

Brazil

Exchange rate: US\$1.00 = 4.06 reais.

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1923 (railroads), 1934 (commerce), and 1936 (industry).

Current laws: 1991 (social security), 1991 (social insurance), 1993 (social assistance), 1999 (social insurance regulations), 2013 (special disability pensions), 2015 (survivors), and 2015 (household workers).

Type of program: Social insurance and social assistance system.

Note: This publication previously referred to the length of service pension as the contributory pension.

Coverage

Social insurance: Salaried workers in industry, commerce, and agriculture; rural workers; household workers; casual workers; elected civil servants; and self-employed persons.

Voluntary coverage for students, housewives, unemployed persons, and others persons without gainful employment.

Special systems for public-sector employees and military personnel.

Social assistance: Needy residents of Brazil.

Source of Funds

Insured person

Social insurance: 8% of covered earnings with monthly earnings up to 1,556.94 reais (January 2016); 9% with earnings from 1,556.95 reais to 2,594.92 reais (January 2016); or 11% with earnings above 2,594.93 reais (January 2016).

Voluntarily insured persons may contribute 20% of declared earnings or 11% of the legal monthly minimum wage (5% for small businesses with annual income up to 60,000 reais or for housewives) if they forego the right to the length of contribution pension.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is 880 reais (January 2016).

The maximum monthly earnings used to calculate contributions are 5,189.82 reais (January 2016).

The insured person's contributions also finance sickness and maternity benefits and family allowances.

Social assistance: None.

Self-employed person

Social insurance: 20% of monthly declared covered earnings; 11% of the legal monthly minimum wage if they forego the right to the length of contribution pension.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is 880 reais (January 2016).

The maximum monthly earnings used to calculate contributions are 5,189.82 reais (January 2016).

The self-employed person's contributions also finance sickness and maternity benefits.

Social assistance: None.

Employer

Social insurance: 20% of covered payroll.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is 880 reais (January 2016).

There are no maximum monthly earnings used to calculate contributions.

Small businesses with annual earnings greater than 60,000 reais but less than 3,600,000 reais contribute 2.75% to 7.83% of monthly declared earnings, depending on annual earnings declared in the last 12 months and the industry sector.

The employer's contributions also finance sickness and maternity benefits and family allowances.

Social assistance: None.

Government

Social insurance: Earmarked taxes finance administrative costs and any deficit.

Social assistance: The total cost.

Qualifying Conditions

Old-age pension

Age pension (social insurance): Age 65 (men) or age 60 (women) for salaried and self-employed urban workers; age 60 (men) or age 55 (women) for rural workers. Retirement is not necessary.

Urban workers who were first insured before July 25, 1991, must have 60 to 180 months of contributions, according to a schedule in law; urban workers first insured since July 25, 1991, must have at least 180 months of contributions. Rural workers who were first insured before July 25, 1991, must show proof of 60 to 180 months of work in the rural sector, according to a schedule in law; rural workers first insured

since July 25, 1991, must show proof of 180 months of work in the rural sector.

Age pension for persons with disabilities (social insurance): Age 60 (men) or age 55 (women) and assessed with a long-term physical, mental, intellectual, or sensory disability.

Length of contribution pension (social insurance): At least 35 years of contributions (men) or 30 years of contributions (women); for workers exposed to hazardous substances, 15 to 25 years. Gainful employment must cease for workers exposed to hazardous substances.

Length of contribution pension for persons with disabilities (social insurance): Age 60 (men) or age 55 (women) with at least 15 years of contributions and assessed with a long-term physical, mental, intellectual, or sensory disability; at least 25 years (men) or 20 years (women) of contributions if assessed with a severe disability; at least 29 years (men) or 24 years (women) of contributions if assessed with a moderate disability; or at least 33 years (men) or 28 years (women) of contributions if assessed with a mild disability.

The National Social Security Institute assesses the degree of disability.

The age and contributory pensions are payable abroad under bilateral or multilateral agreement.

