

France

Exchange rate: US\$1.00 = 0.77 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1910.

Current laws: 1945 (nonagricultural employees), 1975 (disabled persons), 1996 (administration of social security), 2001 (dependency benefits), 2003 (pension), 2006 (retirement), 2009 (disability benefit and gainful activity), and 2010 (retirement).

Type of program: Social insurance and social assistance system.

Note: A system of mandatory supplementary pensions is administered jointly by employers and employees.

Coverage

Social insurance: Employed persons in commerce and industry; housewives under certain conditions.

Voluntary coverage for nonworking heads of household (old-age pension only), noncovered persons who previously had mandatory coverage for at least six months, nonemployed persons caring for a family member with a disability, and French citizens working abroad.

Special systems for agricultural, mining, railroad, public utility, and public-sector employees; seamen; nonagricultural self-employed persons; and agricultural self-employed persons.

Social assistance: Residents of France.

Source of Funds

Insured person: 6.65% of covered earnings (old age) and 0.10% of earnings (survivor allowance). Persons receiving an unemployment allowance greater than the legal hourly minimum wage contribute 11.37% of the allowance benefits (old age).

The legal hourly minimum wage is €9.22.

Voluntary contributors pay quarterly according to fixed income bands.

The maximum monthly earnings used to calculate contributions for old-age benefits are €3,031.

Disability benefits and part of the cost of survivor benefits are financed under Sickness and Maternity.

Self-employed person: Not applicable.

Employer: 8.3% of covered payroll (old age) and 1.6% of gross payroll (survivor allowance).

The maximum monthly earnings used to calculate old-age benefits are €3,031.

Employer contributions are reduced on wages less than 1.6 times the legal hourly minimum wage; contributions on behalf of newly recruited employees younger than age 23 are reduced under certain conditions.

The legal hourly minimum wage is €9.22.

Disability benefits and part of the cost of survivor benefits are financed under Sickness and Maternity.

A social solidarity contribution for old-age benefits for certain nonsalaried workers is made under Sickness and Maternity.

Government: Variable subsidies.

Qualifying Conditions

Old-age pension: The legal minimum retirement age is 60 (rising gradually to age 62 by 2017 for persons born after July 1, 1951). The age of automatic entitlement to a full pension is age 65 (rising gradually to age 67 for persons born after July 1, 1951).

The qualifying insurance period depends on the insured's month and year of birth: 160 quarters of coverage for persons born from 1944–1948; from 161 to 166 quarters for persons born from 1949–1955. For subsequent years, the number of quarters required will be set by decree.

A pensioner can begin a new gainful activity immediately after receiving the pension but must wait six months before resuming the same gainful activity undertaken before retirement.

Periods during which the insured received the unemployment benefit, preretirement benefit, or a disability pension (with an assessed degree of disability of more than 66.7%) are taken into account for the calculation of the coverage period. Insured women are credited with up to eight quarters per child; in certain circumstances, four of these quarters may be awarded to the father.

There are special qualifying conditions for persons with disabilities, working mothers, and war veterans.

Partial pension: A reduced pension is awarded at age 60 with at least one quarter of coverage.

Deferred pension: The pension can be deferred after age 60 without age limit.

Constant-attendance allowance: Paid if the insured requires the constant attendance of others to perform daily functions.

Dependent child's supplement: Paid for a dependent child.

Child-raising supplement: Paid if the insured has raised at least three children.

Solidarity allowance for the elderly (means-tested):

Awarded to low-income pensioners at age 65 (age 60 if disabled).

Means test: A single pensioner must have an annual income of less than €9,325.98; less than €14,479.10 for a couple.

Disability pension: The insured must be younger than the normal retirement age, have at least a 66.7% assessed loss of earning capacity in any occupation, with at least 12 months of coverage before the disability began and 800 hours of employment in the last 12 months, including 200 hours in the last three months; or has contributed based on earnings of at least 2,030 times the legal hourly minimum wage including at least 1,015 times the hourly legal minimum wage in the last six months.

The legal hourly minimum wage is €9.22.

Constant-attendance supplement: Paid if the insured requires the constant attendance of others to perform daily functions.

Survivor pension (means-tested): Eligible survivors must be aged 55 or older or disabled and have been married to the deceased (including a divorced wife who has not remarried). Unmarried partners are not eligible, even if they had a civil partnership with the deceased.

Means test: If the survivor is unmarried, annual personal income must be less than 2,030 times the legal hourly minimum wage. A reduced benefit may be paid on remarriage or cohabitation. The means-test threshold is adjusted annually in January.

The legal hourly minimum wage is €9.22.

