**L.N. 100 of 2006**

# SOCIAL SECURITY ACT
# (CAP. 318)

## Increase in the Rates of Benefits Order, 2006

IN exercise of the powers conferred by article 84 of the Social Security Act, hereinafter referred to as "the Act", the Minister for the Family and Social Solidarity, with the concurrence of the Prime Minister and Minister of Finance, has made the following order:

Citation and commencement.

**1.** (1) The title of this order is the Increase in the Rates of Benefits Order, 2006.

(2) This order shall be deemed to have come into force as follows:

(a) in the case of the Tenth Schedule with effect from the 3rd January, 2005; and

(b) in the case of the First, Second, Third, Sixth, Eighth, Ninth, Twelfth and Fourteenth Schedules with effect from the 1st January, 2005.

Substitutes Schedules to the Act.

**2.** For the First, Second, Third, Sixth, Eighth, Ninth, Tenth, Twelfth, and Fourteenth Schedules to the Social Security Act, there shall be substituted the following First, Second, Third, Sixth, Eighth, Ninth, Tenth, Twelfth and Fourteenth Schedules respectively:

## FIRST SCHEDULE

(Article 5)

## Insurable Employment

## PART I

## Employments

Cap. 343.

**1.** Employment in Malta under any contract of service or apprenticeship, written or oral, and whether expressed or implied, including employment by or under the Government of Malta. For the purposes of this Schedule "apprenticeship" shall have the same meaning

assigned to it under article 29 of the Employment and Training Services Act:

Provided that, saving the provisions of any agreement with any other country, employment as aforesaid outside Malta shall be treated as employment in Malta if the employee concerned is ordinarily resident in Malta and the employer is the Government of Malta or has a place of business in Malta.

**2.** Employment as aforesaid outside Malta:

(a) as master or a member of the crew of any ship or vessel registered in Malta;

(b) as pilot, commander, navigator or a member of the crew of any aircraft licensed in Malta;

(c) on board any ship or vessel, otherwise than as master or a member of the crew:

Provided that -

(i) this employment is for the purposes of the ship or vessel or her crew or of any passengers or cargo or mails carried thereon;

(ii) where the employee concerned is not a citizen of Malta, the contract is entered into in Malta, and, in all cases, irrespective of the employee's nationality, with a view of its performance (in whole or in part) while the ship or vessel is on her voyage; and

(iii) the employer has a place of business in Malta;

(d) on board any aircraft, otherwise than as pilot, commander, navigator or a member of the crew:

Provided that -

(i) this employment is for the purposes of the aircraft or its crew or of any passengers or cargo or mails carried thereon;

(ii) where the employee concerned is not a citizen of Malta, the contract is entered into in Malta, and, in all cases, irrespective of the employee's nationality, with a view to its performance (in whole or in part) while the aircraft is on its flight; and

(iii) the employer has a place of business in Malta.

**3.** Service after the 14th August, 1979, in any of the offices specified in articles 48, 59(1), 80 and 88 of the Constitution.

**4.** Service after the 5th January, 1981, as a member of the House of Representatives, other than services in any of the offices specified in articles 59(1), 80 and 88 of the Constitution, except where the person concerned is self-occupied.

**5.** Any period after the 1st April, 1978, during which a person is following a full-time course of studies or instruction under the Worker-Student or Pupil-Worker Scheme or other similar schemes, involving distinct work and study periods, for which he is receiving remuneration.

**6.** Government employees who have been released on unpaid leave, from performing duty with Government in order to become members of a co-operative primary society in terms of the Co-operative Societies Act.

## PART II

### Excepted Employments

**1.** Employment of a casual nature otherwise than for the purposes of the employer's trade or business.

**2.** Employment of a person who is not ordinarily resident in Malta if the employer of that person is not resident in Malta and has no place of business there.

**3.** Employment by any one employer for less than eight hours in a calendar week.

**4.** Employment as secretary or clerk of a society, club, philanthropic institution, school or other similar body or institution, where personal service is ordinarily required only occasionally and outside the ordinary hours of work, provided the hours referred to in paragraph 3 of this Part are not exceeded.

**5.** Employment of a person who is not ordinarily resident in Malta if the employer of that person is paying contributions in respect of that person under a scheme of social insurance in another country.

**6.** Employment of any of the directors in any partnership, for the purposes of that partnership, wherein such partnership has been entered into between or among persons that are related to one another, up to

and including cousins of the first degree and/or their spouses, provided any such directors are themselves such partners or the spouses of such partners.

**7.** Employment of any majority shareholder in any partnership, for the purposes of that partnership; and for this purpose any shareholder shall still be deemed to be a majority shareholder if, notwithstanding the fact that the number of his shares do not constitute the majority, the value or powers attached to his holding exceed the aggregate total value or powers attached to the holding of the other shareholders in that partnership.

**8.** With effect from the 6th January, 1992, employment of a person who has reached pension age, or a widow, if she so elects, who is in receipt of a pension in respect of widowhood under this Act, provided the weekly wage or salary of such person or widow does not exceed the National Minimum Wage, or its monthly equivalent, as is applicable to persons of eighteen years of age or over established by a National Standard Order issued under the Employment and Industrial Relations Act.

Cap. 452.

**9.** With effect from the 4th July, 1988, employment of a person as a Casual Social Assistant by the Department for the Care of the Elderly of the Government of Malta.

## SECOND SCHEDULE

(Articles 12, 20, 23, 27, 30, 66, 68, 73, 76 and 76A)

Calculation of means for the purposes of an exemption from the payment of Class Two Contributions and for the award of Social Assistance, Sickness Assistance, Free Medical Aid, an Age Pension, a Disability Pension, a Pension for the Visually Impaired, a Carer's Pension, Children's Allowance, a Supplementary Allowance, and a Disabled Child Allowance.