Old-age assistance (social assistance): Age 65, not gainfully employed, and with monthly household income of less than 25% of the legal monthly minimum wage per person. Eligibility is reviewed every two years.

The legal monthly minimum wage is 880 reais (January 2016).

Disability pension

Disability pension (social insurance): Assessed with a permanent incapacity for work and has at least 12 months of contributions. The contribution period is waived if the disability is the result of an accident. Employment must cease.

The National Social Security Institute assesses the degree of disability.

The disability pension is payable abroad under bilateral or multilateral agreements.

Disability benefit (social assistance): Assessed with a disability and has a monthly household income of less than 25% of the legal monthly minimum wage per person. Eligibility is reviewed every two years.

The legal monthly minimum wage is 880 reais (January 2016).

Survivor pension

Survivor pension (social insurance): The deceased received or was entitled to receive an old-age or disability pension at the time of death.

Eligible survivors include a widow(er) or partner and children younger than age 21 (no limit if disabled); if there is no eligible widow(er), partner, or child (in order of

priority), parents and siblings younger than age 21 (no limit if disabled).

The survivor pension is payable abroad under bilateral or multilateral agreement.

Prisoner's survivor pension (social insurance): The insured is imprisoned and had monthly income up to 1,089.72 reais immediately before imprisonment.

Eligible survivors include a widow(er) or partner and children younger than age 21 (no limit if disabled); if there is no eligible widow(er), partner, or child (in order of priority), parents and siblings younger than age 21 (no limit if disabled).

Old-Age Benefits

Old-age pension

Age pension (social insurance): 70% of the insured's average earnings plus 1% of the insured's average earnings for each year of contributions, up to 100%, is paid.

For persons first insured on or before November 28, 1999, average earnings used to calculate benefits are based on the best 80% of monthly earnings since July 1994.

For persons first insured after November 28, 1999, average earnings used to calculate benefits are based on the best 80% of total monthly earnings.

Insured persons may opt for the pension to be calculated using the Factor Previdenciario method. The Factor Previdenciario is an actuarial coefficient based on the insured's contribution rate, contribution period, age, and life expectancy.

The minimum monthly earnings used to calculate benefits are the legal monthly minimum wage.

The maximum monthly earnings used to calculate benefits are 5,189.82 reais (January 2016).

The minimum monthly age pension is the legal monthly minimum wage.

The legal monthly minimum wage is 880 reais (January 2016).

The maximum monthly age pension is 5,189.82 reais (January 2016).

Age pension for persons with disabilities (social insurance): Calculated in the same way as the age pension (social insurance).

Schedule of payments: 13 payments a year.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index or the minimum wage.

Length of contribution pension (social insurance): 100% of the insured's average earnings is paid.

For persons first insured before November 29, 1999, average earnings used to calculate benefits are based on the best

80% of monthly earnings since July 1994, multiplied by the Factor Previdenciario.

For persons first insured after November 28, 1999, average earnings used to calculate benefits are based on the best 80% of total monthly earnings, multiplied by the Factor Previdenciario.

The Factor Previdenciario is not applied to work with exposure to hazardous substances with 15, 20, or 25 years of contributions.

The Factor Previdenciario is an actuarial coefficient based on the insured's contribution rate, contribution period, age, and life expectancy.

The minimum monthly earnings used to calculate benefits are the legal monthly minimum wage.

The maximum monthly earnings used to calculate benefits are 5,189.82 reais (January 2016).

The minimum contributory pension is the legal monthly minimum wage.

The legal monthly minimum wage is 880 reais (January 2016).

Length of contribution pension for persons with disabilities (social insurance): Calculated in the same way as the contributory pension (social insurance).

Schedule of payments: 13 payments a year.

Benefit adjustment: Benefits are adjusted annually according to changes in the cost of living index or the minimum wage.

Old-age assistance (social assistance): The monthly benefit is the legal monthly minimum wage.

The legal monthly minimum wage is 880 reais (January 2016).

Benefit adjustment: Benefits are adjusted annually according to changes in the minimum wage.