Child's supplement: Paid if a survivor is younger than age 65, not eligible for a pension under the social insurance system, and has given birth to or raised three or more children.

Survivor allowance (means-tested): Paid if the deceased had at least three months of compulsory or voluntary coverage in the last 12 months before death. The survivor must be younger than age 55, reside in France or in French Polynesia, must have been married to and not divorced from the deceased, and must not have remarried or cohabited since the insured's death. The deceased spouse must have paid old-age insurance contributions during at least three months of the twelve-month period preceding their death, not including the month in which they died.

Means test: Personal income must be less than €2,229.41 a quarter.

Death grant: The deceased was employed or received an unemployment benefit, a cash sickness benefit, or a disability pension (with an assessed degree of incapacity of at least 66.7%).

Old-Age Benefits

Old-age pension: The full pension is 50% of the insured's reference earnings.

Reference earnings are average adjusted earnings in the best 25 years for those born after 1948.

The maximum monthly earnings used to calculate benefits are €3,031.

Partial pension: The pension is proportionately reduced according to the number of quarters of coverage. The partial pension must not be less than 25% of the insured's reference earnings.

Deferred pension: The pension is increased by 1.25% for each quarter of activity exceeding the number of quarters required for a full pension or for each quarter of activity after age 60 if the insured qualifies for a full pension at that age but remains in the labor force.

If the insured continues to work part time after the retirement age, 30% to 70% of the old-age pension is paid, depending on the number of working hours. The total amount of the pension and income from gainful activity must not exceed the insured's last wage before retirement.

The minimum pension is €7,451.10 a year. The benefit is reduced proportionately with less than 164 quarters of coverage.

Constant-attendance allowance: €12,989.19 a year is paid.

Dependent child's supplement: Each child receives €94.98 a month.

Child-raising supplement: 10% of the pension is paid.

Solidarity allowance for the elderly (means-tested):

Paid to increase the old-age pension for a single person to €9,325.92 a year; to €14,479.10 for a couple.

Benefit adjustment: Benefits are adjusted periodically according to changes in the cost of living.

Permanent Disability Benefits

Disability pension: If the insured is assessed as incapable of any professional activity, the pension is 50% of the insured's average earnings; 30% if capable of some gainful activity.

Average earnings are based on adjusted earnings in the best 10 years.

The maximum monthly earnings used to calculate benefits are €3,031.

The minimum annual pension is €3,316.69.

Constant-attendance supplement: 40% of the disability pension is paid. The minimum supplement is €1,082.43 a month.

The monthly disability pension is replaced by the old-age pension if the insured is unable to work from age 60 to 62.

If the insured resumes gainful activity, the pension continues to be paid for six months without an income test; thereafter, the pension is suspended if total income from the pension and earnings exceeds the average wage paid during the calendar year before the year the disability began.

Benefit adjustment: Benefits are adjusted periodically according to changes in the cost of living.

Survivor Benefits

Survivor pension (means-tested): The pension is 54% of the pension the deceased received or was entitled to receive. If the deceased was married more than once, the pension is split among the surviving widow(er)s according to the length of their marriage to the deceased.

If the deceased had at least 60 quarters of coverage, the minimum annual pension is €3,359.40; the pension is reduced proportionately for less than 60 quarters of coverage.

The maximum annual pension is €9,820.44.

Child's supplement: 10% of the survivor pension is paid. The supplement is reduced if the means test reduces the survivor pension.

Survivor allowance (income-tested): €594.41 a month is paid for up to two years following the insured's death; may be extended until age 55 if the survivor is at least age 50.

Death allowance: A lump sum of 90 times the deceased's average daily wage in the three months before death is paid.

The maximum monthly earnings used to calculate benefits are €3,031.

The minimum lump-sum benefit is €353.77.

The maximum lump-sum benefit is €9,093.

Benefit adjustment: Benefits are adjusted periodically according to changes in the cost of living.

Administrative Organization

Ministry of Health, Youth, Sports, and Communities (<http://www.sante.gouv.fr>) and Ministry of Economy and Finance (<http://www.minefi.gouv.fr>) provide general supervision and issue regulations.

National Old-Age Pension Insurance Fund (<http://www.cnaf.fr>) administers old-age pensions and survivor allowances.

Joint collection agencies (<http://www.urssaf.fr>) collect contributions.

Central Agency of Social Security Institutions (<http://www.acoss.fr>) administers contributions.

Sickness and Maternity

Regulatory Framework

First law: 1928.

Current laws: 1945 (nonagricultural employees), 1996 (social security organization), 1999 (universal coverage), 2001 (paternity leave), 2004 (maternity insurance), and 2004 (sickness insurance).