### PART I

### Exemption from the Payment of Class Two Contributions

**1.** In calculating means for the purposes of article 12 of this Act account shall be taken of:

(a) the value of any property (excluding the house of residence) belonging to that person which is, or could be, invested or put to profitable use excluding furniture, jewellery and other personal effects:

Provided that, where the cash at Bank and in hand (including any liquid assets, time deposits, bonds, stocks, shares or other securities) and the capital value of any urban immovable property (excluding the house of residence) which is not being put to profitable use, together exceed Lm4,000 in the case of a single or widowed person, or Lm7,000 in the case of a married person, the person requesting an exemption from the payment of a Class Two contribution shall be deemed not to be entitled to such an exemption; and

(b) save as provided for in paragraph 3 of this Part, any income or privilege which is, or could be received or enjoyed by that person.

**2.** Where the total capital resources referred to in paragraph 1 (a) of this Part do not exceed the limits laid down therein:

(a) the first Lm250 of such capital resources shall be ignored; and

(b) the value of any urban immovable property as is referred to in the proviso to the aforesaid sub-paragraph (a) shall be treated as producing an annual income equivalent to 5.5% of its capital value.

**3.** In calculating the income or privilege which is, or could be received or enjoyed by the person requesting an exemption from the payment of a Class Two contribution no account shall be taken of:

(a) any assistance, pension, benefit or allowance payable under this Act;

(b) any sickness benefit from a friendly society or a trade union;

(c) any sum paid out of a charitable fund;

(d) any other pension other than a pension payable in virtue of article 16A of the Malta Dockyard Act paid apart from this Act; and Cap. 207.

(e) the first Lm200 by way of earnings derived by any person from the carrying out of hand knitting, lace making, crochet and embroidery activities, at home, and the manufacture of which does not involve any mechanical processes.

## PART II

### Sickness Assistance

**1.** In calculating means for the purposes of article 20 of this Act account shall be taken of:

(a) save as provided for in paragraph 3 of this Part, the value of any property (excluding the house of residence) belonging to all the members of the household who are neither employed persons nor self-employed or self-occupied persons in terms of this Act, which is, or could be invested or put to profitable use excluding furniture, jewellery or other personal effects:

Provided that where the cash at Bank and in hand (including liquid assets, time deposits, bonds, stocks, shares and other securities) and the capital value of any urban immovable property (excluding the house of residence) which is not being put to profitable use, together exceed:

(i) Lm6,000 in the case of a household consisting of one member only or a number of members headed by a single person or a single parent; or

(ii) Lm10,000 in the case of a household consisting of at least the head of household and the spouse of such head of household;

the person claiming Sickness Assistance shall not be deemed to be entitled to such assistance; and

(b) save as provided for in paragraph 4 of this Part, any income or privilege which is, or could be received or enjoyed by any member of the household who is neither an employed person nor a self-employed or self-occupied person in terms of this Act:

Provided that any such property or income that has to be taken into account for the purposes of this Part, in accordance with the foregoing provisions of this paragraph, shall include any property or income which any member of the household as aforesaid in this

Part had directly or indirectly deprived himself of in order to become entitled to Sickness Assistance or to become so entitled at a more advantageous rate:

Provided further that where a member, not being the head of household and the spouse of such head of household, is an employed person or a self-employed or self-occupied person, and his gross wage or gross income, as the case may be, does not exceed 35% of the National Minimum Wage as is applicable to persons of eighteen years of age or over established by a National Standard Order issued under the Employment and Industrial Relations Act during the period in respect of which such assistance is due, such a member shall for the purposes of this paragraph, not be deemed to be an employed person or a self-employed or self-occupied person. Cap. 452.

**2.** Where the total capital resources referred to in paragraph 1 (a) of this Part do not exceed the limit laid down therein:

(a) the first Lm250 of such capital resources shall be ignored; and

(b) the value of any urban immovable property as is referred to in the proviso to the aforesaid sub-paragraph (a) shall be treated as producing an annual income equivalent to 5.5% of its capital value.

**3.** Where any member of the household as aforesaid in this Part, other than the head of household and the spouse of such head of household, is in possession of any property as is referred to in paragraph 1 (a) of this Part:

(a) the entire value of any future house of residence or part thereof belonging to such member in view of marriage shall be ignored; and

(b) one-half of the value of any other such property shall be disregarded unless such property had been transferred or donated to him by the head of household or the spouse of such head of household within the twelve months immediately preceding the claim for Sickness Assistance.

**4.** In calculating the income or privilege which is, or could be received or enjoyed by any member of the household as aforesaid in this Part no account shall be taken of:

(a) the first Lm40 arising out of the use of property;

(b) any Social Assistance, Leprosy Assistance, Tuberculosis Assistance, Milk Grant and Sickness Assistance payable under this Act and any pension or pensions (whether paid under this Act or not) up to a maximum aggregate amount equivalent to the aggregate of the highest rate of the National Minimum Pension, inclusive of the Additional Allowance payable according to the claimant's marital status as is specified in the Twelfth Schedule to this Act;

(c) any Supplementary Allowance, Children's Allowance, Care Allowance, Disabled Child Allowance or Maternity Benefit payable under this Act;

(d) 82.2% of the total net income or of any privilege, benefit or allowance or of any excess pension which is being, or could be received or enjoyed by such member of the household, other than the head of household or the spouse of such head of household, and for this purpose the total net income, privilege, benefit, allowance or excess pension shall be reduced by any income tax payments made by the person concerned in accordance with the Income Tax Act, and the term "excess pension" shall mean any pension over the National Minimum Pension as indicated in sub-paragraph (b) of this paragraph;

Cap. 123.

(e) any amounts as are referred to in paragraphs 3 (b) and (c) of Part I of this Schedule;

(f) any stipend received by any member of the household, other than the head of the household or the spouse of such head of household during a full-time course of studies or instruction under any scheme run by the Government of Malta, whether involving or not distinct work and study periods; and for this purpose, "stipend" shall not include any wage or other remuneration which may be payable to the person concerned during any work phase which may form part of such a scheme;

(g) the first Lm200 by way of earnings derived by any person from the carrying out of hand knitting, lace making, crochet and embroidery activities at home, and the manufacture of which does not involve any mechanical processes.

**5.** For the purposes of this part, "spouse" shall include such person who, in the opinion of the Director, is living with the head of household as if that person was the lawful wedded spouse of the head of household, during any period in which Sickness Assistance is being, or could be paid to the head of household under the provisions of this Act.