Permanent Disability Benefits

Disability pension

Disability pension (social insurance): 100% of the insured's average earnings is paid; 100% of the minimum wage for rural workers.

For persons first insured on or before November 28, 1999, average earnings used to calculate benefits are based on the best 80% of monthly earnings since July 1994.

For persons first insured after November 28, 1999, average earnings used to calculate benefits are based on the best 80% of total monthly earnings.

The minimum monthly earnings used to calculate benefits are the legal monthly minimum wage.

The maximum monthly earnings used to calculate benefits are 5,189.82 reais (January 2016).

The minimum monthly pension is the legal monthly minimum wage.

The legal monthly minimum wage is 880 reais (January 2016).

The maximum monthly pension is 5,189.82 reais (January 2016).

Constant attendance supplement: If the insured requires the constant attendance of others to perform daily functions, 25% of the disability pension is paid.

Schedule of payments: 13 payments a year.

Benefit adjustment: Benefits are adjusted annually according to changes in the cost of living index or the minimum wage.

Disability assistance (social assistance): The monthly benefit is the legal monthly minimum wage.

The legal monthly minimum wage is 880 reais (January 2016).

Benefit adjustment: Benefits are adjusted annually according to changes in the minimum wage.

Survivor Benefits

Survivor pension (social insurance): 100% of the old-age or disability pension the deceased received or was entitled to receive is paid; 100% of the minimum wage for rural workers. The pension is split equally among eligible survivors. If one survivor ceases to be eligible, the pensions for the remaining survivors are recalculated.

The pension is paid for four months if the deceased had less than 18 months of contributions or was married to or living with the spouse or partner for less than two years before the death; paid for three years if the widow(er) or partner is younger than age 21; for six years if the widow(er) or partner is aged 21 to 26; for 10 years if aged 27 to 29; for 15 years if aged 30 to 40; for 20 years if aged 41 to 43; and for life if aged 44 or older.

The minimum monthly pension is the legal monthly minimum wage.

The legal monthly minimum wage is 880 reais (January 2016).

The maximum monthly pension is 5,189.82 reais (January 2016).

Schedule of payments: 13 payments a year.

Benefit adjustment: Benefits are adjusted annually according to changes in the cost of living index or the minimum wage.

Prisoner's survivor pension (social insurance): 100% of the disability pension the insured would have been entitled to receive if disabled is paid; 100% of the minimum wage for rural workers. The pension is split equally among eligible survivors. If one survivor ceases to be eligible, the pensions for the remaining survivors are recalculated.

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The pension is paid for four months if the deceased had less than 18 months of contributions or was married to or living with the spouse or partner for less than two years before the death; paid for three years if the widow(er) or partner is younger than age 21; for six years if the widow(er) or partner is aged 21 to 26; for 10 years if aged 27 to 29; for 15 years if aged 30 to 40; for 20 years if aged 41 to 43; and for life if aged 44 or older

The minimum monthly pension is legal monthly minimum wage.

The legal monthly minimum wage is 880 reais (January 2016).

The maximum monthly pension is 1,089.72 reais.

Schedule of payments: 13 payments a year.

Benefit adjustment: Benefits are adjusted annually according to changes in the cost of living index or the minimum wage.

Administrative Organization

Ministry of Labor and Social Insurance (<http://www.previdencia.gov.br>) provides general supervision.

National Social Security Institute administers benefits.

Sickness and Maternity

Regulatory Framework

First laws: 1923 (railroads), 1934 (commerce), and 1936 (industry).

Current laws: 1990 (health), 1991 (social security), and 1991 (social insurance).

Type of program: Social insurance system.

Coverage

Cash sickness and maternity benefits: Employed persons in industry, commerce, and agriculture; rural workers; household workers; some categories of casual workers; elected civil servants; and self-employed persons.

Voluntary coverage for students, housewives, unemployed persons, and other persons without gainful employment.

Special systems for public-sector employees and military personnel.

Medical benefits: Citizens of Brazil.

Source of Funds

Insured person: See source of funds under Old Age, Disability, and Survivors.

Self-employed person: See source of funds under Old Age, Disability, and Survivors.

