

Cyprus

Exchange rate: U.S.\$1.00 equals 0.65 pounds (£).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1956.

Current laws: 1980 (social insurance) and 1995 (social old-age pension).

Type of program: Dual social insurance and noncontributory social old-age pension system.

Coverage

Employed and self-employed persons aged 16 to 64.

Voluntary coverage for formerly covered persons and for Cypriots working abroad for Cypriot employers.

Social old-age pension is available to persons aged 65 who are not entitled to a pension or similar payment from any source.

Source of Funds

Insured person: 6.3% of earnings; self-employed, 11.6% of earnings; voluntarily covered, 10% of earnings.

Employer: 6.3% of payroll. No contributions for social old-age pension.

Government: 4% of earnings. Total cost of social old-age pension.

Above contributions also finance cash sickness, maternity, work injury, and unemployment benefits.

Maximum earnings for contribution purposes are £412 a week.

Qualifying Conditions

Old-age pension: Age 65. Age 63 if weekly average of paid and credited earnings is at least equal to 70% of weekly basic earnings.

Minimum 3 years' contributions and earnings in lower band (covered earnings up to basic earnings level) are 156 times weekly basic earnings, and weekly average earnings (paid and credited) since 1964 or age 16 are 25% of basic earnings.

Widow may substitute husband's coverage record for her own for period prior to his death.

Lump-sum payment: Payable at age 68 to persons who do not meet contribution conditions; persons who satisfy first but not second condition receive lump sum of 15% of total covered earnings.

Retirement necessary for miners aged 58 to 63.

Social pension: Age 65 and 20 years' residence after age 40, or 35 years after age 18.

Disability pension: Permanent incapacity for work.

Contribution conditions are same as for old-age pension, above, plus paid or credited contributions in previous year must correspond to at least 20 times weekly basic earnings. (Alternatively, average of 20 times basic earnings in last 2 years.) If disability is caused by accident, same qualifying conditions apply as for cash sickness benefit.

Survivor pension: Contribution conditions are same as for Old-age pension. (Lump sum is paid if qualifying conditions are not met.) If death is caused by accident, same qualifying conditions apply as for cash sickness benefit.

Orphan's pension: The deceased was insured and supported the child; for full orphans, one of the parents was insured.

All pensions payable abroad.

Old-Age Benefits

Old-age pension: Basic pension is equal to 60% of average basic insurable earnings, plus supplementary pension equal to 1.5% of insurable earnings above basic insurable earnings.

Dependent supplement: Husband receives 1/3 of basic pension for first dependent, 1/6 for the second and third dependents. Wife receives 1/6 of basic pension for each dependent other than husband (maximum two dependents). Husbands who are incapable of self-support are considered as dependent, and the basic pension increases by 1/3 for first dependent and by 1/6 for the second and third dependents.

Schedule of payments: Pensions are paid 13 times a year.

Lump-sum payment: 15% of total paid and credited earnings.

Social pension: £133.63 a month.

Benefit adjustment: Past earnings are adjusted once a year according to changes in wages. Pensions in payment are adjusted in January and July each year. (In January, basic part is adjusted according to wages and supplementary part according to prices; in July, basic part and supplementary part are adjusted according to prices.)

Permanent Disability Benefits

Disability pension: Same as old-age pension, including dependent supplement.

Schedule of payments: Pensions are paid 13 times a year.

Medical services are provided in government hospitals and dispensaries.

Benefit adjustment: Past earnings are adjusted once a year according to changes in wages. Pensions in payment are adjusted in January and July each year. (In January, basic part is adjusted according to wages and supplementary part according to prices; in July, basic part and supplementary part are adjusted according to prices.)

Survivor Benefits

Survivor pension: Same as old-age pension, above, plus 60% of supplementary old-age pension. Payable to widow or to dependent disabled widower.

Lump-sum payment: Equal to 1 year's pension, payable upon remarriage.

Orphan's pension: £54.99 a week, plus 30% of supplementary old-age pension (60% divided equally among two or more orphans) to each full orphan under age 15 (under 23 if female, 25 for males if student or in military service, no age limit if disabled).

Lump sum equal to 1 year's orphan's pension payable on termination of pension due to age.

Benefit for half orphan is £27.50 a week for first orphan and £13.75 per week for second and third.

Schedule of payments: Pension is paid 13 times a year.