**6.** Where a head of household is in receipt of Sickness Assistance under this Act, any increase taking effect at any time after the 6th January 1989, to which he or any member of the household as aforesaid in this Part, may become entitled in respect of any pension, benefit, assistance or allowance as is payable to him or to any member of his household under this Act during the same period within which he is in receipt of the aforesaid Sickness Assistance, shall not be taken into account in calculating the means of that household for the purposes of establishing the continued right or otherwise to such Sickness Assistance.

## PART III

## Free Medical Aid

**1.** In calculating the means for the purposes of article 23 of this Act account shall be taken of:

(a) save as provided for in paragraph 3 of this Part, the value of any property (excluding the house of residence) belonging to all the members of the household which is, or could be invested or put to profitable use excluding furniture, jewellery or other personal effects:

Provided that where the cash at bank and in hand (including liquid assets, time deposits, bonds, stocks, shares and other securities) and the capital value of any urban immovable property (excluding the house of residence) which is not being put to profitable use, together exceed:

(i) Lm4,000 in the case of a household consisting of one member only, or a number of members headed by a single person or a single parent; or

(ii) Lm7,000 in the case of a household consisting of at least the head of household and the spouse of such head of household;

the person claiming Free Medical Aid shall not be deemed to be entitled to such aid; and

(b) save as provided for in paragraph 4 of this Part any income or privilege which is, or could be received or enjoyed by any member of the household:

Provided that any such property or income that has to be taken into account for the purposes of this Part in accordance with the foregoing provisions of this paragraph shall include any property or income which any member of the household had directly or indirectly deprived himself of in order to become entitled to Free Medical Aid.

**2.** Where the total capital resources referred to in paragraph 1 (a) of this Part do not exceed the limit laid down therein:

(a) the first Lm250 of such capital resources shall be ignored; and

(b) the value of any urban immovable property as is referred to in the proviso to the aforesaid sub-paragraph (a) shall be treated as producing an annual income equivalent to 5.5% of its capital value.

**3.** Where any member of the household, other than the head of household and the spouse of such head of household, is in possession of any property as is referred to in paragraph 1 (a) of this Part:

(a) the entire value of any future house of residence or part thereof belonging to such member in view of marriage shall be ignored;

(b) one-half of the value of any other such property shall be disregarded unless such property had been transferred or donated to such member of the household by the head of household or the spouse of such head of household within the twelve months immediately preceding the claim for Free Medical Aid.

**4.** In calculating the income or privilege which is, or could be received or enjoyed by any member of the household no account shall be taken of:

(a) the first Lm40 arising out of the use of property;

(b) any Social Assistance, Leprosy Assistance, Tuberculosis Assistance, Milk Grant and Sickness Assistance payable under this Act and any pension or pensions (whether paid under this Act or not) up to a maximum aggregate amount equivalent to the aggregate of the highest rate of the National Minimum Pension, inclusive of the Additional Allowance payable according to the claimant's marital status as is specified in the Twelfth Schedule to this Act;

(c) any Supplementary Allowance, Children's Allowance, Disabled Child Allowance or Maternity Benefit payable under this Act;

(d) 82.2% of the total net income, or of any wage or salary or of any privilege, benefit or allowance or of any excess pension which is being, or could be received or enjoyed by any member of the household, other than the head of household or the spouse of such head of household, and for this purpose the total net income, wage, salary or pension shall be taken as the total gross income, wage, salary or pension less any payment made by the person concerned by way of:

(i) income tax under the Income Tax Act; Cap. 123.

(ii) expenses incurred for travelling by public transport or by any other form of transport as may be provided by the employer of the person concerned, to and from the place of work; and

(iii) any expenses incurred by the person concerned in generating that income,

and the term "excess pension" shall mean any pension over the National Minimum Pension as indicated in sub-paragraph (b) of this paragraph;

(e) any amounts as are referred to in paragraphs 3 (b) and (c) of Part I of this Schedule;

(f) any weekly allowance payable by any employer in terms of the Weekly Allowance National Standard Order, 1988; L.N. 112 of 1988.

(g) any benefit, income, privilege or grant accruing to any member of the household under and in accordance with the provisions of any of the Manpower Incentive Schemes announced by the Government of Malta, for the first 12 weeks of entitlement;

(h) any stipend received by any member of the household, other than the head of household or the spouse of such head of household during a full-time course of studies or instruction under any scheme which is run by the Government of Malta, whether involving or not distinct work and study periods; and for this purpose "stipend" shall not include any wage or other remuneration which may be payable to the person concerned during any work phase which may form part of such a scheme;

(i) contributions payable under this Act; and

(j) the first Lm200 by way of earnings derived by any person from the carrying out of hand knitting, lace making, crochet and embroidery activities at home and the manufacture of which does not involve any mechanical processes.

**5.** For the purposes of this Part, "spouse" shall include such person who, in the opinion of the Director, is living with the head of household as if such person were the lawful wedded spouse of the head of household, during any period in which Free Medical Aid is being, or would be, accorded to the head of household under the provisions of this Act.

## PART IV

## Age Pension and Carer's Pension

**1.** In calculating means for the purposes of articles 66 and 68 of this Act account shall be taken of any property (excluding the house of residence), income or privilege as is indicated in paragraph 1 of Part 1 of this Schedule; and save as provided for in paragraph 3 of this Part, where the limits laid down in the proviso to paragraph 1 (a) of Part I of this Schedule are exceeded, the person making a claim for an Age Pension or a Carer's Pension, as the case may be, shall be deemed not to be entitled to such pension:

Provided that in calculating the means in terms of this paragraph, in lieu of the limits laid down in the proviso to paragraph 1 (a) of Part I of this Schedule, Lm6,000 in the case of a single or widowed person or Lm10,000 in the case of a married person shall instead be taken in the calculation of means.

**2.** The means accruing, or which could accrue, from any property, income or privilege as is described under Part I of this Schedule shall be calculated in the manner laid down in paragraphs 2 and 3 (with the exclusion of paragraphs 3 (a) and (d) of the said Part I); so however that no account shall be taken of:

(a) the first Lm165 of such means in the case of a married couple; or

(b) the first Lm115 of such means in the case of a single or widowed person; and

(c) any Medical Assistance, Supplementary Allowance, Children's Allowance, Care Allowance, Disabled Child Allowance or Maternity Benefit payable under this Act;

(d) the first Lm200 by way of earnings derived by any person from the carrying out of hand knitting, lace making, crochet and embroidery activities at home and the manufacture of which does not involve any mechanical processes.

