

Occupied Palestinian Territory

ILO proposed design parameters

for a

Social security system covering private sector workers

**(Pensions, Employment injury benefits and
Maternity benefits)**

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Background

The social protection system in the oPt is very scattered and falls short of providing effective income security and access to health care for all Palestinians. There exist some social insurance schemes for workers in formal employment, which however, cover only few social security contingencies and mainly public sector employees. Even if the Retirement Law No. 7 of 2005 provides the legal basis for old-age insurance for public and private sector employees, the application of the law remains to the public sector only. Besides, neither employment injury benefits nor unemployment and maternity insurance, and health care benefits are yet implemented.

Therefore, with the lack of a national social security law, the oPt remains short of an effective and comprehensive social security system that extends coverage for all workers in the formal economy and their family members, as a means for providing income security, combating poverty and social exclusion. The oPt also lacks a tripartite social security institution which could administer and deliver social insurance benefits to insured workers and their family members.

While the Palestinian Ministry of Social Affairs (MOSA) launched in 2011 a Social Protection Sector Strategy, there is not yet a Social Security Sector Strategy in place. A Social Security Sector Strategy agreed upon by tripartite stakeholders and complementing the Social Protection Sector Strategy, is of utmost importance for complementing the different visions of the respective ministries and for providing a framework for comprehensive social security and protection benefits for Palestinian workers and their families in the long-run.

In order to accelerate the process of developing a comprehensive social security and protection system, the Palestinian Prime Minister established at the beginning of 2012 a national tripartite Social Security Committee, which task is to work along three dimensions: *a) outlining a vision for the social security sector strategy with clear priorities, b) actuarial study for the establishment of the pension and social security law, and c) tripartite institution building for social security administration, including capacity building for reviewing social security legislation and national social security policies.*





Against this backdrop, the ILO undertook a series of consultations with the tripartite constituents over the course of 2012 and early 2013 the last of which was chaired by H.E the Prime Minister in order to discuss the key challenges and priorities with regards to social security in the oPt and agree on the ILO key areas of intervention to address these priorities.

It was agreed that the ILO will assist tripartite Palestinian stakeholders in the progressive establishment of a comprehensive and well-functioning social security system for workers and their family members, agreed upon by tripartite stakeholders and based on ILO social security standards, in particular the ILO Social Security (Minimum Standards) Convention, 1952 (No. 102), internationally recognized social security principles and world wide good practice examples.

There was also consent among tripartite stakeholders that this new social security system should be financed through contributions by employers and workers, administrated by a





tripartite independent body, and with the Government as the ultimate guarantor of the system. The new social security system should further guarantee decent benefits, based on sound financial assessments, gradually implemented, starting with pensions, employment injury benefits and maternity cash benefits. However, before carrying out an actuarial assessment to guarantee the sustainability of the envisaged new system the design parameters of the different envisaged social security schemes need to be discussed and agreed upon by tripartite stakeholders.

The ILO's recommendations concerning the key design parameters of the new social security system are displayed in the Matrix below. They are based on:

-  Extensive consultations held with tripartite Palestinian stakeholders, and in particular the national tripartite Social Security Committee and the Social Security Steering Committee;
-  Relevant provisions of the current Civil Servant Pension Scheme (Pension Law No. 7 of 2005), as this piece of legislation was adopted with a view to covering also private sector workers, however, its application remains to the public sector only;
-  Relevant provisions of the current Labour Law No. 7 of 2000; and
-  International good practices and the most relevant ILO social security standard, which is the Social Security (Minimum Standards) Convention, 1952 (No. 102) that defines the nine “classical” social security contingencies, sets minimum standards for these contingencies and lays down basic social security principles.

They were formulated bearing in mind the need to achieve a balance between the different political concerns of the stakeholders involved in the process, and the international standards and best practices adapted to the national context.

Furthermore, major policy considerations which need to be taken into account for the design of the system include:

-  The need to ensure the coverage of as many Palestinian workers as possible;
-  The need to ensure that the system can achieve the objective of providing Palestinian workers and their families with income support in old age, during disability and for their survivors in case of death, as well as in case of employment injury and maternity;
-  The need to ensure that the system is affordable, in terms of the contributions that are required from workers and their employers; and
-  The need to ensure that mechanisms are in place which guarantee the proper administration of the system, including the regular payment of contributions by insured workers and their employers.