Type of program: Social insurance system.

Coverage

Employed persons, job seekers, students, and persons in vocational training.

Pensioners and some groups of nonemployed persons are covered for medical benefits.

Voluntary coverage is available, including for French citizens working abroad.

Special systems for agricultural, mining, railroad, public utility, and public-sector employees; clergy; seamen; nonagricultural self-employed persons; and agricultural self-employed persons.

Source of Funds

Insured person: 0.75% of gross earnings. Old-age pensioners contribute 1.4% of the old-age pension (low-income pensioners are exempt) and 2.4% of any private pension. Job seekers contribute 1.7% of the preretirement allowance or 2% of the guaranteed minimum income plus 1% of unemployment benefits and training allowances. Students, young persons, and other groups make flat-rate contributions. For voluntarily insured persons working abroad, see Old Age, Disability, and Survivors.

The insured's contributions also finance disability and survivor benefits.

Self-employed person: Not applicable.

Employer: 12.8% of payroll plus 0.3% of payroll for the long-term dependency assistance program and a social solidarity contribution of 0.13% of profits (0.16% if profits exceed €760,000 a year) for old-age benefits for certain nonsalaried workers.

The employer's contributions also finance disability and survivor benefits.

Government: Proceeds from a 12% surcharge on automobile insurance premiums and earmarked tax on the costs of pharmaceutical advertising, alcohol, and tobacco. Proceeds from a contribution levied on all individual income finance sickness insurance and family benefits.

Government contributions also finance disability and survivor benefits.

Qualifying Conditions

Cash sickness benefits: Paid for up to six months if the insured has at least 200 hours of employment in the last three months; paid for more than six months but less than three years with at least 800 hours of employment in the last 12 months, including at least 200 hours in the first three months or has contributed based on earnings of at least 2,030 times the legal hourly minimum wage including at least 1,015 times the legal hourly minimum wage in the last six months. Job seekers who are currently receiving, or who have received, an unemployment benefit during the last 12 months or who have ceased work within the last 12 months are eligible for cash sickness benefits calculated based on their last wage.

The legal hourly minimum wage is €9.22.

Cash maternity benefits: The insured must have at least 10 months of coverage and 200 hours of employment in the three months before certification of pregnancy. The insured must cease work for at least eight weeks. The same qualifying conditions apply for the adoption of a child. The adoption leave period may be shared between the adopting mother and father if both are eligible. Female job seekers receiving, or who have received, an unemployment benefit during the last 12 months or who have ceased work within the last 12 months are eligible for the cash maternity or adoption benefit based on their last wage.

Paternity benefit: The insured must have at least 10 months of coverage and 200 hours of salaried employment in the three months before the paternity leave period. The beneficiary must be the child's natural father. Male job seekers receiving, or who have received, an unemployment benefit during the last 12 months or who have ceased work within the last 12 months are eligible for the cash paternity benefit based on their last wage.

Medical benefits: Benefits are provided for up to a year if the insured has 60 hours of employment in the last month, has paid contributions on wages of at least 60 times the legal hourly minimum wage in the last month, has 120 hours of employment in the last three months, or has contributions of at least 120 times the legal hourly minimum wage in the last three months. Benefits are provided for up to two years if the insured has 1,200 hours of employment in the last year or contributions of at least 2,030 times the legal hourly minimum wage in the last year. Job seekers are eligible for medical benefits while receiving unemployment benefits and remain eligible for four years after the unemployment benefit ceases. The dependent survivors of an insured person are eligible for medical benefits for up to four years after the insured's death; no limit for a married or divorced surviving spouse who is raising or has raised three children and for work injury beneficiaries and their dependents.

The legal hourly minimum wage is €9.22.

Sickness and Maternity Benefits

Sickness benefit: 50% of the insured's average daily wage in the three months before the incapacity began is paid for the first 30 days of sick leave; thereafter, 66.7% if the insured has at least three dependent children. The benefit is paid after a three-day waiting period for up to 360 days in a three-year period. For a chronic or prolonged illness, the total payment period is three years.

The maximum monthly earnings used to calculate benefits are €2,517.06.

The minimum daily benefit is €8.90 (€11.86 if the insured has dependent children).

The maximum daily benefit is €41.38 (€55.17 if the insured has dependent children).

A partial or full benefit is paid if the beneficiary resumes part-time work for rehabilitation purposes.

Benefit adjustment: Benefits are adjusted according to changes in wages once benefits have been paid for more than three months.

