

## Ghana

Exchange rate: U.S.\$1.00 equals 8,250 cedi.

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### **Old Age, Disability, and Survivors**

#### **Regulatory Framework**

**First law:** 1965.

**Current law:** 1991 (social security).

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

#### **Coverage**

Employed persons.

Voluntary affiliation for the self-employed; nonemployed formerly insured persons may contribute voluntarily as if self-employed.

Special system for members of the armed forces.

#### **Source of Funds**

**Insured person:** 5% of earnings; self-employed, 17.5% of income.

**Employer:** 12.5% of payroll.

**Government:** None.

#### **Qualifying Conditions**

**Old-age benefit:** Age 60 (ages 55 to 59 for underground mine workers, steel mill workers, or employees engaged in other types of hazardous employment) with at least 240 months of contributions.

**Early pension:** A reduced pension is payable from ages 55 to 59.

**Old-age grant:** For insured persons with insufficient contributions for the old-age benefit.

**Disability benefit:** Permanently disabled with 12 months of contributions in the last 36 months and incapable of any gainful employment.

**Survivor benefit:** The death of the insured person before age 72.

#### **Old-Age Benefits**

**Old-age benefit:** The minimum pension is 50% of the average annual salary in the 3 best years of earnings. The pension is increased by 1.5 percentage points for each 12-month period of contributions beyond 240 months.

The maximum pension is not to exceed 80% of the average earnings of the top 5% of contributing members.

The insured person may opt to take 25% of the pension as a lump sum.

**Old-age grant:** A lump sum equal to the full refund of contributions plus interest set at 50% of the prevailing government treasury rate.

#### **Permanent Disability Benefits**

The minimum pension is 50% of the average annual salary for the 3 best years of earnings. The pension is increased by 1.5 percentage points for each 12-month period of contributions beyond 240 months.

#### **Survivor Benefits**

If the insured was a pensioner at the time of death, the benefit is payable as a lump sum calculated on the present value of the pension that would have been received after the date of death until age 72. If the insured was not a pensioner but had 240 months of contributions, a lump-sum benefit is payable equal to the present value of 12 years' pension; with less than 240 months of contributions, a lump sum equal to the present proportional value of 12 years' pension. (The present value of the pension is calculated using 50% of the prevailing treasury bill rate of interest.) The pension is payable to named dependents.

#### **Administrative Organization**

Ministry of Finance and Economic Planning provides general supervision.

Social Security and National Insurance Trust administers the program through a tripartite management board.

#### **Sickness and Maternity**

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

No statutory benefits are provided.

Employers can provide medical care for employees and their dependents through collective agreements.

#### **Work Injury**

#### **Regulatory Framework**

**First law:** 1940.

**Current law:** 1987.

**Type of program:** Employer-liability system, normally involving insurance with a private carrier.

#### **Coverage**

Employed persons.

## ***Source of Funds***

**Insured person:** None.

**Employer:** Total cost, met through the direct provision of benefits or the payment of insurance premiums.

**Government:** None.

## ***Qualifying Conditions***

**Work injury benefits:** The minimum qualifying period is 6 months.

## ***Temporary Disability Benefits***

The benefit is the difference between earnings before the onset of disability and the actual or potential earnings after the onset of disability. The benefit is payable after a 5-day waiting period for up to 24 months at the discretion of the Chief Labor Officer.

## ***Permanent Disability Benefits***

A lump sum of 96 months' earnings on the date of certification of permanent disability, if totally disabled.

Constant-attendance supplement: 25% of the total disability benefit.

Partial disability: A lump sum proportionate to the assessed degree of disability. Benefit payments are made according to the schedule in law.

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

Benefits include medical, surgical, hospital, and nursing care and the cost of medicines and appliances up to specified amounts.

## ***Survivor Benefits***

A lump sum of 60 months' earnings at time of the work injury. The benefit is payable to the insured's dependents; a reduced benefit is paid if the survivor was only partially dependent.

## ***Administrative Organization***

Ministry of Mobilization and Social Welfare, Labor Department, enforces the law.

Employers may insure the assessed liability with private insurance companies.