

## Algeria

Exchange rate: U.S.\$1.00 equals 61.04 dinars.

Note: This information is from 1999.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1949.

**Current laws:** 1983 and 1994 (early retirement).

**Type of program:** Social insurance system.

#### Coverage

All employed and self-employed persons.

Special early retirement provisions for the unemployed.

Special system for members of the armed forces.

#### Source of Funds

**Insured person:** 5.0% of earnings, plus 0.5% for early retirement.

**Employer:** 7.5% of payroll, plus 0.5% for early retirement.

**Government:** None.

Contributions finance old-age benefits only. Disability and survivor benefits are financed under Sickness and Maternity.

#### Qualifying Conditions

**Old-age pension:** Age 60 (men) or 55 (women and veterans) with 15 years of coverage.

Early retirement is available for those in arduous or unhealthy work, female workers who have raised a child for at least 9 years (the retirement age is reduced by 1 year per child up to a maximum of 3 years), and permanently disabled workers with 15 years of coverage who are unable to meet the disability pension requirements. Retirement from work is necessary.

**Retirement settlement:** Age 65 with 5 years or 20 quarters of coverage and ineligible for the old-age pension. There is no minimum allowance.

Early retirement: Age 50 (men) or 45 (women) with at least 20 years of employment and 10 years of contributions with 3 years of contributions preceding unemployment. The insured person must not receive any income from any professional activity. The employer must be current with social security contributions according to the schedule in law.

**Disability pension:** For total disability, the loss of all working capacity. Currently covered with 60 days of employment in the last 12 months or 180 days in the last 3 years.

Partial disability: The loss of at least 50% of earning capacity.

**Survivor pension:** The insured was a pensioner or met the requirements for a pension.

**Survivor settlement:** The insured person did not meet the qualifying conditions for a pension.

All of the above benefits are payable abroad only if there is a reciprocal agreement.

#### Old-Age Benefits

**Old-age pension:** 2.5% of the average monthly wage during the last 3 years or the best 3 years of earnings (whichever is higher) times the number of years of coverage.

The minimum pension is 2,300 times the minimum hourly wage.

The maximum pension is 80% of the final salary.

Dependent's supplement: 600 times the minimum hourly wage.

**Retirement settlement:** 2.5% of the average monthly wage during the last 3 years or the best 3 years of earnings (whichever is higher) times the number of years of coverage.

Constant-attendance supplement: 40% of the pension is payable to permanently disabled pensioners who fail to meet the disability pension requirements.

Early retirement benefits: The pension is reduced by 1% for each year that the pension is awarded before reaching the legal age for full retirement benefit.

The minimum early retirement benefit is 75% of the National Guaranteed Minimum Salary.

Dependent spouse allowance: 12.5% of the National Guaranteed Minimum Salary.

#### Permanent Disability Benefits

**Disability pension:** 80% of average earnings during last the year or the best 3 years of earnings (whichever is higher), if totally disabled.

Constant-attendance supplement: 40% of the pension.

Partial disability: 60% of earnings.

#### Survivor Benefits

**Survivor pension:** A widow of any age receives 75% of the old-age pension or disability pension (50% if there are other survivors) paid or accrued to the insured. If there is more than one widow, the pension is divided equally.

Other eligible survivors: Children under age 18 (age 25 if an apprentice; age 21 if a student; no limit if disabled or a female without income) and dependent parents. The pension equals 30% for one survivor; 40% is divided equally if there is more than one eligible survivor.

If there is no surviving spouse, the pension is divided among other survivors as follows: 45% (full orphan) and 30% (dependent parent).

The maximum survivor pension is 90% of the pension paid or accrued to the insured.

**Survivor settlement:** A lump sum of 12 times the best monthly earnings during the year prior to death.

The minimum survivor settlement is 12 times the minimum monthly wage.

### **Administrative Organization**

Ministry of Labor, Social Protection, and Professional Training provides general supervision.

National Retirement Fund administers the old-age program.

National Social Insurance Fund for Salaried Workers administers the disability program for salaried employees.

National Social Security Fund for Wage Earners administers the old-age and disability program for wage earners.

National Social Security Fund for Nonwage Earners administers the old-age and disability program for nonwage earners.