Maternity benefit: 100% of the insured's average earnings in the three months before the maternity leave period (minus a tax deduction) is paid for six weeks before and 10 weeks after the expected date of childbirth for the first and second child; for eight weeks before and 18 weeks after for the third child; for 12 weeks before and 22 weeks after for twins; for 24 weeks before and 22 weeks after for multiple births of three or more children.

The benefit is paid for two additional weeks if maternity hospital care is required as the result of complications arising from the pregnancy or childbirth, except in cases of multiple births of three or more children.

If the mother dies as a result of complications arising from childbirth, the father is eligible for a paid leave period equal to the postpartum leave period followed by a paternity benefit leave period.

In the event of a miscarriage, the duration of the benefit paid is based on the duration of the maternity benefit normally paid after childbirth.

For the adoption of a child, benefits are paid for 10 weeks if the insured is raising one or two children; 18 weeks with at least three children; or 22 weeks for multiple adoptions, regardless of the number of children. The adoption leave period can be shared between the adopting mother and father, in which case the combined leave period is extended by 11 days (18 days for multiple adoptions at the same time).

The maximum monthly earnings used to calculate benefits are €3,031.

The minimum daily benefit is €8.90.

The maximum daily benefit is €80.04.

Paternity benefit: 100% of the insured's average earnings in the three months before the paternity leave begins is paid for up to 11 consecutive days; 18 consecutive days for multiple births. The paternity leave period must be taken in the first four months after the date of childbirth.

The paternity leave period is paid in addition to a three-day leave period paid for by the employer under the labor code.

The maximum monthly earnings used to calculate benefits are €3,031.

The minimum daily benefit is €8.90.

The maximum daily benefit is €80.04.

Benefit adjustment: Maternity, paternity, and adoption benefits are adjusted annually.

Workers' Medical Benefits

Benefits include general and specialist care, hospitalization, laboratory services, medicine, optical and dental care, maternity care, appliances, and transportation. The insured normally pays directly for services and is reimbursed by the local sickness fund.

Cost sharing: A €1 flat-rate contribution is paid for each medical service up to €50 a year. After the deduction of the flat-rate contribution, the amount reimbursed depends on the type of service: 70% to 100% for medical services; 60% for paramedic services; 15% to 100% for pharmaceuticals; 60% to 100% for laboratory services; 60 to 100% for optical and appliance fees up to an annual maximum; and 80% for hospitalization (after a daily contribution of €13.50 or €18). Certain categories of beneficiaries are exempt from cost sharing.

Insured persons who are eligible for means-tested universal sickness insurance have access to free supplemental insurance.

There is no limit to duration.

Dependents' Medical Benefits

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

Administrative Organization

Ministry of Health, Youth, Sports, and Communities (<http://www.sante.gouv.fr>) and Ministry of Economy and Finance (<http://www.minefi.gouv.fr>) provide general supervision.

National Union of Sickness Insurance Funds negotiates agreements with health practitioners and sets the medical fees reimbursement schedule.

National Sickness Insurance Fund (<http://www.ameli.fr>), governed by a bipartite body, administers the system.

101 Primary Sickness Insurance Funds and four Overseas General Sickness Insurance Funds governed by bipartite bodies, register the insured, pay cash benefits, and administer reimbursements of medical expenses.

Joint collection agencies (<http://www.urssaf.fr>) collect contributions.

Central Agency of Social Security Institutions (<http://www.acoss.fr>) administers contributions.

Work Injury

Regulatory Framework

First law: 1898.

Current laws: 1946 (work injury) and 1972 (agriculture).

Type of program: Social insurance system.

Coverage

Employed persons, students, and certain job seekers.

Voluntary coverage for French citizens employed abroad and for persons without mandatory coverage.

Special systems for agricultural, mining, railroad, public utility, and public-sector employees; seamen; and self-employed persons.

Source of Funds

Insured person: None; voluntarily insured persons pay variable contributions according to the assessed degree of risk.

Self-employed person: Not applicable.

Employer: The total cost. Contributions vary according to the assessed degree of risk.

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period. Accidents that occur while commuting to and from work are covered.

Temporary Disability Benefits

During the first 28 days, the benefit is 60% of average daily earnings in the last month up to 0.834% of the maximum annual earnings for social security contributions; thereafter, 80%. The benefit is paid from the day after the incapacity for work began until recovery or certification of permanent disability.

The maximum daily benefit is €182 during the first 28 days and €242.67 thereafter.

Benefit adjustment: Benefits are adjusted according to changes in wages once benefits have been paid for a period exceeding three months.

Permanent Disability Benefits

Permanent disability pension: The annual benefit is 100% of reference earnings.