**3.** Any such property or income that has to be taken into account for the purposes of this Part in accordance with the foregoing provisions of this Part shall include any property or income which the person concerned had directly or indirectly deprived himself of in order to become entitled to an Age Pension or a Carer's Pension, as the case may be, or to become so entitled at a more advantageous rate; so however that where the income that the person concerned had directly or indirectly deprived himself of is connected with some other scheme of financial aid or subsidy for pensioners that is run by the Government of Malta or on its behalf, the provisions of this paragraph shall not apply in respect of such aid or subsidy.

**4.** In calculating the means of a married couple for the purposes of awarding an Age Pension account shall be taken of the property (excluding the house of residence) belonging to the couple or the income that is being received or that could be received, by each of the couple:

Provided that where there is no community of acquests between them either because such community of acquests was excluded by contract or because it was dissolved as a result of their legal separation, account shall only be taken of the property belonging to, or the income that is being received or that could be received by each of the couple, so however that in the case where such married couple is *de facto* separated, account shall be taken of:

(a) the property belonging to the community of acquests; and

(b) only the income that is being received or that could be received by the claimant:

Provided further that each of the couple in respect of whom the foregoing proviso applies shall be entitled to receive the rate applicable to a single or widowed person in accordance with Part II of the Sixth Schedule to this Act as abated by the weekly means attributable to each one of them.

**5.** Where a married person who is legally or *de facto* separated from the other spouse proves to the satisfaction of the Director that any sum is being paid to such spouse as an integral condition of their separation, that sum shall be deducted when calculating such married person's means.

## PART V

### Disability Pension and Pension for the Visually Impaired

**1.** In calculating the means for the purposes of article 27 of this Act account shall be taken of:

(a) the value of any property (excluding the house of residence) belonging to that person which is, or could be, invested or put to profitable use excluding furniture, jewellery and other personal effects; and

(b) save as provided for in paragraph 3 of this Part, any income or privilege which is, or could be received or enjoyed by that person, calculated on a weekly basis.

**2.** The means which could accrue from any property as is described under paragraph 1 (a) of this Part, which is not being put to profitable use shall be calculated as follows:

(a) the first Lm250 of such property shall be ignored; and

(b) the value of any such property in excess of Lm250 shall be deemed as producing a weekly income equivalent to 0.11% of its capital value.

**3.** In calculating the income or privilege as is described under paragraph 1 (b) of this Part no account shall be taken of:

(a) any sickness benefit from a friendly society or a trade union;

(b) any sum paid out of a charitable fund;

(c) any Medical Assistance, Children's Allowance, Disabled Child Allowance or Maternity Benefit payable under this Act;

(d) the first Lm200 by way of earnings derived by any person from the carrying out of hand knitting, lace making, crochet

and embroidery activities at home, and the manufacture of which does not involve any mechanical processes.

**4.** In calculating the means of a married couple for the purposes of awarding a Disability Pension or a Pension for the Visually Impaired account shall be taken of the property (excluding the house of residence) belonging to the couple or the income that is being received or that could be received, by each of the couple:

Provided that where there is no community of acquests between them either because such community of acquests was excluded by contract or because it was dissolved as a result of their legal separation, account shall only be taken of the property belonging to, or the income that is being received or that could be received by each of the couple, so however that in the case where such married couple is *de facto* separated, account shall be taken of:

(a) the community of acquests, and

(b) only the income that is being received or that could be received by the claimant.

**5.** Where a married person who is legally or *de facto* separated from the spouse proves to the satisfaction of the Director that any sum is being paid to such spouse as an integral condition of their separation, that sum shall be deducted when calculating such married person's means.

## PART VI

### Social Assistance

**1.** In calculating the means for the purposes of article 30 of this Act account shall be taken of any property, income or privilege as is indicated in paragraph 1 of Part II of this Schedule; so however that no account shall be taken of the first Lm200 by way of earnings derived by any person from the carrying out of hand knitting, lace making, crochet and embroidery activities at home, and the manufacture of which does not involve any mechanical processes; and where the limit laid down in the proviso to paragraph 1 (a) of Part II of this Schedule is exceeded, the person making a claim for Social Assistance shall be deemed not to be entitled to such assistance.

**2.** The means accruing or which accrue from any property, income or privilege as is described under Part II of this Schedule shall

be calculated in the manner laid down in paragraphs 2 to 5 of the said Part II; so however that notwithstanding the provisions of paragraph 4 (b) thereof, account shall be taken of any Social Assistance and/or pension, if any, already being paid under this Act to the same head of household and the spouse of such head of household, if any, at the time when the claim for such assistance is made.

## PART VII

### Children's Allowance and Disabled Child Allowance

**1.** (a) In calculating the means for the purposes of article 76 of this Act account shall be taken of the income derived from any property, which is invested or put to profitable use, excluding furniture, jewellery and other personal effects and any income or privilege, which is or could be received or enjoyed by the head of household and the spouse of such head of household. And for this purpose such privilege shall include any pre-tax profits, whether distributed or not, held in any company or other commercial enterprise of which the head of household and his or her spouse are shareholders or owners, unless the Director is satisfied that such pre-tax profits could not reasonably be made available or enjoyed by the head of household and the spouse of such head of household:

(b) In calculating the means for the purposes of article 77 of this Act account shall be taken of the income derived from any property, which is invested or put to profitable use, excluding furniture, jewellery and other personal effects and any income or privilege, which is or could be received or enjoyed by the head of household and the spouse of such head of household, whichever is the greater income. And for this purpose such income shall include any pre-tax profits, whether distributed or not, held by any company or other commercial enterprise of which the head of household or the spouse of such head of household are shareholders or owners, unless the Director is satisfied that such pre-tax profits could not reasonably be made available or enjoyed by the head of household and the spouse of such head of household:

Provided that any such income that has to be taken into account for the purposes of this Part in accordance with the foregoing provisions of this paragraph shall include any income or privilege which the head of household and the spouse of such head of household, as the case may be, and as aforesaid in this Part, had directly or indirectly deprived himself of or deprived themselves of, in order to become entitled to an allowance or to become so entitled at a more advantageous rate.

