

## Sri Lanka

Exchange rate: US\$1.00 = 145.20 rupees.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First and current laws:** 1958 (provident fund) and 1980 (trust fund).

**Type of program:** Provident fund system and supplementary pension (trust fund).

#### Coverage

**Provident Fund:** Employed persons and certain self-employed persons.

Exclusions: Family labor, civil servants, certain self-employed persons, farmers, and fishermen.

Employees covered by equivalent schemes may contract out.

Special systems for public-sector and local government employees, farmers, and fishermen.

**Supplementary pension (trust fund):** Persons employed in the public and private sectors, including apprentices and casual, temporary, contract, and piece-rate workers.

Voluntary coverage for certain self-employed persons and migrant workers.

Exclusions: Household workers; persons working in small charitable institutions and for religious organizations; and family labor.

#### Source of Funds

##### Insured person

**Provident fund:** 8% of monthly earnings; additional voluntary contributions are possible.

**Trust fund:** None.

##### Self-employed person

**Provident fund:** Information is not available.

**Trust fund:** At least 25 rupees a month; additional voluntary contributions (in multiples of 25 rupees) are possible.

##### Employer

**Provident fund:** 12% of monthly payroll.

**Trust fund:** 3% of monthly payroll.

**Government (provident and trust fund):** None.

#### Qualifying Conditions

**Old-age benefit (provident fund):** Age 55 (men) or age 50 (women) and retired from covered employment; at any age if the government closes the place of employment, if emigrating permanently, or for employed women who marry.

**Dividend benefit:** A benefit may be paid with at least 10 years of contributions.

**Old-age benefit (trust fund):** Age 60 or older and retired from covered employment; at any age if the fund member retires, resigns, is dismissed, changes employers, permanently emigrates, or becomes entitled to any other government pension.

**Disability benefit (provident fund):** Must be assessed with a permanent and total incapacity for work.

**Disability benefit (trust fund):** Must be assessed with a permanent and total disability for work and have lost employment due to the disability.

**Survivor benefit (provident fund):** Paid to legal heirs or named beneficiaries if the fund member dies before retirement.

**Survivor benefit (trust fund):** Paid to legal heirs, the executor of the will, or named survivors if a fund member dies before withdrawing the full account balance.

#### Old-Age Benefits

**Old-age benefit (provident fund):** A lump sum of total employee and employer contributions plus accrued interest is paid.

The interest rate is 11% a year.

**Interest rate adjustment:** The Monetary Board of the Employees' Provident Fund sets the interest rate periodically. The annual interest rate must be at least 2.5%.

**Old-age benefit (trust fund):** A lump sum of total employee contributions plus dividends and accrued interest is paid.

The benefit is paid after a five-year waiting period if the fund member changes employers.

#### Permanent Disability Benefits

**Disability benefit (provident fund):** A lump sum of total employee and employer contributions plus accrued interest is paid.

The interest rate is 11% a year.

**Interest rate adjustment:** The Monetary Board of the Employees' Provident Fund sets the interest rate periodically. The annual interest rate must be at least 2.5%.

**Disability benefit (trust fund):** A lump sum of total employee and employer contributions plus dividends and accrued interest is paid.

### **Survivor Benefits**

**Survivor benefit (provident fund):** A lump sum of total employee and employer contributions plus accrued interest is paid to one or more eligible survivors.

The interest rate is 11% a year.

Interest rate adjustment: The Monetary Board of the Employees' Provident Fund sets the interest rate periodically. The annual interest rate must be at least 2.5%.

**Survivor benefit (trust fund):** A lump sum of total employee and employer contributions plus dividends and accrued interest is paid.

### **Administrative Organization**

**Provident fund:** Ministry of Labour and Trade Union Relations (<http://www.labourmin.gov.lk/>) provides general supervision.

Employees' Provident Fund (<http://www.epf.gov.lk/>) administers the program through district offices.

Employees' Provident Fund Agency Services Group, under the Central Bank of Sri Lanka (<http://www.cbsl.gov.lk/>), collects contributions and invests the financial assets of the Employees' Provident Fund.

**Trust fund:** Ministry of National Policies and Economic Affairs (<http://www.mnpea.gov.lk/>) provides general supervision.

Employees' Trust Fund Board (<http://www.etfb.lk/>) administers benefits.

### **Sickness and Maternity**

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#### **Regulatory Framework**

**First and current laws:** 1941 (maternity benefits) and 1954 (shop and office employees protections).

**Type of program:** Employer-liability (cash sickness and maternity benefits) and universal (medical benefits) system.

#### **Coverage**

**Cash sickness benefits:** No statutory benefits are provided.

**Cash maternity benefits (employer liability):** Employed persons.

Exclusions: Self-employed persons.