On these grounds, the ILO aims to provide a sound basis for informed policy making regarding the key design parameters of the new social security system, which should build the basis for the new national social security law and ultimately lead to the establishment of a fair and affordable social security system for Palestinian workers and their families.

GENERAL

	Recommendations of tripartite constituents	ILO recommendations	Civil servant pension scheme (Pension Law n° 7 of 2005)	Requirements of ILO Convention No. 102
Type of scheme	Defined-benefit (DB) system.	Defined-benefit (DB) system.	Combination of defined-benefit (DB) and defined-contribution (DC) systems.	ILO standards are based on the defined-benefit (DB) concept.

	Recommendations of tripartite constituents	ILO recommendations	Civil servant pension scheme (Pension Law n° 7 of 2005)	Requirements of ILO Convention No. 102
Persons covered	All private sector workers.	All private sector workers.	<p>Covers the following workers and their family members:</p> <ul style="list-style-type: none"> – Civil servants, security forces who were less than 45 years old on 1/9/2006 and who are paid from the Palestine National Authority (PNA) general budget; – Palestine Liberation Organization employees who are working outside the country and who are paid from the PNA general budget, unless they are not participant in any other governmental pension scheme; – Employees of local authorities and public institutions; – NGOs and private sector employees (not implemented). <p>As of June 2009, the pension system covered 74,367 civil servants and 63,194 security personnel, representing approximately 16 per cent of labour force.¹</p>	The persons protected shall alternatively comprise prescribed classes of employees, constituting at least 50% of all employees, or prescribed classes of economically active persons, constituting at least 20% of all residents, or all residents whose means during the contingency do not exceed prescribed limits.

¹ World Bank, *Towards a Palestinian State : Reforms for Fiscal Strengthening, Economic Monitoring Report to the Ad Hoc Liaison Committee*, 13 April 2010.

	Recommendations of tripartite constituents	ILO recommendations	Civil servant pension scheme (Pension Law n° 7 of 2005)	Requirements of ILO Convention No. 102
Earnings covered	Gross wage (excluding subsidies)	Earnings base reflecting gross wage and which facilitates the payment of contributions by employers <i>Example: gross wage (excluding subsidies)</i>	Basic salary, fixed increments (linked to the nature of work), periodic increments and increment for cost of living.	
Ceiling on earnings	5 times minimum wage	Multiple of minimum wage Recommendation: <i>5 times minimum wage</i>	No ceiling on covered earnings	The earnings' ceiling shall cover the average earnings of a skilled manual male employee (alternatively, may be a level higher than the earnings of 75 % of all insured persons or 125% of the average earnings of all insured persons)

	Recommendations of tripartite constituents	ILO recommendations	Civil servant pension scheme (Pension Law n° 7 of 2005)	Requirements of ILO Convention No. 102
Financing	<p>Contribution rates:</p> <ul style="list-style-type: none"> • <i>Old-Age, Invalidity and Survivors' Pensions:</i> <ul style="list-style-type: none"> – Employer: 8.5% – Employee: 7.5% • <i>Maternity Cash Benefit:</i> <ul style="list-style-type: none"> – Employer: 0.3% – Employee: 0.2% • <i>Employment Injury Benefits:</i> <ul style="list-style-type: none"> – Employer: 1.6% – Employee: None <p>Financing mechanisms:</p> <ul style="list-style-type: none"> • <i>Old-Age, Invalidity and Survivors' Pensions:</i> <ul style="list-style-type: none"> – Partial funding with accumulation of a technical reserve for an orderly financing. • <i>Maternity Cash Benefit:</i> <ul style="list-style-type: none"> – Pay-as-you-go with accumulation of a small contingency reserve. • <i>Employment Injury Benefits:</i> <ul style="list-style-type: none"> – Pay-as-you-go for temporary disability and medical expenses. – Full-funding for disability and survivors pensions. 	<p>Contribution rates:</p> <ul style="list-style-type: none"> • <i>Old-Age, Invalidity and Survivors' Pensions:</i> <ul style="list-style-type: none"> – Employer: 8.5% – Employee: 7.5% • <i>Maternity Cash Benefit:</i> <ul style="list-style-type: none"> – Employer: 0.3% – Employee: 0.2% • <i>Employment Injury Benefits:</i> <ul style="list-style-type: none"> – Employer: 1.6% – Employee: None <p>Financing mechanisms:</p> <ul style="list-style-type: none"> • <i>Old-Age, Invalidity and Survivors' Pensions:</i> <ul style="list-style-type: none"> – Partial funding with accumulation of a technical reserve for an orderly financing. • <i>Maternity Cash Benefit:</i> <ul style="list-style-type: none"> – Pay-as-you-go with accumulation of a small contingency reserve. • <i>Employment Injury Benefits:</i> <ul style="list-style-type: none"> – Pay-as-you-go for temporary disability and medical expenses. – Full-funding for disability and survivors pensions. 	<p>DB system:</p> <ul style="list-style-type: none"> – Employer: 9% – Employee: 7% <p>DC system:</p> <ul style="list-style-type: none"> – Employer: 3% – Employee: 3% 	<p>The cost of administering and providing social security benefits shall be borne collectively by way of insurance contributions or taxation. The total of insurance contributions to be borne by the employees protected shall not exceed 50%.</p>