**2.** In calculating the income or privilege which is, or could be received or enjoyed by the head of household and the spouse of such head of household no account shall be taken of:

(a) any allowance paid under articles 69, 76 and 77 of this Act;

(b) any medical assistance paid under articles 20, 21 and 22 of this Act;

(c) any injury grant or injury pension paid under article 29 of this Act;

(d) any allowance paid to a widow or widower in terms of the provisions of article 31 of this Act;

(e) contributions paid under this Act as from the 1st January, 1996;

(f) in the case of a first child, any income or privilege which is received or enjoyed prior to the date of marriage or the date of co-habitation, so however that in the case of single parents the period of assessment shall commence as from the first day of the month preceding the date of birth of the child by nine months.

**3.** A head of household who is in receipt of social assistance or of an age pension under this Act shall be deemed not to have any means for the purposes of calculating any income in terms of this Part.

**4.** (a) For the purposes of this Part the means taken for income assessment purposes shall be those accruing during the calendar year preceeding the first Saturday in July of the year in which the claim is made.

(b) Notwithstanding any change in circumstances such means shall be deemed to satisfy the conditions of the applicable scale rates in accordance with the Fourteenth Schedule to this Act, up to the last Friday preceeding the first Saturday in July of the year following the calendar year in respect of which such means were taken for assessment purposes:

Provided that in the event of the demise of the head of household or the spouse of such head of household, the surviving spouse or the person deemed to be so in terms of article 82 (2) of this Act shall be entitled to elect, if it is more beneficial to the surviving spouse that for the purposes of this Part, the entitlement to an allowance of the surviving

spouse is re-assessed with effect from the first Saturday following the demise of the spouse, and that such re-assessment shall take into consideration only the current means and income; so however that such request for a re-assessment may only be made within six months from the date of the demise of the spouse:

Provided further that in the case of a person who is in receipt of a pension (whether paid under this Act or not) and who is not gainfully occupied, the yearly means taken for the purposes of this Part shall be the current yearly means accruing to the head of household and the spouse of such head of household:

Provided further that in the case of a married couple where any of the spouses is no longer gainfully occupied, the head of household shall be entitled to elect, if it is more beneficial to him or her, that for the purposes of this Part his or her entitlement to an allowance is re-assessed with effect from the first Saturday following the cessation from a gainful occupation of the other spouse, and that such re-assessment shall take into consideration only the current means and income of such household. So however that such request for a re-assessment may only be made within six months from the date of the cessation from such gainful occupation by the spouse.

**5.** For the purposes of this Part "spouse" shall include such person who, in the opinion of the Director, is living with the head of household as if that person were the lawful wedded spouse of such head of household, during any period in which an allowance under this Part is being, or could be, paid to the head of household under the provisions of this Act.

## PART VIII

### Supplementary Allowance

**1.** In calculating the means for the purposes of article 73 of this Act account shall be taken of the income derived from any property which is invested or put to profitable use, excluding furniture, jewellery and other personal effects, and any income or privilege which is received or enjoyed by the head of household and the spouse of such head of household, if any.

**2.** In calculating the income or privilege which is or could be received or enjoyed by the head of household and the spouse of such head of household no account shall be taken of:

(a) any medical assistance paid under articles 20, 21 and 22 of this Act;

(b) any injury grant or injury pension paid under article 29 of this Act;

(c) contributions paid under this Act;

(d) 82.2 % of the total net income or of any privilege, benefit or allowance or of any excess pension which is being, or could be, received or enjoyed by a member of the household other than the head of household or the spouse of such head of household, and for this purpose the total net income, privilege, benefit, allowance or excess pension shall be reduced by any income tax payments made by the person concerned in accordance with the Income Tax Act, and the term "excess pension" shall mean any pension over the national minimum pension, inclusive of the additional allowance, according to claimant's marital status as is specified in the Twelfth Schedule to this Act.

**3.** A head of household who is in receipt of social assistance or of an age pension under this Act, shall be deemed not to have any means for the purposes of calculating any income in terms of this Part.

**4.** For the purposes of this Part in the case of a head of household who is in receipt of a pension (whether paid under this Act or not), any income, or any privilege, benefit or allowance derived by any member, not being the head of household or the spouse of such head of household shall not be taken into account.

**5.** (a) For the purposes of this Part, the means taken for income assessment purposes shall be those accruing during the calendar year preceeding the first Saturday in July of the year in which the claim is made.

(b) Notwithstanding any change in circumstances, such means shall be deemed to continue to satisfy the conditions of the applicable scale rates in accordance with the Fourteenth Schedule to this Act, up to the last Friday preceeding the first Saturday in July of the year following the calendar year in respect of which such means were taken for assessment purposes:

Provided that in the event of the demise of the head of household, the surviving spouse or the person deemed to be so in terms of article 82 (2) of this Act, shall be entitled to elect, if it is more beneficial to that person, that for the purposes of this Part entitlement to an allowance is

re-assessed with effect from the first Saturday following the spouse's demise and that such re-assessment shall take into consideration only the current means and income; so however that such request for a re-assessment may only be made within six months from the date of the demise of the spouse:

Provided further that in the case of a person who is in receipt of a pension (whether paid under this Act or not), and who is not gainfully occupied, the yearly means taken for the purposes of this Part shall be the current yearly means accruing to the head of household and the spouse of such head of household, if any.

**6.** For the purposes of this Part "spouse" shall include such person who, in the opinion of the Director, is living with the head of household as if such person were the lawful wedded spouse of the head of household, during any period in which a Supplementary Allowance is being, or would be, accorded to the head of household under the provisions of this Act.