Missing person's benefit: Same as old-age pension, including dependent supplement.

Funeral grant: £283 upon death of insured or pensioner, £141.50 upon death of dependent.

Benefit adjustment: Past earnings are adjusted once a year according to changes in wages. Pensions in payment are adjusted in January and July each year. (In January, basic part is adjusted according to wages and supplementary part according to prices; in July, basic part and supplementary part are adjusted according to prices.)

Administrative Organization

Ministry of Labor and Social Insurance, through Department of Social Insurance, administers the program.

Program is directed by Director of Social Insurance in Ministry and tripartite advisory Social Insurance Board.

Sickness and Maternity

Regulatory Framework

First law: 1956.

Current law: 1980.

Type of program: Dual social insurance for cash benefits and national health service for medical care.

Coverage

Cash benefits: Employed and self-employed persons aged 16 to 63.

Voluntary coverage for Cypriots aged 16 to 63 working abroad for Cypriot employers. Persons between ages 64 and 65 are covered only if they are not entitled to old-age pension.

Medical care: All residents of limited means, public employees, police, and members of the armed forces.

Source of Funds

Insured person: See Old Age, Disability, and Survivors, above.

Employer: See Old Age, Disability, and Survivors, above.

Government: See Old Age, Disability, and Survivors, above. Also, total cost of medical care.

Qualifying Conditions

Sickness benefit: Twenty-six weeks of paid contributions and 20 contributions paid or credited in last year. After entitlement is exhausted, person can requalify upon payment of 26 contributions.

Maternity benefit: Twenty-six weeks of paid contributions and 20 contributions paid or credited in last year.

Cash maternity grant: Twenty-six weeks of paid contributions and 20 contributions paid or credited in last year.

Medical benefits: All residents of limited means, public employees, police, and members of the armed forces.

Sickness and Maternity Benefits

Cash sickness benefit: 60% of basic average insurable earnings in last year, plus supplement of 50% of average earnings above basic amount in last year, up to maximum of twice basic insurable earnings.

Dependent supplement: One-third of basic benefits for a dependent spouse and 1/6 for other dependents (maximum to two dependents). A spouse is dependent if he or she is not working or is not receiving any benefit from the Social Insurance Fund.

Maximum cash benefit and supplements are £137.48 a week.

Payable after 3-day waiting period (18 days for self-employed) for up to 52 weeks (minimum is 26 weeks).

Cash maternity benefit: 75% of average insurable earnings during the last year.

Payable for 16 weeks beginning between the 6th and 2nd week before expected date of birth.

Payable for 14 weeks to stepmothers for adopted children if the adoption takes place before the child is age 13.

Maternity grant: £283 (payable also to nonworking wife of insured).

Workers' Medical Benefits

Medical services provided directly to patients in government hospitals and dispensaries. Includes medical treatment, hospitalization, maternity care, and medicines.

Dependents' Medical Benefits

Same as for insured person.

Administrative Organization

Ministry of Labor and Social Insurance, through Department of Social Insurance, administers cash benefits.

Program is directed by Director of Social Insurance in Ministry and tripartite advisory Social Insurance Board.

Ministry of Health provides medical services through government hospitals.

Work Injury

Regulatory Framework

First law: 1942.

Current law: 1980.

Type of program: Social insurance system.

Coverage

Employed persons.

Source of Funds

Insured person: See Old Age, Disability, and Survivors, above.

Employer: See Old Age, Disability, and Survivors, above.

Government: See Old Age, Disability, and Survivors, above.

Qualifying Conditions

Work injury benefits: No minimum qualifying period.

Temporary Disability Benefits

£41.24 a week.

Dependent supplement: One-third of basic benefits for a dependent spouse and 1/6 for other dependents (maximum to two dependents). A spouse (male or female) is dependent if he or she is not working or is not receiving any benefit from the Social Insurance Fund.

Minimum benefit and supplements are £68.74 a week.

Supplementary benefit is 50% of average insurable earnings above basic in last year, up to a maximum of twice basic insurable earnings.

Maximum benefit and supplements are £137.40 a week payable after 3-day waiting period for up to 12 months.

Permanent Disability Benefits

Permanent disability pension: £41.24 a week. Supplementary permanent disability pension is 60% of average earnings above basic earnings in last 2 years.

Partial disability: Percentage of full pension proportionate to degree of incapacity (20% to 99% disablement) or lump sum (10% to 19%).