	Recommendations of tripartite constituents	ILO recommendations	Civil servant pension scheme (Pension Law n° 7 of 2005)	Requirements of ILO Convention No. 102
Regular adjustment of pensions	Annual indexing of pensions and funeral grant in line with CPI	Should be automatic and reflecting changes in the cost of living Recommendation: <i>Annual indexing of pensions and funeral grant in line with CPI</i>		Pensions shall be reviewed following substantial changes in the general level of earnings where these result from substantial changes in the cost of living.
General responsibility of the State	The government shall accept the general responsibility for the due provision of benefits and proper administration of the system. It shall ensure, where appropriate, that the necessary actuarial reviews and calculations concerning the financial equilibrium are made periodically.	The government shall accept the general responsibility for the due provision of benefits and proper administration of the system. It shall ensure, where appropriate, that the necessary actuarial reviews and calculations concerning the financial equilibrium are made periodically.		The government shall accept the general responsibility for the due provision of benefits and proper administration of the system. It shall ensure, where appropriate, that the necessary actuarial reviews and calculations concerning the financial equilibrium are made periodically.

OLD-AGE pension

	Recommendations of tripartite constituents	ILO recommendations	Civil servant pension scheme (Pension law n° 7 of 2005)	Requirements of ILO Convention No. 102
Objective of the scheme	To secure replacement of lost earnings during retirement	To secure replacement of lost earnings during retirement		The contingency covered shall be survival beyond a prescribed age.
Eligibility and qualifying conditions	Age 60 with at least 15 years of contribution. Early retirement possible from age 55 with at least 15 (or 20) years of contribution.	Normal retirement age aligned to public sector Recommendation: <i>Age 60 with at least 15 years of contribution.</i> Possibility of early retirement Recommendation: <i>Early retirement possible from age 55 with at least 15 years of contribution.</i>	Mandatory retirement: – Age 60 with at least 15 years of service Early retirement: – Civil servant: age 55 with at least 15 years of service – Security forces: age 50 with at least 15 years of service.	Pensionable age shall not be higher than 65 years or such higher age as may be fixed by the competent authority with due regard to the working ability of elderly persons A reduced old-age benefit shall be paid after at least 15 years of contribution or employment.