Reference earnings are total earnings during the last 12 months up to €35,843.28 plus 33.33% of earnings exceeding €35,843.28.

The minimum annual earnings used to calculate benefits are €17,921.64.

The maximum annual earnings used to calculate benefits are €143,373.12.

Constant-attendance supplement: If the insured requires the constant attendance of others to perform daily functions, 40% of the pension but not less than €12,722.03 a year is paid.

Partial disability: The annual benefit is 100% of reference earnings multiplied by 0.5 times the assessed degree of disability for the portion of disability from 10% and 50% and by 1.5 for the portion greater than 50%.

Reference earnings are total earnings during the last 12 months up to €35,843.28 plus 33.33% of earnings exceeding €35,843.28.

The maximum annual earnings used to calculate benefits are €143,373.12.

A lump sum of €405.04 is paid for an assessed degree of disability of 1% up to €4,049.23 for an assessed degree of disability of 9%.

Schedule of payments: Benefits are paid quarterly; monthly if the assessed degree of disability is greater than 50%.

Benefit adjustment: Benefits are adjusted annually in January by decree according to changes in the consumer price index.

Workers' Medical Benefits

All necessary care, including medical treatment and surgery, hospitalization, medicine, appliances, rehabilitation, and transportation. The fund pays for services directly.

There is no cost sharing.

There is no limit to duration.

Survivor Benefits

Survivor pension: The pension is 40% of the deceased's average earnings in the last 12 months of work.

Eligible survivors are a surviving or separated spouse or partner whose marriage or civil partnership began before the accident or the onset of the occupational disease that resulted in the insured's death. The condition of marriage or partnership is waived if the couple had a child. A divorced or separated spouse receiving alimony receives a pension equal to the amount of the alimony but not exceeding 20% of the deceased's average earnings in the last 12 months of work.

Supplement for an elderly or disabled survivor: 20% of the pension is paid. The survivor must be aged 55 or older or have an assessed disability of at least 50%.

The pension ceases on remarriage and a lump sum of three years of pension is paid; if the survivor cares for one or more children receiving an orphan's pension, the survivor pension is paid until the payment of the orphan's pension ceases.

Orphan's pension: The pension is 25% of the deceased's average earnings in the last 12 months of work for each of the first two children younger than age 20; 20% for each subsequent child. Full orphans receive 30% each.

Other eligible survivors: The pension is 10% of the deceased's average earnings in the last 12 months of work for each dependent parent, up to 30%.

If all survivor benefits combined exceed 85% of the deceased's average earnings in the last 12 months of work, pensions are reduced proportionately.

Schedule of payments: Benefits are paid quarterly; monthly if the total survivor pension is 50% or more of the deceased's earnings.

Benefit adjustment: Benefits are adjusted annually in January by decree according to changes in the consumer price index.

Funeral grant: The cost of the funeral, up to a maximum.

Administrative Organization

Ministry of Health, Youth, Sports, and Communities (<http://www.sante.gouv.fr>) and Ministry of Economy and Finance (<http://www.minefi.gouv.fr>) provide general supervision.

National Union of Sickness Insurance Funds negotiates agreements with health practitioners and sets the medical fees reimbursement schedule.

National Sickness Insurance Fund (<http://www.ameli.fr>), governed by a bipartite body, administers the system.

101 Primary Sickness Insurance Funds and four Overseas General Sickness Insurance Funds, governed by bipartite bodies, register the insured, pay cash benefits, and administer reimbursements of medical expenses.

Joint collection agencies (<http://www.urssaf.fr>) collect contributions.

Central Agency of Social Security Institutions (<http://www.acoss.fr>) administers contributions.

Unemployment

Regulatory Framework

First law: 1905.

Current laws: 1958 (unemployment), 1973 (social assistance), 1984 (social insurance and social assistance), 1988 (minimum benefit), and 2009 (unemployment compensation).

Type of program: Social insurance and social assistance system.

Coverage

Unemployment insurance: Employed persons in France or in the principality of Monaco, including apprentices, household workers, and child caregivers.

Exclusions: Civil servants and self-employed persons.

Special systems for construction workers, dockworkers, merchant seamen, aviators, contract workers, doorkeepers, disabled personnel in sheltered workshops, journalists, performing artists, and certain expatriates.

Unemployment assistance (means-tested): Long-term unemployed persons residing in France who are not entitled to unemployment insurance benefits or whose benefits have been exhausted and certain other designated categories of unemployed person.

Source of Funds

Insured person: 2.4% of covered earnings.

The maximum monthly earnings used to calculate contributions are €12,124.

Self-employed person: Not applicable.

