

Lesotho

Exchange rate: US\$1.00 =
14.35 South African rand/maloti.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1983 (pensions).

Current law: 2005 (pensions).

Type of program: Universal system.

Coverage

Resident citizens of Lesotho.

Special systems for judges, members of parliament, and certain civil servants.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Old-age pension: Age 70 and not receiving any other public pension.

Survivor pension: The deceased received or was entitled to receive an old-age pension.

Eligible survivors include a widow, a dependent widower, and orphans younger than age 18.

Old-Age Benefits

Old-age pension: 700 maloti a month is paid.

Survivor Benefits

Survivor pension: 100% of the old-age pension the deceased received or was entitled to receive is split equally among eligible survivors.

Administrative Organization

Ministry of Finance (<http://www.finance.gov.ls/>) administers the program.

Sickness and Maternity

Regulatory Framework

First and current law: 1992 (labor code).

Type of program: Universal (medical benefits) and employer-liability (cash benefits) system.

Note: Limited medical services are provided in government health centers and public hospitals.

Coverage

Universal (medical benefits): Citizens of Lesotho.

Employer liability (cash benefits): Private-sector employees.

Exclusions: Self-employed persons and apprentices.

Special systems for public-sector employees and military and police personnel.

Source of Funds

Insured person

Universal (medical benefits): None.

Employer liability (cash benefits): None.

Self-employed person

Universal (medical benefits): None.

Employer liability (cash benefits): Not applicable.

Employer

Universal (medical benefits): None.

Employer liability (cash benefits): The total cost (provides benefits directly to employees).

Government

Universal (medical benefits): The total cost.

Employer liability (cash benefits): None.

Qualifying Conditions

Cash sickness benefit (employer liability): Must have at least six months of continuous employment with the same employer and provide a medical certificate.

Cash maternity benefit (employer liability): Must have at least one year of continuous employment with the same employer and provide medical certificates indicating the expected and actual dates of childbirth.

Medical benefits (universal): There is no minimum qualifying period.

Sickness and Maternity Benefits

Sickness benefit (employer liability): 100% of the employee's normal earnings is paid for up to 12 days in the first 12 months of incapacity; 50% for up to 24 days in each subsequent 12-month period of continuous employment.

Maternity benefit (employer liability): Up to 100% of the employee's normal earnings is paid for 12 weeks (six weeks for workers in the garment and private security sector), for up to two children (no limit for workers in the private security sector).

Workers' Medical Benefits

Government clinics and hospitals provide free primary health care to the population.

A minimum package of health care services, including emergency care, inpatient treatments, vaccinations, and maternity care may be provided at public health centers and certain other facilities administered by religious organizations.

Dependents' Medical Benefits

Limited benefits, including free primary health care, are provided to the general population (see Workers' Medical Benefits).

Administrative Organization

Ministry of Labour and Employment (<http://www.labour.gov.ls/>) provides general supervision of cash benefits.

Employers pay benefits directly to employees.

Ministry of Health provides general supervision and coordination of medical benefits.

Work Injury

Regulatory Framework

First and current law: 1977 (worker's compensation).

Type of program: Employer-liability system through a private carrier.

Coverage

Employed persons and apprentices.

Exclusions: Self-employed persons, household workers, family labor, home-based workers, and farmers and foresters.

Special system for judges; members of parliament; certain civil servants; and military, police, and correctional personnel.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: A percentage of gross monthly payroll according to the terms of an agreement, contract, industry-wide mandate, or ministerial directive.

Government: None; contributes as an employer.

Qualifying Conditions

Must have an incapacity for work lasting at least three days. Accidents that occur while commuting to and from work are covered. Occupational diseases are covered for certain occupations, according to a schedule in law.

Temporary Disability Benefits

75% of the employee's monthly earnings is paid.

Permanent Disability Benefits

For a total (100%) disability, a lump sum of up to 267,200 maloti is paid.

Workers' Medical Benefits

Benefits include medical, surgical, and hospital treatment, skilled nursing, and medicine, up to 33,400 maloti; the maintenance, repair, and renewal of prosthetic devices or any other artificial appliances, up to 16,700 maloti; and transportation costs, up to 5,010 maloti.

Survivor Benefits

Survivor benefit: A lump sum of up to 240,500 maloti is split among eligible survivors.

Eligible survivors include a widow or dependent widower, orphans younger than age 18 or disabled, and dependent siblings and parents.

Death grant: A lump sum of 16,700 maloti is paid.

Administrative Organization

Ministry of Labour and Employment (<http://www.labour.gov.ls/>) provides general supervision.

Unemployment

Regulatory Framework

The 1992 labor code requires employers to provide severance pay in cases of dismissal to employees with at least one year of continuous service with the same employer. The employer pays two weeks of the employee's wages (at the rate payable at the time the contract is terminated) for each completed year of continuous service with the employer. The employer can make the severance payment immediately or delay it for up to 12 months.