

Guatemala

Exchange rate: US\$1.00 = 7.67 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.

Coverage

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

Voluntary coverage for self-employed persons.

Special system for other public-sector employees, including executive and military personnel.

Source of Funds

Insured person: 1.83% of covered earnings.

The minimum earnings used to calculate contributions are the minimum daily wage.

The minimum daily wage is 74.97 quetzales.

There are no maximum earnings used to calculate contributions.

Self-employed person: 5.5% of declared earnings.

The minimum earnings used to calculate contributions are the minimum daily wage.

The minimum daily wage is 74.97 quetzales.

There are no maximum earnings used to calculate contributions.

Employer: 3.67% of covered payroll.

The minimum earnings used to calculate contributions are the minimum daily wage.

The minimum daily wage is 74.97 quetzales.

There are no maximum earnings used to calculate contributions.

Government: 25% of total contributions paid; also contributes as an employer.

Qualifying Conditions

Old-age pension: Age 60 with at least 240 months of contributions.

The old-age pension is not payable abroad.

Disability pension: Must be assessed with a total (assessed loss of more than 33% of earning capacity) or severe (complete loss of earning capacity and in permanent need of constant attendance of others) disability and have at least 36 months of contributions in the six years before the disability began.

The disability pension is not payable abroad.

Survivor pension: The deceased had at least 36 months of contributions in the last six years, was receiving the old-age pension, or was entitled to receive the old-age or disability pension at the time of death.

Eligible survivors include a widow, a widower who is totally incapable of work, children younger than age 18 (no limit if disabled), a dependent mother, and a dependent father who is totally incapable of work.

The widow(er)'s pension and the orphan's pension cease on remarriage.

The survivor pension is not payable abroad.

Old-Age Benefits

Old-age pension: 50% of the insured's average earnings in the last 60 months plus 0.5% for each six-month period of contributions exceeding 120 months is paid.

Dependent's supplement: 10% of the insured's old-age pension is paid for each dependent.

Eligible dependents include a spouse or partner, children younger than age 18 (no limit if disabled), and disabled parents with no other source of income.

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

The maximum monthly pension, including supplements, is 4,800 quetzales (80% of the maximum monthly earnings used to calculate benefits).

The maximum monthly earnings used to calculate benefits are 6,000 quetzales.

Schedule of payments: 13 payments a year plus a December bonus of 500 quetzales.

Benefit adjustment: Benefits are adjusted periodically depending on financial resources.

Permanent Disability Benefits

Disability pension: For a total disability, the pension is 50% of the insured's average earnings in the last 60 months plus 0.5% for each six-month period of contributions exceeding 120 months.

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

Dependent's supplement: 10% of the insured's disability pension is paid for each dependent.

Eligible dependents include a spouse or partner, children younger than age 18 (no limit if disabled), and disabled parents with no other source of income.

The degree of disability is assessed each year.

Schedule of payments: 13 payments a year plus a December bonus of 500 quetzales.

Benefit adjustment: Benefits are adjusted periodically depending on financial resources.

Survivor Benefits

Spouse's pension: 50% of the old-age or disability pension the deceased received or was entitled to receive is paid to a widow or a disabled widower.

The minimum monthly widow(er)'s pension is 170 quetzales.

Orphan's pension: 25% of the old-age or disability pension the deceased received or was entitled to receive is paid to each orphan younger than age 18 (no age limit if disabled); 50% to each full orphan.

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

Dependent parent's pension: 25% of the old-age or disability pension the deceased received or was entitled to receive is paid to each dependent parent.

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

All survivor benefits combined must not exceed 100% of the old-age or disability pension the deceased received or was entitled to receive; the sum of the minimum monthly pensions must not exceed 340 quetzales.

Schedule of payments: 13 payments a year plus a December bonus of 500 quetzales.

The December bonus is distributed in the same proportions among the beneficiaries.

Funeral grant: A lump sum of 600 quetzales is paid.

Benefit adjustment: Benefits are adjusted periodically depending on financial resources.

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).

Type of program: Social insurance system.

Coverage

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

Exclusions: Self-employed persons.

Special system for household workers.

Source of Funds

Insured person: 2% of gross earnings.

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

Self-employed person: Not applicable.

Employer: 4% of gross payroll.

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

Government: 2% of the national budget.

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

Qualifying Conditions

Cash sickness and maternity benefits: Must have at least four months (three months for those who joined the scheme before August 5, 2005) of contributions in the six months before the incapacity began.

Medical benefits: Must be in covered employment. For insured persons first insured before August 5, 2005, there are no minimum contribution requirements. For insured persons first insured on or after August 5, 2005, the insured must have at least four months of contributions in the last six months.

Sickness and Maternity Benefits

Sickness benefit: 66.7% of the insured's average earnings is paid after a three-day waiting period for up to 26 weeks; may be extended to 39 weeks. The maximum combined benefit for multiple periods of incapacity is 52 weeks in a 24-month period.

The maximum daily benefit is 80 quetzales.

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

Workers' Medical Benefits

Medical benefits: Benefits include general, specialist, and maternity care; surgery; hospitalization; medicine; laboratory services; X-rays; appliances; transportation; rehabilitation; and retraining.

Free medical benefits are provided to uninsured persons in an emergency and until the condition stabilizes.

Dependents' Medical Benefits

The wife or partner of an insured man receives the same maternity care and accident benefits as an insured woman in all parts of the country, and sickness benefits in 21 of the 22 administrative departments. The insured's children younger than age 7 are also covered.

Free medical benefits are provided to noninsured persons in an emergency and until the condition stabilizes.

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 hospitals, clinics, and other medical services.

Work Injury

Regulatory Framework

First law: 1947.

Current law: 1994, implemented in 1995.

Type of program: Social insurance system.

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

Coverage

Insured workers.

Exclusions: Self-employed persons.

Special system for household workers.

Source of Funds

Insured person: 1% of gross earnings.

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

Self-employed person: Not applicable.

Employer: 3% of gross payroll.

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

Government: 1.5% of gross payroll.

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

Qualifying Conditions

Work injury benefits: For cash benefits, the insured must have at least three months of contributions before the work

injury or occupational disease began. For medical benefits, the insured must have at least four months of contributions in the last six months before the occupational disease or work injury began.

Temporary Disability Benefits

66.7% of the insured's earnings is paid after a two-day waiting period.

The minimum daily benefit is 8 quetzales.

The maximum daily benefit is 80 quetzales.

Benefit adjustment: Benefits are adjusted periodically depending on financial resources.

Permanent Disability Benefits

Permanent disability benefit: A lump sum of 99 to 4,950 quetzales is paid according to the assessed degree of disability.

Benefit adjustment: Benefits are adjusted periodically depending on financial resources.

Workers' Medical Benefits

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

Survivor Benefits

Funeral grant: A lump sum of up to 412.50 quetzales is paid for funeral expenses.

Benefit adjustment: Benefits are adjusted periodically depending on financial resources.

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 hospitals, clinics, and other medical services.

Unemployment

Regulatory Framework

Labor law requires employers to provide severance pay in cases of unfair dismissal to workers with permanent contracts who have passed a probation period. The benefit is one month's salary for each year of continuous service and is reduced proportionately for fractions of a year.