

Zimbabwe

Exchange rate: U.S.\$1.00 equals
1,605 Zimbabwean dollars (Z\$).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1993.

Current laws: 1995, 1998, 2001, 2002, and 2003.

Type of program: Social insurance system.

Coverage

Compulsory coverage for all employed persons between ages 16 and 65 who are citizens or residents of Zimbabwe.

Note: Universal coverage is to be achieved in phases. The first completed phase provided coverage to employees in all sectors with the exception of domestic workers and civil servants. The second completed phase provided coverage to civil servants. The third phase will cover domestic workers, and the fourth phase will cover self-employed workers and informal-sector employees.

Source of Funds

Insured person: 3% of earnings.

Employer: 3% of payroll.

Government: None.

The maximum monthly earnings for contribution purposes are Z\$18,000.

Qualifying Conditions

Old-age pension: Age 60 (age 55 for arduous employment) with at least 10 years of contributions. If aged 49 or older as of October 1994, up to 7 years of contributions may be credited.

Deferred retirement: Up to age 65.

Retirement grant: The insured has between 1 and 10 years of contributions.

Disability pension: The insured is declared disabled and permanently incapable of work by a medical doctor and has at least 1 year of contributions. The disability must not be work related.

Disability grant: The insured has less than 1 year of contributions.

Survivor benefit: The insured was receiving, or met the qualifying conditions for, the old-age pension or disability pension at the time of death and had not reached retirement age.

Survivor grant: The insured met the qualifying conditions for the retirement grant or disability grant.

Old-Age Benefits

Old-age pension: 3% of monthly insurable earnings multiplied by the number of years of contributions up to 30 years, plus an additional 2.25% of monthly insurable earnings multiplied by the number of years of contributions over 30 years.

Retirement grant: A lump sum equal to 1/12 of annual insurable earnings times the number of years of contributions up to 10 years.

Permanent Disability Benefits

Disability pension: 2.25% of average insurable earnings multiplied by the number of years of contributions up to 10 years, plus 3% of monthly insurable earnings multiplied by the number of years of contributions from 10 years up to 30 years, plus an additional 2.25% of monthly insurable earnings multiplied by the number of years of contributions over 30 years.

Disability grant: A lump sum equal to 1/12 of insurable earnings times the number of months of contributions.

Survivor Benefits

Survivor pension: 3% of monthly insurable earnings multiplied by the number of years of contributions up to 30 years, plus an additional 2.25% of yearly insurable earnings multiplied by the number of years over 30 years.

Survivor grant: A lump sum of 40% of the insured's entitlement to a retirement or disability grant for a widow(er); 40% for children until age 18 (age 25 if a student); 12% for parents; and 8% for other eligible dependents.

Funeral grant: A lump sum of Z\$4,500. The insured person must have contributed for a minimum of 1 year.

Administrative Organization

Ministry of Public Service, Labor, and Social Welfare provides general supervision.

National Social Security Authority administers the program.

Sickness and Maternity

Regulatory Framework

The labor relations act requires employers to provide a maternity benefit. The maternity benefit is 100% of wages for 45 days before and 45 days after the expected date of childbirth.

A health care program operates for low-paid workers. The program covers about 75% of the population. Free primary health care is provided to those with certified monthly earnings of less than Z\$400.

Government and mission hospitals serve rural areas; government and private hospitals and doctors are available in urban areas.

Work Injury

Regulatory Framework

Current laws: 1990 and 1998 (accident prevention and worker's compensation).

Type of program: Employer-liability system.

Coverage

All employed persons in the private sector.

Exclusion: Domestic workers.

Special system for civil servants.

Source of Funds

Insured person: None.

Employer: Total cost met through the payment of insurance premiums.

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

100% of monthly earnings (up to Z\$7,000) for the first 30 days. Thereafter, periodic payments equal to 80% of monthly earnings up to and including Z\$1,050, plus 60% of monthly earnings over Z\$1,050 up to and including Z\$1,400, plus 50% of monthly earnings over Z\$1,400 up to and including Z\$3,500, plus 40% of monthly earnings over Z\$3,500 up to and including Z\$7,000. The benefit is payable for up to 18 months.

The monthly earnings for benefit calculation purposes were revised to Z\$12,000 in April 2003 and backdated to January 2003.

Permanent Disability Benefits

Permanent disability pension: If over 75% disabled, 80% of monthly earnings up to and including Z\$1,050, plus 60% of monthly earnings over Z\$1,050 up to and including Z\$1,400, plus 50% of monthly earnings over Z\$1,400 up to and including Z\$3,500, plus 40% of monthly earnings over Z\$3,500 up to and including Z\$7,000.

For a disability of 75% or less, the base pension is multiplied by the assessed degree of disability.

Children's supplement: The first child receives 12.5% of the insured's pension, 5% each for the second to the fifth child, and 1% each for subsequent children.

Partial disability: If the monthly pension is less than Z\$300, a lump sum is payable.

Workers' Medical Benefits

Medical charges, including appliances, transportation, and drugs up to Z\$2,000; the amount can be raised depending on circumstances.

Severely disabled persons are provided with rehabilitation services.

Survivor Benefits

Survivor pension: 66.6% of the insured's pension is payable to a dependent widow(er). The children's supplement is payable until age 19 or until the child is self-supporting, whichever is earlier.

Funeral grant: Burial expenses up to Z\$4,500. (The grant will increase by 50% from July 2003.)

Administrative Organization

Ministry of Public Service, Labor, and Social Welfare provides general supervision.

National Social Security Authority administers the program.