	Recommendations of tripartite constituents	ILO recommendations	Civil servant pension scheme (Pension law n° 7 of 2005)	Requirements of ILO Convention No. 102
Amount of benefit	<p>Pension formula: 1.5% per year of paid contributions, multiplied by indexed career-average salary.</p> <p>Minimum pension: 50% of minimum wage (could alternatively refer to the poverty line). Pro-rated if number of paid contributions lower than 15. Not available in case of early retirement.</p> <p>Early retirement Reduction of 6% (or 5%) per year before normal retirement age</p> <p>Retirement grant: Retirement grant equal to the value of employee plus employer contributions plus interest (at least equal to inflation plus real rate of return).</p> <p>Further contributions: Possibility of contributing after normal retirement age for three years, if not eligible to pension at normal retirement age.</p>	<p>Based on the recommendations of the actuarial valuation, pension amount in line with ILO minimum standards Recommendation: <i>1.5% per year of paid contributions, multiplied by indexed career-average salary.</i></p> <p>Minimum pension available Recommendation: <i>50% of minimum wage. Pro-rated if number of paid contributions lower than 15. Not available in case of early retirement.</i></p> <p>Early retirement with neutral actuarial adjustment Recommendation: <i>Reduction of 6% per year before normal retirement age</i></p> <p>Retirement grant payable, if not eligible to pension at normal retirement age. Recommendation: <i>Retirement grant equal to the value of employee plus employer contributions plus interest (at least equal to inflation plus real rate of return).</i></p> <p>Possibility of contributing after normal retirement age for three years, if not eligible to pension at normal retirement age.</p>	<p>DB system:</p> <ul style="list-style-type: none"> – 2% per year of service, multiplied by average salary of the last 3 years (maximum 70%) – Early retirement: 4% reduction per year before age 60. – If not eligible to pension at age 60, retirement grant equal to employee's contributions plus interest. <p>DC system:</p> <ul style="list-style-type: none"> – Based on the amount accumulated with interest. – May be paid as a lump sum, life annuity or scheduled payments. 	<p>The amount of old-age benefit payable to a standard beneficiary (skilled manual male employee with wife of pensionable age) after 30 years of contribution or employment shall represent at least 40% of the wage of a skilled manual male employee earned during the same time basis.</p>

	Recommendations of tripartite constituents	ILO recommendations	Civil servant pension scheme (Pension law n° 7 of 2005)	Requirements of ILO Convention No. 102
Transitional provisions	Age credits (for eligibility purposes) granted to persons aged 45 and over at scheme's introduction.	Easier eligibility conditions for a certain period after introduction of the scheme. Recommendation: <i>Age credits (for eligibility purposes) granted to persons aged 45 and over at scheme's introduction.</i>		Reduced benefit shall be payable to insured persons, who, by reason only of their advanced age when the new come into force, do not qualify for a pension.

INVALIDITY pension

	Recommendations of tripartite constituents	ILO Recommendations	Civil servant pension scheme (Pension law n° 7 of 2005)	Requirements of ILO Convention No. 102
Objective of the scheme	Inability to engage in any gainful activity which is likely to be permanent.	Restricted definition of invalidity that would take into account the present diagnosis capacities (at least initially). Recommendation: <i>Inability to engage in any gainful activity which is likely to be permanent.</i>	Physical disability confirmed by a specialised medical committee appointed by the Commission, provided that his condition is to be examined again in accordance with the decision of the medical committee.	The contingency shall include inability to engage in any gainful activity which is likely to be permanent.
Eligibility conditions	<ul style="list-style-type: none"> – 2 years or 5 years of contribution (or a dual approach: 6 months if the person is at work at the inception of invalidity, and 5 years if the persons is not). – Below age 60. 	<p>In line with ILO minimum standards Recommendation: <i>2 years or 5 years of contribution.</i></p> <p>Payable if the person has not reached the normal retirement age. Recommendation: <i>Below age 60.</i></p>	Below age 60	A reduced invalidity benefit shall be payable at least after 5 years of contribution or employment.
Amount of benefit	1.5% per year of contribution, multiplied by indexed career-average salary, while years of contribution include period from invalidity to normal retirement age.	<p>Consistent with old-age pension <i>Example: 1.5% per year of contribution, multiplied by indexed career-average salary.</i></p> <p>Consider the period until normal retirement. Recommendation: <i>Years of contribution include period from invalidity to normal retirement age.</i></p>	<p>DB system: 2% per year of service, multiplied by average salary of the last 3 years (maximum 70%). Years of service include half of years from invalidity to age 60.</p> <p>DC system: may receive the accumulated amount as a lump sum.</p>	The amount of invalidity benefit payable to a standard beneficiary (skilled manual male employee with wife and two children) shall represent at least 40% of the wage of such an employee during the same time basis, after 15 years of contributions or employment.

