed persons, the clergy, presidents and directors of private companies, managers of limited companies, employed taxi drivers, and certain categories of employed seamen.

Exclusions: Temporary and casual workers.

Special scheme for civil servants.

#### Source of Funds

**Insured person:** 1% of earnings. Domestic workers make lump-sum contributions.

**Employer:** 9.5% of payroll.

**Government:** None.

The maximum earnings for contribution and benefit purposes are 8 times the monthly legal minimum wage.

#### Qualifying Conditions

**Old-age pension:** Age 60 (men) or age 55 (women) with 15 years of insurance coverage (unless working before 1969) and 28 quarters of contributions during the last 10 years (some periods of prior service are credited). The pensionable age is reduced by 5 years for seamen and for those who are disabled and unable to work. Retirement from employment is necessary.

**Partial pension:** A proportionally reduced pension is payable if the insured has insufficient quarters of contributions in the last 10 years but has at least 100 quarters (men) or 80 quarters (women) of coverage during the full working career.

**Solidarity allowance:** For those who do not meet the qualifying conditions for the full or partial old-age pension. The insured must be age 60 (men) or age 55 (women) with 15 quarters of employment between January 1, 1964, and December 31, 1968, and have been in salaried employment on January 1, 1969.

**Disability pension:** Age 55 (men) or age 50 (women and seamen) with at least a 60% loss of working capacity and with 10 years of insurance coverage and 28 quarters of contributions during the last 10 years (some periods of prior service are credited).

**Survivor pension:** The insured was a pensioner or met the qualifying conditions for the old-age pension at the time of

death. If the insured died before age 60 (men) or age 55 (women), the qualifying condition for age is reduced by 10 years.

#### Old-Age Benefits

**Old-age pension:** 30% of the legal minimum wage, plus 20% of average earnings during the last 10 years, plus an increment of 1% of earnings for each year of contributions beyond 10 years.

**Partial pension:** A proportionally reduced pension.

**Dependent's supplement:** 10% of the insured's pension is payable for a spouse.

**Supplement for awarded workers:** 5% or 10% of the pension for bronze medal and silver medal holders, respectively.

The minimum pension is 60% of the legal minimum wage.

The maximum pension is 40% of maximum earnings for contribution and benefit purposes regardless of supplements, or 75% of average earnings including supplements.

**Solidarity allowance:** The allowance is equal to 30% of the minimum wage for unqualified labor plus 10% of the insured's average annual salary in the last 5 years plus 1% of the insured's average annual salary in the last 5 years for each year of contributions.

**Contributions refund:** If ineligible for the old-age pension but has at least 4 quarters of contributions, a refund of contributions plus 2% interest per year.

**Benefit adjustment:** Benefit increases are proportional to any rise in the legal minimum wage.

#### Permanent Disability Benefits

**Disability pension:** 80% of the old-age pension that would have been payable if the insured person had worked until pensionable age.

**Benefit adjustment:** Benefits are adjusted according to rises in the legal minimum wage.

#### Survivor Benefits

**Survivor pension:** 30% of the insured's average earnings, payable to an unemployed widow(er); 15% if employed. The pension is paid regardless of age.

**Orphan's pension:** 15% of the insured's average earnings each for the first two orphans and 10% for each other orphan; 20% for each full orphan.

The maximum survivor pension is 85% of the insured's average earnings.

#### Administrative Organization

Ministry of Labor and Social Legislation provides general supervision.

National Social Insurance Fund administers the program.

## Sickness and Maternity

### Regulatory Framework

**First law:** 1952.

**Current law:** 1963, with 1967, 1969, 1994, and 1999 amendments.

**Type of program:** Social insurance system. Maternity benefits only.

### Coverage

Employed women.

### Source of Funds

**Insured person:** None.

**Employer:** See source of funds under Family Allowances, below.

**Government:** None.

### Qualifying Conditions

**Sickness benefits:** No benefits are provided. (The labor code requires employers to provide certain medical services to employees.)

**Maternity benefits:** Six months of insured employment.

### Sickness and Maternity Benefits

**Sickness benefit:** None. (The labor code requires employers to provide certain medical services to employees.)

**Maternity benefit:** 50% of earnings. The benefit is payable for 6 weeks before and 8 weeks (up to 11 weeks in case of complications) after the expected date of childbirth.

If the insured is ineligible for maternity benefit, the employer pays 50% of earnings for up to 14 weeks of maternity leave.

