

## Tanzania

Exchange rate: U.S.\$1.00 equals 970 shillings.

Note: Information on the provident fund is from 1999.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1964 (provident fund).

**Current laws:** 1975 (provident fund) and 1978 (parastatal pensions), with 2001 amendment.

**Type of program:** Separate provident fund and social insurance systems.

#### Coverage

**Provident fund:** Employees in the public and private sectors.

Exclusion: Domestic employees.

**Social insurance:** All employees from parastatal organizations, government agencies, private companies, and self-employed persons including informal workers.

#### Source of Funds

##### Provident fund

*Insured person:* 10% of wages.

*Employer:* 10% of payroll.

*Government:* None.

##### Social insurance

*Insured person:* 5% or 10% of wages.

*Employer:* 10% of payroll.

*Government:* None.

#### Qualifying Conditions

##### Provident Fund

*Old-age benefit:* Age 55 and retired from regular employment. The full benefit is also payable at any age to workers emigrating permanently. Benefit is payable to workers under age 55 who are unemployed or have been in noncontributory employment for at least 6 months.

*Disability benefit:* Permanent incapacity for any work due to a physical or mental disability.

*Survivor benefit:* The death of the insured worker before retirement or emigration.

##### Social insurance

*Old-age pension:* Age 55 with at least 10 years of contributions.

*Old-age gratuity:* Age 55 and entitled to an old-age pension or if the insured person ceases employment for reasons other than dismissal or medical grounds and does not meet the qualifying conditions for an old-age pension.

*Disability benefit:* Permanent incapacity for any work due to a physical or mental disability.

*Disability settlement:* Permanent incapacity for any work due to a physical or mental disability and the insured person does not meet the qualifying conditions for the disability pension.

*Survivor benefit:* Paid to the insured's estate if the insured has at least 10 years of contributions.

*Death benefit:* Paid to the legal representative of an insured person who dies while in service.

*Education benefit:* Paid to meet part of the education costs of the children of an insured person who dies in service. The benefit is payable for up to four children and covers costs for nursery, primary, and secondary education.

*Survivor settlement:* Paid to the insured's estate if the insured did not meet the qualifying conditions for a pension.

#### Old-Age Benefits

##### Provident fund

*Old-age benefit:* A lump sum equal to total employee and employer contributions, plus accrued interest. For a worker under age 55 who is unemployed or who has been in noncontributory employment for at least 6 months, 1/3 of the total benefit is payable after 6 months and the remaining 2/3 after 12 months. The benefit is payable in full to workers who retire from employment to live in a village.

##### Social insurance

*Old-age pension:* A monthly pension. The pension is guaranteed for 3 years.

*Old-age gratuity:* A lump sum equal to the insured's and the employer's total contributions.

#### Permanent Disability Benefits

##### Provident fund

*Disability benefit:* A lump sum equal to the insured's and the employer's total contributions, plus accrued interest.

##### Social insurance

*Disability benefit:* A monthly pension.

*Disability settlement:* A lump sum equal to the insured's and the employer's total contributions.

#### Survivor Benefits

##### Provident fund

*Survivor benefit:* A lump sum equal to the insured's and the employer's total contributions, plus accrued interest. The benefit is payable to surviving relatives or other heirs.

### **Social insurance**

*Survivor benefit:* A monthly pension.

*Death benefit:* A lump sum.

*Education benefit:* The benefit varies according to family circumstances.

*Survivor settlement:* A lump sum.

### **Administrative Organization**

#### **Provident fund**

Ministry of Labor and Youth Development provides general supervision.

Managed by a director general, the National Provident Fund administers the program.

#### **Social insurance**

Ministry of Finance provides general supervision of the Parastatal Pensions Fund.

Board of trustees administers the Parastatal Pensions Fund.

Director general is responsible for the day-to-day operation of the Parastatal Pensions Fund.

### **Sickness and Maternity**

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Note: This information is from 1999.

#### **Regulatory Framework**

Subsidized medical care is available in government clinics and hospitals. Some private companies offer their employees free medical care at their clinics or in private hospitals.

### **Work Injury**

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Note: This information is from 1999.

#### **Regulatory Framework**

**First and current law:** 1948, with 1966 and 1983 amendments.

**Type of program:** Compulsory insurance with a private carrier.

#### **Coverage**

Employed persons.

#### **Source of Funds**

**Insured person:** None.

**Employer:** Total cost, met through the payment of insurance premiums. The cost of insurance premiums varies according to the assessed risk.

**Government:** None.

### **Qualifying Conditions**

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

### **Temporary Disability Benefits**

50% of earnings is payable after a 3-day waiting period for up to 96 months.

### **Permanent Disability Benefits**

If totally disabled, a lump sum of 54 months' earnings.

The maximum pension is 108,000 shillings.

**Constant-attendance supplement:** 50% of the permanent disability benefit.

**Partial disability:** A percentage of the full benefit proportionate to the assessed degree of disability, according to the schedule in law.

### **Workers' Medical Benefits**

Benefits include medical, surgical, hospital, and nursing care; the cost of medicines up to 6,000 shillings; the cost of appliances up to 3,000 shillings; and the cost of transportation up to 1,750 shillings.

### **Survivor Benefits**

**Survivor benefit:** A lump sum equal to 41 months' earnings minus any disability benefits paid. The full benefit is payable to dependent survivors or, if there are none, a reduced amount is payable to partial dependents.

The maximum benefit is 83,000 shillings.

**Funeral grant:** A grant of up to 500 shillings is provided if there is no eligible survivor.

### **Administrative Organization**

Ministry of Labor and Youth Development enforces the law, approves settlements, and pays benefits.

Employers must insure the assessed liability with private insurance companies.

### **Unemployment**

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Note: This information is from 1999.

#### **Regulatory Framework**

There are no statutory benefits. (The labor code requires employers to pay a severance indemnity to employees with a period of continuous service of 3 or more months.)