### **Sickness and Maternity**

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#### **Regulatory Framework**

**First law:** 1949.

**Current law:** 1983, implemented in 1984.

**Type of program:** Social insurance system.

#### **Coverage**

All employed persons are entitled to cash sickness, medical, and maternity benefits. Spouses of workers or of pensioners receiving old-age, disability, or work injury (when the incapacity is at least 50%) pensions are covered for medical and maternity benefits. Spouses, dependent children, and dependent parents of workers, of pensioners receiving an old-age, disability, or work injury pension (when the incapacity is at least 50%), or of certain prisoners are covered for sickness benefits. Beneficiaries of unemployment compensation or early retirement, national liberation war pensioners, disabled persons, and unemployed students and their dependents are eligible for sickness and maternity benefits.

#### **Source of Funds**

**Insured person:** 1.5% of total earnings.

**Employer:** 12.5% of payroll.

**Government:** None.

All of the above contributions also finance disability and survivor benefits and the death allowance.

#### **Qualifying Conditions**

**Cash sickness and medical benefits:** In covered employment at the time of the onset of illness. For entitlement to the first 6 months of sickness benefits, the insured must have been employed for 15 days (or 100 hours) in the last

quarter or 60 days (or 400 hours) in the last 12 months. For extended benefits (beyond the first 6 months), the insured must have been employed for 60 days (or 400 hours) during the last 12 months or 180 days during the last 3 years.

**Cash maternity benefit:** 15 days (or 100 hours) of insured employment in the last 3 months or 60 days (or 400 hours) in the last 12 months prior to the date of onset of pregnancy.

**Medical benefits:** 15 days (or 100 hours) of insured employment during the 4 months prior to the year of the onset of the illness or 60 days (or 400 hours) of employment during the 12 previous months.

#### **Sickness and Maternity Benefits**

**Sickness benefit:** 50% of daily earnings (100% for an extended illness or hospitalization) for the first 15 days; thereafter, 100% of daily earnings from the 16th day up to a maximum of 3 years (4 years under certain circumstances).

The minimum daily benefit (at the 100% rate) is 8 times the minimum hourly wage.

**Maternity benefit:** 100% of earnings, payable for up to 14 weeks.

The minimum daily benefit is 8 times the minimum hourly wage.

#### **Workers' Medical Benefits**

A cash refund of 80% (100% in certain cases) of medical expenses. (The insured person normally pays for services and is subsequently reimbursed by the appropriate fund.)

Benefits include medical treatment, surgery, hospitalization, drugs, laboratory services, ophthalmology and optician services, some dental care, prostheses, functional and vocational rehabilitation, thermal and specialized cures, and transportation.

Maternity benefits are reimbursed at 100%; hospital charges are limited to 8 days.

Complete medical care in government hospitals is provided free and for unlimited time for certain categories of sickness; some categories may require a copayment.

#### **Dependents' Medical Benefits**

Same as for the insured person.

Maternity medical benefits only; same as for the insured person (payable to spouses only).

#### **Administrative Organization**

Ministry of Labor, Social Protection, and Professional Training provides general supervision.

National Social Insurance Fund for Salaried Workers administers the program for salaried employees.

National Social Security Fund for Wage Earners administers the program for wage earners.

## Work Injury

### Regulatory Framework

**First law:** 1919.

**Current law:** 1983, implemented in 1984.

**Type of program:** Social insurance system.

### Coverage

All employed persons, including students in technical schools, persons undergoing medical or vocational rehabilitation, voluntary social security administrators, wards of juvenile courts, students, and certain prisoners.

### Source of Funds

**Insured person:** None.

**Employer:** 1% of payroll.

**Government:** None.

### Qualifying Conditions

**Work injury benefits:** There is no minimum qualifying period.

### Temporary Disability Benefits

100% of earnings. The benefit is payable from the day after the onset of disability until full recovery or the certification of permanent disability.

The minimum daily benefit is 8 times the minimum hourly wage.

### Permanent Disability Benefits

**Permanent disability pension:** Average earnings during the previous 12 months times the assessed degree of disability. (A lump sum is paid if the assessed degree of disability is less than 10%.)

The minimum pension is 2,300 times the minimum hourly wage.

A lump sum of 3 times the annual benefit is payable to injured foreign workers who leave the country, unless they are covered under a bilateral social security agreement.

Constant-attendance supplement: 40% of the pension.

### Workers' Medical Benefits

Medical treatment, surgery, hospitalization, drugs, laboratory services, ophthalmology and optician services, some dental care, prostheses, functional and vocational rehabilitation, thermal and specialized cures, and transportation. There is no limit to duration.

