

Notes and Brief Reports

Egyptian Social Security Law

A new Egyptian social security measure was enacted in July 1950, establishing noncontributory pensions for certain categories of persons and making provision for public assistance to other groups.¹

Existing social insurance has previously been limited to workmen's compensation (law of 1936, amended 1942), but other protective legislation has been adopted from time to time. Cash maternity benefits are payable under a law of 1933. The law on contracts of employment (1944) provides for compensation in certain cases, including sickness, dismissal, death, and (for women) leaving employment to marry. Rural health services provided through rural welfare centers have developed considerably since the first center opened in 1942.

Egypt has also recently considered a proposed contributory social insurance act for wage earners and salaried employees in commerce and industry. This measure would have provided health and pensions insurance for both general and work-connected risks.

Coverage and financing.—The new pension system has broad coverage. All Egyptians are eligible, irrespective of their location in the country or their occupation, and foreigners may likewise qualify if they have been residents of Egypt for 10 years and are

¹ U. S. Department of State reports; and Egypt, Ministry of Social Affairs: *Draft Decree Law on Social Security Scheme, Explanatory Note on Social Security Draft Law, and The New Egyptian Social Security Plan.*

nationals of a country providing for reciprocity of treatment.

The program will be financed entirely from general revenues. The estimated cost is 6 million Egyptian pounds a year.²

Benefits.—The basic pension for single persons is 9,600 pounds a year in cities and 7,200 in rural areas, plus a family supplement and supplements for each dependent. No benefit may exceed 30 pounds annually. The various rates are given in the following tabulation.

Type of beneficiary	Full benefit amount per year (in Egyptian pounds)	
	Urban area (supplemented by 7,200 pounds per family)	Rural area (supplemented by 4,800 pounds per family)
Widow with child.	9,600, plus 3,600 for each child (to maximum of 3).	7,200, plus 2,400 for each child (to maximum of 3).
Orphans.....	6,000 for each orphan (to maximum of 4).	4,800 for each orphan (to maximum of 4).
Aged or totally disabled person with wife or wives.	15,600, plus 3,600 for each child (to maximum of 2).	12,000, plus 2,400 for each child (to maximum of 2).
Aged or totally disabled person (single).	9,600, plus 3,600 for each child (to maximum of 3).	7,200, plus 2,400 for each child (to maximum of 3).

Benefits are not payable for children beyond age 13 (17 if in school or disabled). Widows' pensions are payable only if the widow has dependent children in her care. Permanent disability benefits are payable in case of total incapacity for any work. Old-age pensions are payable at age 65. The pensions at the full rate are

² The exchange value of the Egyptian pound is \$2.871 in United States currency; the pound has 1,000 millèmes, and three decimal places are accordingly used, as in the social security law.

due when the person or family has no other income. The pension is reduced for all other income, but no pension will be less than 3 pounds. The following income is exempt: income from paid labor, domestic industries, and poultry raising, up to 40 percent of the full benefit; help from nonrelatives or from relatives not legally liable to pay it; and the value of the home owned and used by the family.

The act provides that public assistance, also to be financed from general revenue, will be made available for needy persons who are not eligible for pensions. Among such persons are divorced wives with children, widows under age 65 without children, and dependents in cases in which the breadwinner is partially disabled, ill, imprisoned, or unemployed.

Administration.—A considerable measure of administrative decentralization is contemplated. The Ministry of Social Affairs is to establish under its jurisdiction a Social Security Department that will have offices at local centers and inspectorates at provincial capitals and other important towns. The local social security offices will take claims and submit them to voluntarily constituted social security committees that will assist in making sure that the application forms are correctly and fully filled out and accompanied by proper documents. The claims will then be sent by the offices to the social security inspectorates, which will determine eligibility. Decisions may be appealed from the inspectorates to the Director General of the Social Security Department.

The law will take effect February 1, 1951, in areas to be determined by the Ministry. By February 1, 1952, it must be in effect in all parts of the country.