	Recommendations of tripartite constituents	ILO Recommendations	Civil servant pension scheme (Pension law n° 7 of 2005)	Requirements of ILO Convention No. 102
Duration	Payable throughout the contingency.	Payable throughout the contingency. Recommendation: <i>Payable throughout the contingency.</i>		The benefit shall be granted throughout the contingency or until an old-age benefit becomes payable.

SURVIVORS pension

	Recommendations of tripartite constituents	ILO recommendations	Civil servant pension scheme (Pension law n° 7 of 2005)	Requirements of ILO Convention No. 102
Objective of the scheme	The contingency covered shall include the loss of support suffered by the widow or child as the result of the death of the breadwinner.	The contingency covered shall include the loss of support suffered by the widow or child as the result of the death of the breadwinner.		The contingency covered shall include the loss of support suffered by the widow or child as the result of the death of the breadwinner.
Eligibility conditions	2 years or 5 years of contribution	In line with ILO minimum standards Recommendation: <i>2 years or 5 years of contribution</i>	The deceased was receiving a retirement pension at the time of death or was eligible to receive a retirement pension in accordance with the DB system.	A reduced survivors' benefit shall be payable at least after 5 years of contribution or employment.

	Recommendations of tripartite constituents	ILO recommendations	Civil servant pension scheme (Pension law n° 7 of 2005)	Requirements of ILO Convention No. 102
Eligible survivors	<ul style="list-style-type: none"> – Widow or widows of the insured person. – Children younger than eighteen (18) years of age supported by the insured person prior to his/her death. – Children younger than eighteen (18) years of age or younger than twenty-four (24) years of age if pursuing their higher education supported by the insured person prior to his/her death. – Children supported by the insured person prior to his/her death and who are unable to earn a living by virtue of physical reasons. – Unmarried, divorced or widowed female daughters and sisters. – Parents of the insured person. 	<p>In line with civil servants scheme, however, in line with world wide good social security practice, also the widower of a female insured person should be covered.</p> <p>Recommendation:</p> <ul style="list-style-type: none"> – <i>Widow or widows of the insured person.</i> – <i>Children younger than eighteen (18) years of age supported by the insured person prior to his/her death.</i> – <i>Children younger than eighteen (18) years of age or younger than twenty-four (24) years of age if pursuing their higher education supported by the insured person prior to his/her death.</i> – <i>Children supported by the insured person prior to his/her death and who are unable to earn a living by virtue of physical reasons.</i> – <i>Unmarried, divorced or widowed female daughters and sisters.</i> – <i>Parents of the insured person.</i> 	<ul style="list-style-type: none"> – Widow or widows of the subscriber. – Children younger than twenty-one (21) years of age supported by the subscriber prior to his death. – Children younger than twenty-one (21) years of age or younger than twenty-four (24) years of age if pursuing their higher education, supported by the subscriber prior to his death. – Children supported by the subscriber prior to his death and who are unable to earn a living by virtue of physical reasons. – Unmarried, divorced or widowed female daughters and sisters. – Parents of the subscriber. – Husband of the female subscriber, if he was at the time of her death unable to earn a living in physical terms or unable to support himself. 	<p>In the case of a widow, the right to benefit may be limited to those who are presumed to be incapable of self support, and to those who are not engaged in a gainful activity.</p>

	Recommendations of tripartite constituents	ILO recommendations	Civil servant pension scheme (Pension law n° 7 of 2005)	Requirements of ILO Convention No. 102
Amount of benefit	<p>A percentage of the old-age or disability pension in payment (or that would have been payable) is shared among survivors. The benefit should be a minimum of 40% of the wage of the deceased insured person for a widow/widower with two children after 15 years of contributions. The right of the widow/widower should be made conditional on her/him being presumed to be incapable of self-support.</p> <p>Funeral Grant: 3,000 NIS (could be expressed as a multiple of minimum wage)</p>	<p>Consistent with old-age pension Recommendation: <i>A percentage of the old-age or disability pension in payment (or that would have been payable) is shared among survivors. The benefit should be a minimum of 40% of the wage of the deceased insured person for a widow/widower with two children after 15 years of contributions. The right of the widow/widower should be made conditional on her/him being presumed to be incapable of self-support.</i></p> <p>Funeral Grant: 3,000 NIS</p>	<p>DB system: 2% per year of service, multiplied by average salary of the last 3 years (maximum 70%), multiplied by:</p> <ul style="list-style-type: none"> – Widow: 50% – Children: 30% for one child, 50% for 2 children or more <p>DC system: may receive the accumulated amount as a lump sum.</p>	<p>The amount of survivors' benefits payable to a standard beneficiary (widow of skilled manual male employee with two children) shall represent at least 40% of the wage of such an employee during the same time basis, after 15 years of contributions or employment.</p>
Duration	<p>Children eligible until age 18, or until age 24 if in higher education.</p>	<p>Recommendation: <i>Children eligible until age 18, or until age 24 if in higher education.</i></p>	<p>Children and siblings younger than twenty-one (21) years of age or younger than twenty-four (24) years of age if pursuing their higher education</p>	<p>The benefit shall be granted throughout the contingency. Children shall be entitled to a benefit at least up to school-leaving age or age 15.</p>