Employer: See source of funds under Old Age, Disability, and Survivors.

Government: The cost of medical benefits.

Qualifying Conditions

Cash sickness benefits: The insured must have contributed in the last 12 months. There is no qualifying period for an accident or serious illness.

Cash maternity benefits: There is no minimum qualifying period for salaried workers, household workers, and casual workers; 10 months of contributions for self-employed persons. Rural workers in predominantly family based subsistence activities must show proof of 10 months of work in the rural sector.

Medical benefits: There is no minimum qualified period.

Sickness and Maternity Benefits

Sickness benefit: 91% of average earnings is paid; 100% of the minimum wage for rural workers. The benefit is paid after a 15-day waiting period (the employer pays 100% of earnings for the first 15 days); there is no waiting period for self-employed persons or voluntarily insured persons.

There is no limit to duration.

Average earnings used to calculate benefits are based on the best 80% of total monthly earnings.

The minimum monthly earnings used to calculate benefits are the legal monthly minimum wage.

The legal monthly minimum wage is 880 reais (January 2016).

The maximum monthly earnings used to calculate benefits are 5,189.82 reais (January 2016).

Schedule of payments: 13 payments a year.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index or the minimum wage.

Maternity benefit: 100% of the insured's last wage is paid for employed women, household workers, and casual workers; 100% of average earnings in the last 12 months for self-employed and voluntarily insured women; 100% of the minimum wage for rural workers in predominantly family-based subsistence activities. The benefit is paid for 120 days, from 28 days before to 91 days after the expected date of childbirth.

The benefit is paid for two weeks in the case of a miscarriage.

The benefit is also paid for 120 days to a woman who adopts a child younger than age 12.

The minimum monthly earnings used to calculate benefits are the legal monthly minimum wage.

The legal monthly minimum wage is 880 reais (January 2016).

The maximum monthly earnings used to calculate benefits are 33,763 reais for employed women and casual workers; 5,189.82 reais (January 2016) for household workers, self-employed persons, and voluntarily insured women; and 880 reais (January 2016) for rural workers in predominantly family based subsistence activities.

Workers' Medical Benefits

The Unified Health System provides medical services directly to patients in rural and urban areas. Benefits include general, specialist, maternity, and dental care; hospitalization; medicine (some cost sharing is required); and necessary transportation. There is no limit to duration.

Dependents' Medical Benefits

Medical benefits for dependents are the same as those for the insured.

Administrative Organization

Ministry of Labor and Social Insurance (<http://www.previdencia.gov.br>) provides general supervision of cash benefits.

National Social Security Institute administers cash benefits.

Ministry of Health (<http://www.saude.gov.br>) provides general supervision of the Unified Health System.

Federal, state, and municipal institutions are part of the Unified Health System and administer medical benefits.

Work Injury

Regulatory Framework

First laws: 1919, 1944, and 1967.

Current laws: 1991 (social security) and 1991 (social insurance).

Type of program: Social insurance system.

Coverage

Employed persons, casual workers, household workers, and rural workers in predominantly family based subsistence activities.

Exclusions: Self-employed persons.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: 1% to 3% of gross payroll according to the assessed degree of risk; 0.1% of gross payroll for employers of rural workers in predominantly family based subsistence activities.

There are no minimum or maximum earnings used to calculate contributions.

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period. Accidents that occur while commuting to and from work are covered.

Temporary Disability Benefits

91% of average earnings is paid after a 15-day waiting period (the employer pays 100% of earnings for the first 15 days). There is no waiting period for casual workers, household workers, or rural workers in predominantly family based subsistence activities.

There is no limit to duration.

Average earnings used to calculate benefits are based on the best 80% of total monthly earnings. For rural workers, average earnings are 100% of the legal monthly minimum wage.

The minimum monthly earnings used to calculate benefits are the legal monthly minimum wage.

The legal monthly minimum wage is 880 reais (January 2016).

The maximum monthly earnings used to calculate benefits are 5,189.82 reais (January 2016).

Schedule of payments: 13 payments a year.