Employer: 4% of covered payroll; 0.15% of covered payroll finances the salary guarantee fund if the employer becomes bankrupt.

The maximum monthly earnings used to calculate contributions are €12,124.

The employer pays an additional contribution that varies according to the employee's age and the company's total number of employees if an employee older than age 50 is laid off.

Government: The total cost of social assistance.

Qualifying Conditions

Social insurance benefits

Unemployment benefit: Paid to insured who do not reach the statutory retirement age (or the qualifying age for a full pension). Younger than age 50, with at least 122 days of contributions or 610 hours of work in the last 28 months before unemployment (36 months, if aged 50 or more). The insured must reside in France, be registered at an employment office, and be capable of, and available for, work. Unemployment is not due to voluntary leaving, misconduct, or the refusal of a suitable job offer.

Social assistance benefits

Specific Solidarity allowance (means-tested): At least five years of employment in the last 10 years before unemployment, no longer entitled to unemployment benefits, and registered at an employment office. An insured person aged 50 or older can choose between the specific solidarity allowance and the unemployment benefit.

Means test: The household's average monthly income (excluding social benefits, savings, and alimony) before entitlement to unemployment benefits ceased must not exceed €1,094.10 for a single person; €1,719.30 for a couple.

Temporary waiting period allowance (means-tested): The benefit provides a temporary income to certain unemployed persons (persons awaiting reintegration, asylum seekers, certain foreigners) who are not entitled to unemployment insurance benefits. The insured must be actively seeking employment.

Means test: Awarded to unemployed persons with monthly income below the active solidarity income. The benefit can vary according to the composition and resources of the applicant's household.

Active solidarity income (means-tested): The insured must be from ages 25 to the statutory retirement age (under 25 if the insured has to support at least one child, even if not yet born, or if the insured has worked for at least two of the three last years). The insured must be actively looking for work either on their own or as part of a retraining program.

Means test: In case of paid employment, the benefit varies according to income.

Solidarity transitory allowance (means-tested): The benefit is paid to unemployed persons who have the required number of quarters for a full pension but have not reached the statutory retirement age.

Means test: The household's average monthly income (excluding social benefits) in the last 12 months must not exceed €1,619.52 for a single person; €2,328.06 for a couple.

Unemployment Benefits

Social insurance benefits

Unemployment benefit: The benefit rate varies according to the value of previous declared income from 57.4% to 75% of the average daily wage during the last 12 months. The benefit is paid for as many months as the insured has contributed, up to 24 months (36 months if aged 50 or older).

The maximum monthly earnings used to calculate benefits are €12,124.

The benefit can be partially combined with income from gainful activity for up to 18 months.

Certain financial support is provided to unemployed persons to encourage geographical relocation and vocational training. Employers who hire job seekers registered at an employment office for at least 12 months (three months for job seekers aged 50 or older) receive financial incentives.

Social assistance benefits

Specific solidarity allowance (means-tested): If household income is from €625.20 up to €1,094.10 for a single person and from €1,250.40 up to €1,719.30 for a couple, the benefit is the difference between the household income and €1,094.10 or €1,719.30 respectively. The benefit is awarded

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for a six-month period and is renewable if qualifying conditions are still satisfied. The benefit ceases when the insured reaches the statutory retirement age (or the qualifying age for a full pension).

The means-tested specific solidarity allowance can be combined with earnings (up to a maximum) for up to 12 months.

Temporary waiting period allowance (means-tested):

The monthly benefit is €330.30 and is awarded for up to 12 months.

The means-tested temporary waiting period allowance can be combined with earnings (up to a maximum) for up to 12 months.

Active solidarity income (means-tested): €474.93 a month is paid for a single person, €712.40 for a two-member household, €854.87 for a three-member household, €997.35 for a couple with two children. A supplement of €189.97 is paid for each additional child in a family with more than two children. The benefit is reduced by the amount of any other household income. If the beneficiary receives the housing allowance (see Family Allowances) or other housing assistance benefits, the active solidarity income is reduced to a fixed lump sum. The benefit is awarded for renewable three-month periods.

Solidarity transitory allowance (means-tested): The monthly benefit is €1,012.20 for household income less than €607.32 for a single person or €1,315.86 for a couple; otherwise the benefit is the difference between the means-test income (€1,619.52 for a single person; €2,328.06 for a couple) and the household's income. The benefit is awarded for renewable 12-month periods, subject to the qualifying conditions being satisfied.

The solidarity transitory allowance can be combined with the social insurance unemployment benefit, up to €1,012.20 a month.

The means-tested solidarity transitory allowance can be combined with earnings, up to a maximum.