	Recommendations of tripartite constituents	ILO recommendations	Civil servant pension scheme (Pension law n° 7 of 2005)	Requirements of ILO Convention No. 102
Suspension of benefit	<ul style="list-style-type: none"> - Pension to the widow/widower ceases upon remarriage and pension to daughters and sisters is suspended upon marriage or remarriage. - Pension to survivors' is suspended in case of earning an income. 	Recommendation: <ul style="list-style-type: none"> - <i>Pension to the widow/widower ceases upon remarriage and pension to daughters and sisters is suspended upon marriage or remarriage.</i> - <i>Pension to survivors' is suspended in case of earning an income.</i> 	Pension to the widow ceases upon remarriage.	Suspension of benefit is possible only as long as the widow is living with a man as his wife.

EMPLOYMENT INJURY

	Recommendations of tripartite constituents	ILO recommendations	Labour Law n° 7 of 2000	Requirements of ILO Convention No. 102
Objective of the scheme	<p>In case of accident in the course of employment and on the way to or back from work and in case of occupational disease specified by the Law, to provide the following benefits:</p> <ul style="list-style-type: none"> – medical care and rehabilitation services, – temporary incapacity, – permanent total and partial disability, – survivors' benefits in case of death; in the case of a widow/widower, the right to benefit may be made conditional on her/him being presumed, in accordance with national laws or regulations, to be incapable of self-support. 	<p>In case of accident in the course of employment and on the way to or back from work and in case of occupational disease specified by the Law, to provide the following benefits:</p> <ul style="list-style-type: none"> – medical care and rehabilitation services, – temporary incapacity, – permanent total and partial disability, – survivors' benefits in case of death; in the case of a widow/widower, the right to benefit may be made conditional on her/him being presumed, in accordance with national laws or regulations, to be incapable of self-support. 	<p>The accident that the worker has due to or in the course of his employment, or on his way to or back from work sustaining one of the occupational injuries specified by the Law.</p>	<p>The contingencies covered shall include the following, where the state of affairs described is due to an industrial accident or a prescribed occupational disease:</p> <ul style="list-style-type: none"> – medical care in case of personal injury, – cash benefits in case of temporary incapacity for work, – cash benefits (disablement pension) in case of permanent partial or total disability to work, and – survivors' benefits in case of death.