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

Permanent Disability Benefits

Permanent disability pension: 100% of average earnings is paid if the insured is incapable of any work.

Average earnings used to calculate benefits are based on the best 80% of total monthly earnings.

The minimum monthly earnings used to calculate benefits are the legal monthly minimum wage.

The legal monthly minimum wage is 880 reais (January 2015).

The maximum monthly earnings used to calculate benefits are 5,189.82 reais (January 2016).

Constant-attendance supplement: If the insured requires the constant attendance of others to perform daily functions, 25% of the permanent disability pension is paid.

Schedule of payments: 13 payments a year.

The National Social Security Institute assesses the degree of disability every two years.

Accident benefit (partial disability): 50% of average earnings is paid to workers with disabilities who are capable of some work.

Average earnings used to calculate benefits are based on the best 80% of total monthly earnings.

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Schedule of payments: 13 payments a year.

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

Workers' Medical Benefits

The Unified Health System provides medical services directly to patients in urban and rural areas by the Unified Health System. Benefits include medical and dental care, hospitalization, medicine (some cost sharing is required), and transportation. There is no limit to duration.

Survivor Benefits

Survivor pension: 100% of the permanent disability pension the deceased received or was entitled to receive is paid; 100% of the minimum wage for rural workers in predominantly family based subsistence activities. The pension is split equally among eligible survivors. If one survivor ceases to be eligible, the pensions for the remaining survivors are recalculated.

Eligible survivors include the widow(er) or partner and children younger than age 21 (no limit if disabled); if there is no widow(er), partner, or child, other eligible survivors include (in order of priority) parents and brothers and sisters younger than age 21 (no limit if disabled).

The pension is paid for four months if the deceased had less than 18 months of contributions or was married to or living with the spouse or partner for less than two years before the death; paid for three years if the widow(er) or partner is younger than age 21; for six years if the widow(er) or partner is aged 21 to 26; for 10 years if aged 27 to 29; for 15 years if aged 30 to 40; for 20 years if aged 41 to 43; and for life if aged 44 or older.

The minimum monthly pension is the legal monthly minimum wage.

The legal monthly minimum wage is 880 reais (January 2016).

The maximum monthly pension is 5,189.82 reais (January 2016).

Schedule of payments: 13 payments a year.

Benefit adjustment: Benefits are adjusted annually according to changes in the cost of living index or the minimum wage.

Administrative Organization

Ministry of Labor and Social Insurance (<http://www.previdencia.gov.br>) provides general supervision of cash benefits.

National Social Security Institute administers cash benefits.

Ministry of Health (<http://www.saude.gov.br>) provides general supervision of the Unified Health System.

Federal, state, and municipal institutions are part of the Unified Health System and administer medical benefits.

Unemployment

Regulatory Framework

First laws: 1965 (severance pay fund) and 1986 (unemployment insurance).

Current laws: 1990 (unemployment benefit), 1991 (traditional fishermen), and 2015 (unemployment benefit regulations).

Type of program: Social assistance system.

Note: Employers contribute 8% of earnings to an employee's individual account in the Guarantee Fund for Severance Pay (FGTS). The insured may withdraw funds from an individual account in the event of unemployment, marriage, retirement, and other contingencies.

Coverage

Persons employed in the formal private sector and other categories of workers, such as household workers and fishermen (during closed season periods).

Exclusions: Self-employed persons.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: None.

Government: The total cost is financed by earmarked taxes.

Qualifying Conditions

Unemployment benefits: The insured must have received a salary in at least 12 of the last 18 months before unemployment began for the first claim; at least nine of the last 12 months for the second claim; at least six months immediately before unemployment began for the third and subsequent claims. Unemployment must not be due to misconduct or resignation. Must have no other means of support and must not receive other social insurance benefits.

Unemployment Benefits

Unemployment benefit (means tested): The monthly benefit varies according to the insured's average earnings in the last three months of employment: 80% of average earnings is paid with average earnings up to 1,222.77 reais; 50% of average earnings plus a lump sum of 978.22 reais with average earnings of 1,222.78 reais to 2,038.15 reais; a lump sum of 1,385.91 with average earnings greater than 2,038.15 reais.