### Survivor Benefits

**Survivor pension:** A widow of any age receives 75% of the insured's average wages in the 12 months before an accident

resulting in the insured's death; otherwise, 75% of the pension paid or accrued to the insured person. If there is more than one widow, the pension is divided equally.

Other eligible survivors: Children under age 18 (age 25 if an apprentice; age 21 if a student; no limit if disabled or a female without income) and dependent parents.

The pension equals 30% if there is one eligible survivor; 40% is divided equally if there is more than one.

If there is no surviving spouse, the pension is divided among other survivors as follows: 45% (full orphan) and 30% (dependent parent).

The maximum survivor pension is 90% of the pension paid or accrued to the insured.

Survivor settlement: A lump sum of 12 times the highest monthly earnings in the year prior to the death of the insured.

The minimum survivor settlement is 12 times the minimum monthly wage.

Survivors of foreign workers are eligible for benefits if they are residents or are covered by a reciprocal agreement at the time of the accident.

### Administrative Organization

Ministry of Labor, Social Protection, and Professional Training provides general supervision.

National Social Insurance Fund for Salaried Workers administers the program.

## Unemployment

### Regulatory Framework

**First and current law:** 1994.

**Type of program:** Social insurance system.

### Coverage

Salaried workers who are laid off.

### Source of Funds

**Insured person:** 1.5% of earnings.

**Employer:** 2.5% of payroll.

**Government:** None.

### Qualifying Conditions

**Unemployment benefit:** The insured person must have contributed to social security for a total of 3 years with 6 months of contributions prior to unemployment, must receive no income from any professional activity, must have been looking for work for at least 3 months, and must be a resident of Algeria. The previous employer must be current with social security contributions.

## **Unemployment Benefits**

Employer pays one contribution equal to 80% of the employee's monthly earnings for each year of employment up to 12 months if the employee has 3 years of employment.

The benefit is calculated according to a reference salary that is equal to the average monthly salary plus the monthly National Guaranteed Minimum Salary divided by 2.

The minimum salary is 75% of the monthly National Guaranteed Minimum Salary.

The maximum salary is 3 times the monthly National Guaranteed Minimum Salary.

The benefit is payable for 2 months for each year of service.

The minimum duration of benefit is 12 months.

The maximum duration of benefit is 36 months.

The benefit is paid quarterly as a percentage of the reference salary: 100% for the first quarter, 80% for the second quarter, 60% for the third quarter, and 50% for the fourth quarter.

Spouse allowance: 500 dinars a month if the husband receives an unemployment benefit of less than 7,000 dinars a month.

While receiving unemployment benefits, the insured and his or her dependents are eligible for sickness and maternity and family allowance benefits for 12 months.

## **Administrative Organization**

Ministry of Labor, Social Protection, and Professional Training provides general supervision.

National Unemployment Insurance Fund administers the program.

## **Family Allowances**

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### **Regulatory Framework**

**First and current law:** 1941.

**Type of program:** Employment-related system.

### **Coverage**

Nonagricultural employees and social insurance beneficiaries with one or more children.

Special systems for public-sector employees and employees of certain agricultural cooperatives.

### **Source of Funds**

**Insured person:** None.

**Employer:** 25% of the cost of family allowances for employees.

**Government:** 75% of the cost of family allowances for employees; the total cost of family allowances for nonworking beneficiaries.

## **Qualifying Conditions**

**Family allowances:** The child must be under age 17 (age 18 if an apprentice; age 21 if a student or disabled). The insured person must have earned half the National Guaranteed Minimum Salary; be disabled or ill; or be receiving an unemployment benefit, early retirement benefit, or old-age pension.

## **Family Allowance Benefits**

**Family allowances:** When family earnings are 15,000 dinars a month or less, the benefit is 600 dinars a month for each of the first five children and 300 dinars for each additional child. When earnings exceed 15,000 dinars a month, the benefit is 300 dinars a month for each child.

School allowance for children over age 6: When family earnings are 15,000 dinars a month or less, the benefit is 800 dinars for each of the first five children and 400 dinars for each additional child. When earnings exceed 15,000 dinars a month, the benefit is 400 dinars for each child. The allowance is payable once a year in addition to regular family allowances.

## **Administrative Organization**

Ministry of Labor, Social Protection, and Professional Training provides general supervision.

National Social Insurance Fund for Salaried Workers administers the program.