# THIRD SCHEDULE

(Articles 18, 28, 29, 30)

## PART I

***Rates of Sickness, Unemployment, Special Unemployment and Injury Benefits, Injury Grant and Injury Pension***

| | **Daily Rate of Benefit** | |
|---|---|---|
| **Type of Benefit** | **A Single Parent or a Married Person maintaining a Spouse who is not employed on a full-time basis** | **Any Other Person** |
| | Lm c | Lm c |
| Sickness Benefit | 6.53 | 4.23 |
| Injury Benefit | 9.80 | 7.38 |
| Unemployment Benefit | 3.97 | 2.59 |
| Special Unemployment Benefit | 6.65 | 4.34 |

## PART II

***Amounts of Injury Grant***

| **Degree of Disablement** | **Amount of Grant** |
|---|---|
| % | Lm c |
| 1 | 80.08 |
| 2 | 160.15 |
| 3 | 240.23 |
| 4 | 320.31 |
| 5 | 400.36 |
| 6 | 480.44 |
| 7 | 560.51 |
| 8 | 640.59 |
| 9 | 720.67 |
| 10 | 800.74 |
| 11 | 880.82 |
| 12 | 960.90 |
| 13 | 1040.97 |
| 14 | 1121.05 |
| 15 | 1201.11 |
| 16 | 1281.17 |
| 17 | 1361.25 |
| 18 | 1441.32 |
| 1 | 1521.40 |

## PART III

*Highest Rate of Injury Pension*

| Weekly Rate |
| --- |
| Lm c<br>23.08 |

## PART IV

*Orphan's Allowance*

| Weekly Rate |
| --- |
| Lm c<br>14.33 |

## PART V

*Orphan's Supplementary Allowance*

| Weekly Rate |
| --- |
| Lm c<br>32.16 |

# SIXTH SCHEDULE

(Articles 27, 30, 66 and 68)

## PART I

***Scale Rates of Social Assistance per week, inclusive of any measures under the provisions of article 90A of this Act***

| **A Household of ONE eligible Member Only** |
|---|
| Lm c |
| 32.63 |

Where the number of eligible members in the household exceeds the number indicated in the above column, the respective weekly rate indicated therein shall be increased by Lm3.50 per week in respect of every other eligible member in that household.

## PART II

***Highest Rate of Age Pension per week, inclusive of any increases under the provisions of article 90A of this Act***

| **Category of Pensioner** | **Highest Rate of Age Pension per week** |
|---|---|
| | Lm c |
| 1. A married couple where both spouses qualify for a pension under article 66 of this Act. | 44.50 |
| 2. A married couple where only one of the spouses qualifies for a pension under article 66 of this Act. | 26.82 |
| 3. Widowed, single persons or a married person whose spouse is in receipt of a State Financed Residential Service in terms of article 93 of this Act. | 34.38 |

## PART III

***Highest Rate of Disability Pension and Pension for the Visually Impaired per week, inclusive of any increases under the provisions of article 90A of this Act***

| Weekly Rate |
|---|
| Lm c<br>32.16 |

## PART IV

***Highest Rate of Carer's Pension per week inclusive of any increases under the provisions of article 90A of this Act***

| Highest Rate of Carer's Pension per week |
|---|
| Lm c<br>34.27 |

## PART V

***House Rent***

The rates in Parts I, II, III and IV of this Schedule shall be increased by 50c per week if the household is paying rent for its normal place of habitation:

Provided that where more than one household live within the same premises, the rent allowance shall be paid only once and shall be paid to the head of household responsible for the payment of such rent to third parties.

The ground rent payable by the household in respect of premises which are held in emphyteusis for a period not exceeding twenty-five years shall be deemed to be the house rent for the purposes of this paragraph if such premises are used exclusively by the household and solely as a residence.

# EIGHTH SCHEDULE
(Article 23)

## PART I

***Scale rate of means governing Free Medical Aid where the head of household is in insurable employment or self-occupied***

| Number of Persons in household | Scale Rate |
|---|---|
| 1 person only | Lm 47.63 |

Where the number of members in the household exceeds one the weekly rate indicated above shall be increased by Lm3.50 per week in respect of every other member in that household.

## PART II

***Scale rates of means governing Free Medical Aid where the head of household is neither in insurable employment nor self-occupied***

| Number of Persons in household | Scale Rate |
|---|---|
| 1 person only | Lm 11.75 |

Where the number of members in the household exceeds one the weekly rate indicated above shall be increased by Lm3.50 per week in respect of every other member in that household.

# NINTH SCHEDULE
(Article 25)

***Amounts of Sickness Assistance, Milk Grant, Leprosy Assistance and Tuberculosis Assistance***

| Type of Assistance | Weekly Rate |
|---|---|
| 1. Sickness Assistance: | |
| (i) in respect of the first member of the household | 7.55 |
| (ii) in respect of any other member of the same household | 5.35 |
| 2. Milk Grant | 5.75 |
| 3. Leprosy Assistance: | |
| (i) in respect of the head of household who is a leper | 11.90 |
| (ii) in respect of any other member of the household who is a leper and not gainfully occupied: | |
| (a) if under 16 years of age | 5.75 |
| (b) if 16 years of age or over | 11.90 |
| (iii) in respect of any other member of the household who is not gainfully occupied | 5.75 |
| 4. Tuberculosis Assistance: | |
| (i) basic amount of tuberculosis assistance payable in respect of a household, one member of which is affected by tuberculosis | 8.75 |
| (ii) allowance payable in respect of each additional member of the household affected by, or particularly vulnerable to, tuberculosis | 4.35 |