The minimum monthly benefit is the legal monthly minimum wage.

The legal monthly minimum wage is 880 reais (January 2016).

The maximum monthly benefit is 1,385.91 reais.

The benefit is paid for three to five months, depending on the insured's duration of coverage. For the first claim, the benefit is paid for four months with 12 to 23 months of coverage; for five months with at least 24 months of coverage. For the second claim, the benefit is paid for three months with nine to 11 months of coverage; for four months with 12 to 23 months of coverage; or for five months with at least 24 months of coverage. For the third and subsequent claims, the benefit is paid for three months with six to 11 months of coverage; for four months with 12 to 23 months of coverage; for five months with at least 24 months of coverage. Under special conditions, the benefit may be extended for an additional two months.

Benefit adjustment: Benefits are adjusted annually according to changes in the minimum wage.

Administrative Organization

Ministry of Labor and Social Insurance (<http://www.previdencia.gov.br>) provides general supervision.

Worker Assistance Fund Advisory Council administers the program.

Family Allowances

Regulatory Framework

First law: 1941 (large families).

Current laws: 1991 (social insurance), 1998 (family allowances), and 2004 (Bolsa Familia).

Type of program: Employment-related and social assistance system.

Coverage

Employment-related scheme: Low-income employees with one or more children.

Exclusions: Household, casual, and rural workers; elected civil servants; and self-employed persons.

Social assistance: Brazilian citizens living in poor or extremely poor households.

Source of Funds

Insured person

Employment-related scheme: See source of funds under Old Age, Disability, and Survivors.

Social assistance: None.

Self-employed person

Employment-related scheme: Not applicable.

Social assistance: None.

Employer

Employment-related scheme: See source of funds under Old Age, Disability, and Survivors.

Social assistance: None.

Government

Employment-related scheme: See source of funds under Old Age, Disability, and Survivors.

Social assistance: The total cost.

Qualifying Conditions

Family allowances (employment related, income tested): Employees with monthly income up to 1,089.72 reais. The child must be younger than age 14. The parents are required to present annual proof of vaccinations for children up to age 6 and proof of school attendance each semester from age 7. The parent must be currently in insured employment or receiving a sickness benefit. The allowance is paid to both parents if both are insured.

Bolsa Familia cash grant (social assistance): Children aged 6 to 15 must maintain an 85% school attendance rate; 75% for children aged 16 to 17. Children younger than age 15 at risk of child labor must attend scheduled educational activities. Families must meet basic vaccination requirements for children younger than age 7, and women aged 14 to 44 must attend medical check-ups, including prenatal exams for pregnant women.

Family Allowance Benefits

Family allowances (employment related, income tested): 37.18 reais is paid a month for each child if the insured's earnings do not exceed 725.02 reais; 26.20 reais a month with earnings of 725.03 reais to 1,089.72 reais.

Employers pay allowances and the National Social Security Institute reimburses them for the total cost.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index.

Bolsa Familia cash grant (social assistance): With monthly household income of up to 77 reais per person, a basic benefit of 77 reais a month is paid. An additional variable monthly benefit of 35 reais a month is paid for each child younger than age 16, for pregnant women for up to nine months of pregnancy, and for breastfeeding mothers for up to six months, up to five payments per household; and 42 reais a month for each child aged 16 to 17, up to two payments per household. If monthly household income per person including the basic and variable benefit is less than 77 reais a month, the difference between the monthly household income per person and 77 reais is paid.

Administrative Organization

Employment-related scheme

Ministry of Labor and Social Insurance (<http://www.previdencia.gov.br>) provides general supervision.

National Social Security Institute administers benefits.

Employers pay benefits to employees.

Social Assistance (Bolsa Familia)

Ministry of Social Development and Fight Against Hunger (<http://www.mds.gov.br>) provides general supervision.

Interministerial Administrating Council for the Bolsa Familia Program coordinates the program's administration.