Schedule of payments: The benefit is paid monthly.

Administrative Organization

Unemployment insurance

Ministry of Employment, Social Cohesion, and Housing (<http://www.travail.gouv.fr>) provides general supervision.

National Interoccupational Union for Employment in Industry and Commerce, governed by bipartite bodies, administers the program.

30 Employment Associations in Industry and Commerce (<http://www.assedic.fr>), governed by bipartite bodies, collect contributions, register job seekers, and pay unemployment insurance benefits at the local level.

Unemployment assistance

Ministry of Employment, Social Cohesion, and Housing (<http://www.travail.gouv.fr>) administers unemployment social assistance.

Employment Associations in Industry and Commerce (<http://www.assedic.fr>) pay social assistance benefits.

Family Allowances Funds pay the insertion minimum income.

Family Allowances

Regulatory Framework

First law: 1932.

Current law: 1946.

Type of program: Universal system.

Coverage

Family allowances: All families with two or more children residing in France.

Source of Funds

Insured person: None.

Self-employed person: 5.4% of income.

Employer: 5.4% of payroll.

Government: See source of funds under Sickness and Maternity.

Qualifying Conditions

Family allowances: A family must have at least two children younger than age 20. A working child may earn up to 55% of the legal minimum wage.

The legal hourly minimum wage is €9.22.

Young child benefit: Paid for a child born, adopted, or fostered after December 31, 2003 (for a transitional period, children born, adopted, or fostered before January 1, 2004, receive alternative benefits).

The benefit has several components:

Birth or adoption grant (means-tested): Paid at the start of the seventh month of pregnancy (or for an adoption).

Means test: The total family income must not exceed a maximum that varies according to the number of children and family situation (a single person, a couple with a sole breadwinner, or a couple with two incomes).

Base allowance (means-tested): Paid from the month of birth until the child is age 3. The benefit is only paid for one child at a time, except in the case of multiple births. A recipient of the base allowance means-tested benefit is not eligible for the means-tested family supplement.

Means test: The total family income must not exceed a maximum that varies according to the number of children

and family situation (a single person, a couple with a sole breadwinner, or a couple with two incomes).

Supplement for reduced work: Paid to parents who suspend or reduce work to raise a child younger than age 3. The parent must have contributed to social insurance for at least four quarters in the two years before the child's birth for the first child, in the last four years for families with two children, or in the last five years for families with three or more children.

Optional supplement for reduced work: Parents with three or more children including at least one child born or adopted after June 30, 2006, can choose between the optional supplement and the supplement for reduced work.

Supplement for child care: Paid for children younger than age 6 if the parents are working and pay for child care by an accredited caregiver or home worker. The parents' contribution to the child caregiver's salary must not be less than 15% of the total of their salary.

Parental allowance for a sick child: Paid for up to 12 months to a parent who has fully or partially ceased employment to care for a child who is seriously sick, injured, or disabled. May not receive a supplement for reduced work or the special parental allowance for a child with a disability.

Special parental allowance for a child with a disability: Paid for children up to age 20 with an assessed disability of at least 50%. The allowance is not means-tested. May not receive the parental allowance for a sick child.

Single-parent allowance (means-tested): Guarantees a minimum family income for a single parent who has at least one child or is pregnant.

Means test: The monthly earnings of the beneficiary in the last three months must be less than the single-parent allowance amount.

Family backing allowance: The benefit is paid to an orphan or abandoned child.

New school year allowance (means-tested): Awarded to schoolchildren, apprentices, or students from ages 6 and 18. The earnings of a working child must not exceed €857 a month.

Means test: The total family income must be less than €22,970 for families with one child; €28,271 with two children; €33,572 with three children; plus €5,301 for each additional child. If family income exceeds the maximum by a small amount, a proportionately reduced allowance may be awarded.

Family supplement (means-tested): Awarded to families with at least three children older than age three but younger than age 21.

Means test: The total family income must not exceed a maximum that varies according to the number of children and family situation (a single person, a couple with a sole

breadwinner, or a couple with two incomes). If family income exceeds the maximum by a small amount, a proportionately reduced allowance may be awarded.

Housing allowance (means-tested): The claimant is entitled to at least one of the family allowance benefits.

Means test: The total family income must not exceed a maximum that varies according to the number of children, family situation, amount of rent paid, and the location and type of housing.

Home moving allowance: Awarded to large families with three or more children who move home because of an increase in their household size as the result of a newborn child or an adoption. The family must be entitled to the housing allowance.

Family Allowance Benefits

Family allowances: €125.78 a month is paid for two children; €286.94 for three children; €448.10 for four children plus €161.17 for each subsequent child.