# TENTH SCHEDULE
(Articles 7 and 10)

## RATES OF CONTRIBUTIONS

## Part I

## Class One Contributions
***(Employed Persons)***

| Category | Type of Employed Persons | Weekly Rate of Contribution payable by employed person | Weekly Rate of Contribution payable by the employer |
|---|---|---|---|
| **A** | Persons under eighteen years of age (other than those falling under category 'E' below of this Part) whose basic weekly wage or the weekly equivalent of their basic monthly salary does not exceed Lm**55.63** | Lm2.84 | Lm2.84 |
| **B** | Persons over eighteen years of age (other than those falling under category 'F' of this Part) whose basic weekly wage or the weekly equivalent of their basic monthly salary does not exceed Lm**55.63** | Lm5.56 | Lm5.56 |
| **C** | Persons (other than those falling under Categories 'E' and 'F' of this Part) whose basic weekly wage or the weekly equivalent of their basic monthly salary exceeds **Lm55.63** but does not exceed **Lm131.55** | 10% calculated to the nearest cent, of their basic weekly wage or the weekly equivalent of their basic monthly salary | 10% calculated to the nearest cent, of their basic weekly wage or the weekly equivalent of their basic monthly salary |
| **D** | Persons (other than those falling under Categories 'E' and 'F' of this Part) whose basic weekly wage or the weekly equivalent of their basic monthly salary exceeds **Lm131.55** | Lm13.16 | Lm13.16 |
| **E** | Persons under eighteen years of age who are following a full-time course of studies or instruction under the Student-Worker Scheme, or other similar schemes (including the Extended Skills Training Schemes, but excluding the Worker-Student Schemes) involving distinct work and study periods for which they are receiving remuneration | 10% calculated to the nearest cent, of the basic weekly remuneration or the weekly equivalent of their basic monthly remuneration up to a maximum rate of contribution of Lm1.88 | 10% calculated to the nearest cent, of the basic weekly remuneration or the weekly equivalent of their basic monthly remuneration up to a maximum rate of contribution of Lm1.88 |
| **F** | Persons over eighteen years of age who are following a full-time course of studies or instruction under the Student-Worker Scheme, or other similar schemes (including the Extended Skills Training Schemes, but excluding the Worker-Student Schemes) involving distinct work and study periods for which they are receiving remuneration | 10% calculated to the nearest cent, of the basic weekly remuneration or the weekly equivalent of their basic monthly remuneration up to a maximum rate of contribution of Lm3.41 | 10% calculated to the nearest cent, of the basic weekly remuneration or the weekly equivalent of their basic monthly remuneration up to a maximum rate of contribution of Lm3.41 |

## Part II

## Class Two Contributions
## *(Self Employed Persons)*

| Category | Type of Self Employed Persons | Weekly Rate of Contributions payable by a self-employed person |
|---|---|---|
| | Persons whose annual net income (excluding Maternity Benefit, Children's Allowance and any ex-gratia Benefit payable under article 88 of this Act) during the calendar year immediately preceding the contribution year in which the contribution is being paid: | |
| **SP** | exceeds Lm430 but does not exceed Lm2,791 (this category is applicable ONLY to single persons who are not self-occupied) | Lm8.05 |
| **SA** | Is less than Lm3,418 | Lm9.86 |
| **SB** | Exceeds Lm3,418 but does not exceed Lm6,840 | The weekly equivalent of 15% of their annual income calculated to the nearest cent. |
| **SC** | Exceeds Lm6,840 | Lm19.73 |

## Part III

## Class Two Contributions
## (Self Occupied Persons)

| Category | Type of Self-Occupied Person | Weekly Rate of Contributions payable by a Self-Occupied person |
|---|---|---|
| | Persons whose annual net earnings (excluding Maternity Benefit, Children's Allowance and any Ex-gratia Benefit payable under article 88 of this Act) during the calendar year immediately preceding the contribution year in which the contribution is being paid: | |
| **SA** | Is less than Lm3,418 | Lm9.86 |
| **SB** | Exceeds Lm3,418 but does not exceed Lm6,840 | The weekly equivalent of 15% of their annual net earnings calculated to the nearest cent. |
| **SC** | Exceeds Lm6,840 | Lm19.73 |

# TWELFTH SCHEDULE

(Articles 26, 31, 44, 50, 54, 63, 64, 67)

## Rates of Several Kinds of Pension

**A** Full Rates of Retirement Pension per week, inclusive of any increases under the provisions of article 90A of this Act, where the yearly average of contributions paid or credited is 50 or more:

| **Persons who are also in receipt of a Service Pension that is payable by or on behalf of the Government of the United Kingdom** | | **Persons who are also in receipt of a Service Pension that is NOT payable by or on behalf of the Government of the United Kingdom** | |
|---|---|---|---|
| Married person who is maintaining a spouse | Any other person | Married person who is maintaining a spouse | Any other person |
| Lm c | Lm c | Lm c | Lm c |
| 37.46 | 28.77 | 35.00 | 27.65 |

**B** Full Rates of Increased Retirement Pension, Invalidity Pension, Increased Invalidity Pension, National Minimum Pension and Increased National Minimum Pension per week, inclusive of any increases under the provisions of article 90A of this Act, where the yearly average of contributions paid or credited is 50 or more:

| **Type of Pension** | **Married person who is maintaining a spouse** | **Any other person** |
|---|---|---|
| | Lm c | Lm c |
| Increased Retirement Pension | 52.29 | 41.80 |
| Invalidity Pension | 29.75 | 24.10 |
| Increased Invalidity Pension | 44.46 | 34.46 |
| National Minimum Pension* | 44.50 | 37.09 |
| Increased National Minimum Pension | 52.29 | 41.80 |

***N.B.:** The full rates of the National Minimum Pension are calculated at four-fifths (to the nearest whole cent) of the National Minimum Wage in the case of a married person who is maintaining a spouse and at two-thirds (to the nearest whole cent of the National Minimum Wage) in the case of any other person, as provided for in article 50 of this Act.

**C** Full Rate of Widow's Pension per week, inclusive of any increases under the provisions of article 90A of this Act, where the yearly average of contributions paid or credited is 50 or more:

| Lm c |
| --- |
| 40.28 |

**D** Reduced Rates of Retirement Pension, Increased Retirement Pension, Invalidity Pension, Increased Invalidity Pension, National Minimum Pension and Increased National Minimum Pension per week, inclusive of any increases under the provisions of article 90A of this Act, where the yearly average of contributions paid or credited is between 20 and 49:

| **Yearly average of contributions paid or credited** | **Rate of pension payable per week (calculated to the nearest whole cent)** |
| --- | --- |
| 40 - <50 | [{FAP - INC} x 0.89] + INC |
| 30 - <40 | [{FAP - INC} x 0.69] + INC |
| 20 - <30 | [{FAP - INC} x 0.49] + INC |

For the purposes of the above table "FAP" shall mean the full rate of the applicable weekly rate of pension in accordance with Tables A or B, as the case may be, of this Schedule and "INC" shall mean all increases granted in terms of article 90A of this Act taking effect from 1st January 1994 and subsequent years.