Dependent supplement: One-third of basic benefits for a dependent spouse and 1/6 for other dependents (maximum to two dependents). A spouse (male or female) is dependent if he or she is not working or is not receiving any benefit from the Social Insurance Fund.

Benefit adjustment of earnings and pensions: Past earnings are adjusted once a year according to changes in wages. Pensions in payment are adjusted in January and July each year. (In January, basic part is adjusted according to wages and supplementary part according to prices; in July, basic part and supplementary part are adjusted according to prices.)

Constant-attendance supplement: £20.64 a week.

Workers' Medical Benefits

Necessary medical treatment and hospitalization in government dispensaries and hospitals.

Survivor Benefits

Survivor pension: Same as basic permanent disability pension, plus 60% of supplementary permanent disability pension. Payable to widow or to dependent disabled widower.

Lump-sum payment: Equal to 1 year's pension, payable upon remarriage.

Orphan's pension: £27.50 a week, plus 30% of supplementary permanent disability pension (60% divided equally among two or more orphans) to each full orphan under age 15 (under 23 if female, 25 for males if student or in military service, no age limit if disabled).

Lump sum equal to 1 year's orphan's pension payable on termination of pension due to age.

Benefit for half orphan is £13.75 a week for first orphan and £6.88 a week for second and third.

Dependent parent (if no spouse or child): £27.50 a week plus 30% of supplementary permanent disability pension.

Funeral grant: £283.

Administrative Organization

Ministry of Labor and Social Insurance, through Department of Social Insurance, administers contributions and cash benefits.

Program is directed by Director of Social Insurance in Ministry and tripartite advisory Social Insurance Board.

Unemployment

Regulatory Framework

First law: 1956.

Current law: 1980.

Type of program: Social insurance system.

Coverage

Employed persons aged 16 to 63 (including voluntarily insured persons who work for Cypriot employers abroad).

Employed persons aged 64 to 65 are covered only if they are not entitled to old-age pension.

Source of Funds

Insured person: See Old Age, Disability, and Survivors, above.

Employer: See Old Age, Disability, and Survivors, above.

Government: See Old Age, Disability, and Survivors, above.

Six percent of total contributions paid by insured persons, employers, and government toward old-age, disability, and survivors benefits are transferred to the Unemployment Benefit Account to finance unemployment benefit.

Qualifying Conditions

Unemployment benefit: Twenty-six weeks of paid contributions and 20 contributions paid or credited in last year. After entitlement is exhausted, requalification upon payment of 26 weeks of contributions. Capable of and available for work; weekly reporting at employment exchange. If unemployment is due to voluntary leaving, misconduct, direct participation in trade dispute, refusal of suitable offer, or failure to avail self of job opportunity, disqualification for up to 6 weeks.

Unemployment Benefits

Same as cash sickness benefit, including supplements. Payable after 3-day waiting period (30 for voluntarily insured) for 26 weeks.

Administrative Organization

Ministry of Labor and Social Insurance, through Department of Social Insurance, administers the program.

Program is directed by Director of Social Insurance in Ministry and tripartite advisory Social Insurance Board.

Family Allowances

Regulatory Framework

First laws: 1987 (child benefit) and 2000 (mother's allowance).

Type of program: Universal system.

Coverage

Child benefit: All residents with four or more children.

Mother's allowance: Mothers residing in Cyprus who have had at least four children but are not entitled to child benefit.

Source of Funds

Insured person: None.

Employer: None.

Government: Total cost.

Qualifying Conditions

Child benefit: Residence in country. Family must include four or more dependent children. A child is dependent if under age 15; between ages 15 and 18 and unmarried; between ages 18 and 25 and in military service; attending full-time education and between ages 18 and 25 if male or ages 18 and 23 if female; has a disability irrespective of age.

Mother's allowance: Mothers residing in Cyprus who have had at least four children but are not entitled to child benefit.

Family Allowance Benefits

Child benefit: £31.35 a month for each dependent child.

Mother's allowance: £31.35 a month for each dependent child.

Benefit adjustment: Benefits are adjusted in January each year according to changes in the cost-of-living index.

Administrative Organization

Ministry of Labor and Social Insurance, through Department of Social Insurance, administers the program.

Program is directed by Director of Social Insurance in Ministry and tripartite advisory Social Insurance Board.