	Recommendations of tripartite constituents	ILO recommendations	Labour Law n° 7 of 2000	Requirements of ILO Convention No. 102
Amount of benefit	<p>Temporary disability: 75% of salary at moment of accident</p> <p>Permanent total disability: 80% of average salary in the three months previous to the accident</p> <p>Permanent partial disability: 80% of average salary in the three months previous to the accident multiplied by the %of disability.</p> <p>Death (survivors' pension):</p> <ul style="list-style-type: none"> – Spouse: 50% of average salary in the three months preceding the accident. The right to the benefit should be made conditional on her/him being presumed to be incapable of self-support. – Child and other dependents (e.g. parents):10% per dependent (maximum pension: 80% of reference salary. <p>Funeral grant: 3,000 NIS All pensions indexed annually according to price inflation.</p> <p>Medical care: provide all necessary services free of charge to the beneficiary: emergency care, hospitalization, medical treatment, drugs, physiotherapy, prostheses.</p>	<p>Recommendation: <i>Temporary disability: 75% of salary at moment of accident</i></p> <p><i>Permanent total disability: 80% of average salary in the three months previous to the accident</i></p> <p><i>Permanent partial disability: 80% of average salary in the three months previous to the accident multiplied by the % of disability.</i></p> <p><i>Death (survivors' pension):</i></p> <ul style="list-style-type: none"> – <i>Spouse: 50% of average salary in the three months preceding the accident. The right to the benefit should be made conditional on her/him being presumed to be incapable of self-support.</i> – <i>Child and other dependents (e.g. parents):10% per dependent (maximum pension: 80% of reference salary.</i> <p><i>Funeral grant: 3,000 NIS.</i> <i>All pensions indexed annually according to price inflation.</i></p> <p><i>Medical care: provide all necessary services free of charge to the beneficiary: emergency care, hospitalization, medical treatment, drugs, physiotherapy, prostheses.</i></p>	<p>Temporary disability: 75% of salary at the time of accident, maximum 180 days</p> <p>Permanent disability: Amount: 80% of salary of 3 months before accident x percentage of disability Duration: higher of</p> <ul style="list-style-type: none"> – 3,500 compensated days – period remaining until age 60 <p>Death: same as permanent disability</p> <p>Note: <i>Under the civil servant scheme, in case of death or physical unfitness due to a permanent disability resulting from a work injury or accident during work, the person is entitled to a lump sum equal to a percentage of the annual salary based upon age (267% at age 25, decreasing to 33% at age 60).</i></p>	<p>The amount of cash benefit payable to a standard beneficiary shall represent at least the following percentage of the wage of such an employee:</p> <ul style="list-style-type: none"> – 50% in case of temporary incapacity for work. – 50% in case of total loss of earning capacity and a suitable proportion thereof in case of partial loss of earning capacity, – 40% in case of death for the survivors. <p>The periodical payment may be commuted for a lump sum, where the degree of incapacity is slight or where the competent authority is satisfied that the lump sum will be properly utilised.</p> <p>In the case of a widow, the right to benefit may be conditional on her being presumed to be incapable of self-support.</p> <p>Medical care: Victims of an employment injury shall be entitled to the full range of medical and hospital care. These benefits must be provided free of charge to the beneficiary.</p>

	Recommendations of tripartite constituents	ILO recommendations	Labour Law n° 7 of 2000	Requirements of ILO Convention No. 102
Duration	<p>Temporary disability:</p> <ul style="list-style-type: none"> – until recovery, assessment of permanent disability or death. <p>Permanent total disability:</p> <ul style="list-style-type: none"> – for life. <p>Permanent partial disability:</p> <ul style="list-style-type: none"> – for life. – re-assessment of percentage of disability 2 years after onset, and every 5 years thereafter until age 55. <p>Death (survivors' pension):</p> <ul style="list-style-type: none"> – Spouse, throughout the contingency; in case the spouse is entitled to another pension, only the higher pension will be paid - Children: until age 18 (or until age 24 if in higher education). 	<p>In line with ILO minimum standards</p> <p>Recommendation: <i>Temporary disability:</i></p> <ul style="list-style-type: none"> – <i>until recovery, assessment of permanent disability or death.</i> <p><i>Permanent total disability:</i></p> <ul style="list-style-type: none"> – <i>for life.</i> <p><i>Permanent partial disability:</i></p> <ul style="list-style-type: none"> – <i>for life.</i> – <i>re-assessment of percentage of disability 2 years after onset, and every 5 years thereafter until age 55.</i> <p><i>Death (survivors' pension):</i></p> <ul style="list-style-type: none"> – <i>Spouse, throughout the contingency; in case the spouse is entitled to another pension, only the higher pension will be paid</i> – <i>Children: until age 18 (or until age 24 if in higher education).</i> 		<p>All benefits shall be granted throughout the contingency, except that, in respect of incapacity for work, the cash benefit (temporary incapacity benefit) need not be paid for the first three days.</p>
Vocational rehabilitation	Rehabilitation services necessary to return to suitable work or to alleviate functional limitations	<p>Recommendation: Rehabilitation services necessary to return to suitable work or to alleviate functional limitations.</p>	Expenses of rehabilitation and requirements	The re-establishment of handicapped persons in suitable work shall be promoted through appropriate vocational rehabilitation services.