### Workers' Medical Benefits

Working women receive reimbursement for the cost of medical care during pregnancy and childbirth, up to a maximum of 25,000 francs. (The labor code requires employers to provide certain medical services to employees.)

### Dependents' Medical Benefits

Some maternity and child health and welfare services are provided under Family Allowances, below. (The labor code requires employers to provide certain medical services to employees' dependents.)

### Administrative Organization

Ministry of Labor and Social Legislation provides general supervision.

National Social Insurance Fund administers the program.

## Work Injury

### Regulatory Framework

**First law:** 1925.

**Current law:** 1963, with 1969, 1994, and 1999 amendments.

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

### Coverage

Employed persons, merchant seamen, the clergy, students, apprentices, presidents and directors of private companies, managers of limited companies, employed taxi drivers, tobacco growers, members of workers' cooperatives, and convict labor.

### Source of Funds

**Insured person:** None; lump-sum contributions for apprentices and domestic workers.

**Employer:** 1.25% of payroll; 1% of payroll for salaried casual agricultural workers.

**Government:** None.

The maximum earnings for contribution purposes are 8 times the legal monthly minimum wage.

### Qualifying Conditions

**Work injury benefits:** There is no minimum qualifying period.

### Temporary Disability Benefits

2/3 of earnings up to 6,000 francs a day. The benefit is payable from the day after the onset of disability until full recovery or the award of permanent disability.

### Permanent Disability Benefits

**Permanent disability pension:** 100% of the annual wage, if totally disabled.

Partial disability: Average earnings multiplied by 0.5 of the percentage of the assessed degree of disability for the portion of disability up to 50% and by 1.5 times the percentage of the assessed degree of disability for the portion of disability above 50%. A lump sum is payable if the assessed degree of disability is less than 10%.

The minimum and maximum benefits are established by formula.

Constant-attendance supplement: 40% of the insured's pension.

### Workers' Medical Benefits

Medical and surgical care, hospitalization, medicines, appliances, transportation, and rehabilitation.

### **Survivor Benefits**

**Survivor pension:** 30% of the insured's average earnings, payable to a widow(er).

**Orphan's pension:** 15% of the insured's average earnings each for the first two orphans and 10% for each other orphan; 20% for each full orphan.

Dependent parents and grandparents: 10% of the insured's average earnings each, up to a maximum of 30%.

The maximum survivor pension is 85% of the insured's average earnings.

**Funeral grant:** A lump sum of 100,000 francs.

### **Administrative Organization**

Ministry of Labor and Social Legislation provides general supervision.

National Social Insurance Fund administers the program.

### **Family Allowances**

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#### **Regulatory Framework**

**First law:** 1952.

**Current law:** 1963, with 1967, 1969, 1994, and 1999 amendments.

**Type of program:** Employment-related system.

#### **Coverage**

Employed persons, the clergy, students, apprentices, presidents and directors of private companies, managers of limited companies, employed taxi drivers, and certain categories of seamen.

Unemployed workers are eligible for a maximum of 6 months under certain conditions.

Resident of Madagascar or France.

Special system for civil servants.

#### **Source of Funds**

**Insured person:** None.

**Employer:** 2.25% of payroll. (Contributions also finance maternity benefits under Sickness and Maternity, above.)

**Government:** None.

The maximum earnings for contribution purposes are 8 times the monthly legal minimum wage.

### **Qualifying Conditions**

**Family allowances:** The child must be under age 14 (age 18 if an apprentice; age 21 if a student, disabled, or an unmarried daughter caring for children). The parent must have 6 months of employment and be currently working 20 days or 134 hours a month, or be a widow(er) of a beneficiary.

**Prenatal allowance:** Must undergo prescribed medical examinations before childbirth.

**Birth grant:** Must undergo prescribed medical examinations after childbirth.

### **Family Allowance Benefits**

**Family allowances:** 4,000 francs a month for the first child, 3,000 francs for the second, 2,000 francs for the third, 1,000 francs for the fourth, and 500 francs each for the fifth and subsequent children.

**Prenatal allowance:** 2,100 francs a month for 9 months, payable as a lump sum.

**Birth grant:** A lump sum of 25,200 francs for each birth, payable in two installments.

Some maternity and child health and welfare services are also provided.

### **Administrative Organization**

Ministry of Labor and Social Legislation provides general supervision.

National Social Insurance Fund administers the program.