**E** Rates of National Minimum Pension Additional Allowance per week:

| **Yearly average of contributions paid or credited** | **Married person who is maintaining a spouse** | **Any other person** |
|---|---|---|
| | Lm c | Lm c |
| 50 (full rate) | 2.05 | 3.19 |
| 40 - <50 | 1.83 | 3.68 |
| 30 - <40 | 1.42 | 4.60 |
| 20 - <30 | 2.42 | 5.50 |

**F** Reduced Rates of Widows' Pension per week, inclusive of any increases under the provisions of article 90A of this Act, where the yearly average of contributions paid or credited is between 20 and 49:

| **Yearly average of contributions paid or credited** | **Rate of pension payable per week (calculated to the nearest whole cent)** |
|---|---|
| 40 - <50 | [{FWP - (INC + 7.63)} x 0.89] + INC + 7.63 |
| 30 - <40 | [{FWP - (INC + 7.63)} x 0.69] + INC + 7.63 |
| 20 - <30 | [{FWP - (INC + 7.63)} x 0.49] + INC + 7.63 |

For the purposes of the above table "FWP" shall mean the full rate of Widow's Pension in accordance with Table C of this Schedule and "INC" shall mean all increases granted in terms of article 90A of this Act taking effect from 1st January 1994 and subsequent years; whilst the amount of Lm7.63 represents the weekly rate of Widow's Supplementary Pension which up to the year 1990 was payable to widows who were in receipt of a Widow's Pension irrespective of the yearly average of contributions paid or credited, which weekly amount was, with effect from the year 1991, incorporated with the rates payable by way of a Widow's Pension.

**G** Rate of Parent's Pension per week, inclusive of any increases under the provisions of article 90A of this Act:

| **Married person who is maintaining a spouse** | **Any other person** |
|---|---|
| Lm c<br>44.50 | Lm c<br>37.09 |

**H** Rate of Widows' and Survivors' Pensions Additional Allowance per week:

| **Where Widow/Widower is entitled to an allowance under article 31(a)** | **Where Widow/Widower is entitled to an Allowance under article 31(b)** |
|---|---|
| Lm c<br>1.95 | Lm c<br>4.00 |

**I** Highest Rate per week of a Two-Thirds pension:

| Lm c |
|---|
| 87.70 |

# FOURTEENTH SCHEDULE

(Articles 30, 70, 72, 73, 76, 76A, 77)

***Rates of Several Kinds of Allowances, Maternity Benefit and a Marriage Grant***

## PART I

***Rate per week of Allowance paid to residents of a therapeutic community in terms of article 30 (9)***

| Lm c |
| --- |
| 10.00 |

## PART II

(Repealed by Act II.2004.34)

## PART III

***Lump sum paid by way of a Marriage Grant in terms of article 70***

| Lm c |
| --- |
| 91.00 |

## PART IV

***Rate per week of Maternity Benefit paid in terms of article 72 (1)***

| Lm c |
| --- |
| 21.75 |

## PART V

### *Supplementary Allowance*

| STATUS | Maximum annual reckonable income that can be taken for entitlement purposes. (So however any reckonable income below Lm2,270 shall be deemed to be equivalent to Lm2,270) | Allowance payable | Maximum amount of annual allowance payable |
|---|---|---|---|
| Married person who is maintaining a spouse and is not entitled to an allowance under article 76 or a single parent who is not entitled to an allowance under article 76 | Lm4,200 | Lm140 | Equivalent to 1.75% of the difference obtaining between Lm10,270 and actual reckonable income |
| Single person | Lm3,270 | Lm75 | Equivalent to 1.25% of the difference obtaining between Lm8,270 and actual reckonable income |

No entitlement to an allowance under this Part is acquired where the annual reckonable income exceeds the maximum amounts indicated above as the case may be.

## PART VI

### *Children's Allowance*

| **Maximum annual reckonable income that can be taken for entitlement purposes - Lm10,270. (So however any reckonable income below Lm2,770 shall be accepted to be equivalent to Lm2,770)** | |
|---|---|
| Number of children in household under 16 years of age | Percentage rate payable, by way of an allowance, on difference obtaining between reckonable annual income and Lm10,270 |
| 1 | 6% |
| 2 | 9% |
| 3 | 12% |
| 4 | 15% |
| 5th and other subsequent child | 3% for each such child |
| Over 16 years but under 21 years and still undergoing full time education or training in an educational institution recognised by the government in terms of the Education Act (Cap. 327) and who is not receiving any form of remuneration or allowance or is registered unemployed under the Part I register and has never been gainfully occupied. | 2% for each such child |
| Over 16 years but under 21 years and is registered as unemployed under Part I of the employment register kept in accordance with the provisions of the Employment and Training Services Act (Cap. 343) and who has never been gainfully occupied, and who is not in receipt of any benefit, pension or assistance payable under this Act. | 2% for each such child |

An allowance payable to a household under this Part shall in no case be less than Lm52 per annum. No entitlement to an allowance under this Part is acquired where the annual reckonable income exceeds the maximum annual reckonable income indicated above. So however that where in a household there are four or more children, entitlement to an allowance is still acquired by such household notwithstanding that the income of such household exceeds the maximum annual reckonable income indicated, as long as such reckonable income does not exceed Lm13,270.

## PART VII

### *Disabled Child Allowance*

| **Maximum annual reckonable income that can be taken for entitlement purposes – Lm13,270** | |
|---|---|
| | Rate of Disabled Child Allowance per week |
| Where annual reckonable income does not exceed Lm 9,270 | Lm 5.00 |

When annual reckonable income exceeds Lm9,270 but does not exceed Lm13,270 the weekly rate of Lm5, by way of an allowance, is to be deducted to 6.5% of the difference obtaining between the reckonable income and Lm13,270.

An allowance payable to a household under this Part shall in no case be less than Lm52 per annum. No entitlement to an allowance under this Part is acquired where the annual reckonable income exceeds the maximum annual reckonable income indicated above.

## PART VIII

### *Rate per week per child of Care Allowance paid in terms of article 76A*

| Lm c |
|---|
| 12.00 |

An allowance payable under this Part shall continue in payment when the child is over 16 years but under 18 years and still not gainfully occupied.

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