	Recommendations of tripartite constituents	ILO recommendations	Labour Law n° 7 of 2000	Requirements of ILO Convention No. 102
Suspension of benefit	<p>Suspension of benefit is possible only:</p> <ul style="list-style-type: none"> – where the contingency has been caused by a criminal offence or by a wilful misconduct of the person concerned, – in appropriate cases, where the person concerned neglects to make use of the medical or rehabilitation services placed at his/her disposal or fails to comply with the rules prescribed for verifying the occurrence or continuance of the contingency or for the conduct of beneficiaries, – in the case of survivors' benefit as long as the widow/widower is remarried. 	<p>Suspension of benefit is possible only:</p> <ul style="list-style-type: none"> – where the contingency has been caused by a criminal offence or by a wilful misconduct of the person concerned, – in appropriate cases, where the person concerned neglects to make use of the medical or rehabilitation services placed at his/her disposal or fails to comply with the rules prescribed for verifying the occurrence or continuance of the contingency or for the conduct of beneficiaries, – in the case of survivors' benefit as long as the widow/widower is remarried. 	<p>Abate if injury caused by:</p> <ul style="list-style-type: none"> – Premeditated act – Influence of alcohol or drugs <p>Except if death of permanent disability more than 35%</p>	<p>Suspension of benefit is possible only:</p> <ul style="list-style-type: none"> – where the contingency has been caused by a criminal offence or by a wilful misconduct of the person concerned, – in appropriate cases, where the person concerned neglects to make use of the medical or rehabilitation services placed at his disposal or fails to comply with the rules prescribed for verifying the occurrence or continuance of the contingency or for the conduct of beneficiaries, – in the case of survivors' benefit as long as the widow is living with a man as his wife.

MATERNITY

	Recommendations of tripartite constituents	ILO recommendations	Labour Law n° 7 of 2000	Requirements of ILO Convention No. 102
Objective of the scheme	The contingencies covered shall include suspension of earnings resulting from pregnancy and confinement and their consequences.	The contingencies covered shall include suspension of earnings resulting from pregnancy and confinement and their consequences.		The contingencies covered shall include pregnancy and confinement and their consequences, and suspension of earnings resulting from them.
Personal scope	Female private sector workers should be potential beneficiaries, however, all private sector workers and their employers shall be liable for the payment of contributions.	Female private sector workers should be potential beneficiaries, however, all private sector workers and their employers shall be liable for the payment of contributions.	Women covered by Labour Law	The persons protected shall alternatively comprise all women in prescribed classes of employees, constituting at least 50% of all employees, or all women in prescribed classes of economically active persons, constituting at least 20% of all residents and, for maternity medical benefit, also the wives of men of these classes.
Eligibility conditions	6 months of contribution during the year just preceding maternity leave.	Minimum period of contribution consistent with the present Labour Law Recommendation: <i>6 months of contribution during the year just preceding maternity leave.</i>	180 days of employment before each delivery	Any possible qualifying period shall not be longer than necessary to preclude abuse.

	Recommendations of tripartite constituents	ILO recommendations	Labour Law n° 7 of 2000	Requirements of ILO Convention No. 102
Amount of benefit	100% of average wage over the 6 months preceding maternity leave, considering a benefit duration of 12 weeks.	100% of average wage over the 6 months preceding maternity leave, considering a benefit duration of 12 weeks.	100% of wages.	<p>The amount of maternity benefit payable to a standard beneficiary (woman employee whose previous earnings are equal to the wage of a skilled manual male employee) shall represent at least 45% of the wage of such an employee earned during the same time basis.</p> <p>Health care comprising pre-natal and post-natal care including hospitalisation shall be provided free of charge.</p>
Duration	12 weeks, unless a longer period of abstinence from work is required due to medical reasons (at least 6 weeks after delivery).	In line with ILO minimum standards: 12 weeks, unless a longer period of abstinence from work is required due to medical reasons (at least 6 weeks after delivery).	10 weeks (at least 6 weeks after delivery).	Maternity benefit shall be provided for the whole duration of maternity leave, at least for 12 weeks.