**Medical benefits:** Residents of Sri Lanka.

#### **Source of Funds**

##### **Insured person**

*Cash maternity benefits:* None.

*Medical benefits:* None.

##### **Self-employed person**

*Cash maternity benefits:* Not applicable.

*Medical benefits:* None.

##### **Employer**

*Cash maternity benefits:* The total cost.

*Medical benefits:* None.

##### **Government**

*Cash maternity benefits:* None.

*Medical benefits:* The total cost.

### **Qualifying Conditions**

**Cash sickness benefits:** No statutory benefits are provided.

**Cash maternity benefits (employer liability):** Must be currently employed.

**Medical benefits:** There is no minimum qualifying period.

### **Sickness and Maternity Benefits**

**Sickness benefits:** No statutory benefits are provided.

**Maternity benefits (employer liability):** 85.714% of the employee's average daily wages in the six months before taking leave (100% of the employee's normal wages for shop and office workers) is paid for 12 weeks, including two weeks before and 10 weeks after the expected date of childbirth for the first two children; for six weeks, including two weeks before and four weeks after the expected date of childbirth for three or more children or for stillbirths.

### **Workers' Medical Benefits**

Government health centers and hospitals provide free medical care.

Plantations have their own dispensaries and maternity wards and must provide medical care for their employees.

### **Dependents' Medical Benefits**

Medical benefits for dependents are the same as those for the insured.

### **Administrative Organization**

**Cash maternity benefits:** Department of Labour (<http://www.labourdept.gov.lk/>) provides general supervision and enforcement of labor laws.

**Medical benefits:** Ministry of Health, Nutrition and Indigenous Medicine (<http://www.health.gov.lk/>) provides medical care through public hospitals and health centers.

## Work Injury

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### Regulatory Framework

**First and current law:** 1934 (workmen's compensation).

**Type of program:** Employer-liability system.

### Coverage

Employed persons, including contract and piece-rate workers.

Exclusions: Self-employed persons and military personnel.

### Source of Funds

**Insured person:** None.

**Self-employed person:** Not applicable.

**Employer:** Provides benefits directly to employees or pays insurance premiums ranging from 1% to 7.5% of payroll, according to the assessed degree of risk.

**Government:** The total cost of medical benefits.

### Qualifying Conditions

A minimum three-day qualifying period for a temporary disability; a continuous employment period of six months for an occupational disease.

### Temporary Disability Benefits

50% of wages are paid after a three-day waiting period for up to five years. After six months, the benefit may be paid as a lump sum.

The maximum monthly benefit is 5,500 rupees.

A registered doctor may examine a worker entitled to a temporary disability benefit once a month.

The benefit is payable abroad under certain conditions if emigrating permanently.

### Permanent Disability Benefits

A lump sum is paid according to wage class.

The minimum benefit is 196,083.80 rupees.

The maximum benefit is 550,000 rupees.

Partial disability: A lump sum of 30% to 100% of the full benefit is paid according to the degree of disability.

### Workers' Medical Benefits

Government hospitals provide medical benefits free of charge.

## Survivor Benefits

**Survivor benefit:** A lump sum of two to five years of the deceased's wages, according to wage class, is paid.

Eligible survivors include the widow, legitimate dependent children, unmarried daughters, and a widowed mother. Other family members may be eligible if totally or partially dependent on the deceased.

The benefit is split among dependent relatives according to the decision of the Commissioner of Workmen's Compensation.

The minimum survivor benefit is 196,083.80 rupees.

The maximum survivor benefit is 550,000 rupees.

**Funeral grant:** The benefit is paid as part of the survivor benefit. The cost of the funeral is paid up to a maximum based on the value of the survivor benefit (up to 10,000 rupees if the survivor benefit exceeds 40,000 rupees).

### Administrative Organization

Ministry of Labour and Trade Union Relations (<http://www.labourmin.gov.lk/>) provides general supervision.

Office of Workmen's Compensation administers the program.

## Family Allowances

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### Regulatory Framework

**First law:** 1990.

**Current law:** 1995 (low-income families).

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

### Coverage

Low-income families.

### Source of Funds

**Insured person:** 45 rupees a month for each family member.

**Self-employed person:** 45 rupees a month for each family member.

**Employer:** None.

**Government:** The majority of the program costs.

### Qualifying Conditions

**Family allowances:** Family earnings must be below 1,500 rupees a month.

***Family Allowance Benefits***

**Family allowances:** 1,000 rupees to 3,000 rupees a month is paid, depending on family income and size.

***Administrative Organization***

Department of Divi Neguma Development (<http://www.samurdhi.gov.lk/>) administers the program.