A supplement of €35.38 is paid for children older than age 11 and €62.90 for children older than age 16 (except for the first child in a two-child family).

A flat-rate allowance of €79.54 a month is paid for up to a year to families with three or more children entitled to family allowances including one child who is age 20. The earnings of a working child must not exceed €836.55.

Young child benefits: The benefit has several components:

Birth grant (means-tested): A lump sum of €903.07 is paid for each child at the seventh month of pregnancy (€1,806.14 for an adopted child).

Base allowance (means-tested): €180.62 a month is paid from the month of childbirth up to the month preceding the child's third birthday. For the adoption of a child, the benefit is paid for up to three years, but no later than the child's 20th birthday.

Supplement for reduced work: The full rate is €379.79 a month; if the beneficiary is not entitled to the base allowance, the full rate is raised to €560.40; €426.12; or €322.24, according to the number of hours worked. €245.51 a month is paid if the insured person works less than half the normal working period (nonsalaried persons must work less than 77 hours a month); €141.62 a month if working from 50% to 80% of the normal working period (less than 122 hours a month for a nonsalaried person).

The supplement is paid from the month after childbirth, adoption, or the end of the maternity, paternity, or adoption leave period for six months if there is only one child or up to the month before the child's third birthday if there is more than one child.

If the insured resumes work while the child is from 18 months to 29 months of age, the supplement continues to be paid for two months.

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If both parents have part-time jobs and both are eligible for the supplement, the combined maximum amount of both supplements must not exceed the full monthly rate.

The supplement for reduced work can be combined with the supplement for child care, subject to conditions.

Optional supplement for reduced work: €620.78 a month is paid for up to 12 months in the first year of birth or adoption. If the beneficiary is not entitled to the base allowance, the supplement is raised to €801.39.

Supplement for child care: An income-related cash benefit calculated according to the number of children and family income is paid to compensate for child care costs. The benefit is paid for each child where care is provided by an accredited caregiver or as a global payment to the family if the caregiver is a home worker.

The family allowances fund also reimburses the total social security contributions for an accredited caregiver or 50% of the social security contributions for a home worker. Social security contributions are paid on the care provider's salary, up to a maximum.

A family that uses the services of an accredited caregiver and a home worker may receive two types of child care supplements under certain conditions.

The child care supplement can be combined with the supplement for reduced work to parents who work part time.

Parental allowance for a sick child: A daily benefit of €41.79 (€49.65, for a single-parent family) is paid for each day's leave up to 22 days a month. The benefit is paid for up to 12 months. A reduced benefit is paid to each of the parents if both reduce their activity to take care of the child.

Parents can opt for a parental leave period of up to 310 working days spread over a three-year period to provide care for a sick child. A means-tested health care cost supplement of €108.49 is provided.

Special parental allowance for a disabled child: €126.41 a month is paid. A supplement varying from €94.81 to €1,038.36 is paid for care provided by a third person. An additional amount may be paid for expenses related to treatment for the child's medical condition.

Single-parent allowance (means-tested): Paid to a single parent who has at least one child or is pregnant.

Family backing allowance: €88.44 is paid for a single parent caring for a child; €117.92 if the child is not supported by either parent.

The family backing allowance can be combined with the single-parent allowance.

New school year allowance (means-tested): The benefit is €284.97 if the child is aged 6 to 10; €300.66 if aged 11 to 14; €311.11 if aged 15 to 18. The benefit is paid in August for children younger than age 16; children aged 16 to 18 must provide evidence of continuing studies or apprenticeship.

Family supplement (means-tested): A monthly flat-rate allowance of €163.71 is paid for each family.

Housing allowance (means-tested): A variable monthly amount is paid depending on rent level, income, and the number of children.

Home moving allowance: The benefit covers the cost of moving to another home, up to a maximum depending on the number of children.

Benefit adjustment: Family benefit amounts are adjusted annually in January according to forecasted changes in the retail price index. Means-tested benefits are adjusted in July according to the average change in the retail price index during the reference calendar year.

Administrative Organization

Ministry of Labor, Solidarity and the civil service (<http://www.famille.gouv.fr>) and Ministry of Economy and Finance (<http://www.minefi.gouv.fr>) provide general supervision.

National Family Allowances Fund (<http://www.caf.fr>), governed by a tripartite body, coordinates funds and ensures financial equalization.

123 Local Family Allowances Funds, governed by a tripartite body, pay benefits.

Joint collection agencies (<http://www.urssaf.fr>) collect contributions.

Central Agency of Social Security Institutions (<http://www.acoss.fr>) administers contributions.