

ICELAND

Monetary unit

Social spending is expressed as millions of Icelandic kronas (ISK).

General notes

The individual country notes of the OECD Benefits and Wages (www.oecd.org/els/social/workincentives) provide a comprehensive description of characteristics of social programmes (e.g. conditions for receipt, calculation of payment rates, tax treatment of social support, benefit duration, etc.) for the working-age population, including: unemployment insurance and assistance, social assistance, employment-conditional benefits, housing benefits, family benefits, childcare support, and support for sole parent households.

Break in series: None.

Sources

1990-2001

Data provided by EUROSTAT (ESSPROS database).

OECD Health Data 2003 (www.oecd.org/health/healthdata).

NOSOSCO, Social Protection in the Nordic Countries, 1996 to 1998.

MISSOC, Mutual information system on social protection in the Member states of the European Union and of the European Economic Area, *situation on January 1st, 2001 and evolution* (http://europa.eu.int/comm/employment_social/missoc2001/index_en.htm).

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Code	Title of the programme	Description of the programme and attached notes
1.	OLD AGE	
352.10.1.1.1.1	National basic pension	The taxable statutory basic pension is payable to everyone who has been resident in the country for at least three years, irrespective of previous income. It may be discontinued if the recipient in question has any other income above a certain level. The qualifying age for the basic pension and the guaranteed minimum pension is 67 years while the qualifying age for employment pension is 65 to 70.
352.10.1.1.1.2	Pension funds (specific labour unions/occupations)	These pensions have been established by law or by agreements between employers and employees.
352.10.1.2.1.1	Accommodation	Accommodation for the elderly can be provided in institutions (nursing homes, homes for the long-term ill, old people's homes) or in service housing (sheltered homes, service flats, collective housing, housing where special care is provided). The elderly may also be offered long-term medical treatment in geriatric wards in hospitals.
2.	SURVIVORS	
352.10.2.1.1.1	National basic pension	The basic pension/guaranteed minimum pension for survivors will be revoked when a survivor becomes entitled to the basic pension/guaranteed minimum from the retirement pension scheme. The basic pension/guaranteed minimum pension will be also revoked in the event that a survivor is awarded an advanced pension (what is that, if you don't know then drop the line).
3.	INCAPACITY-RELATED BENEFITS	(Disability, Occupational injury and disease, Sickness)
352.10.3.1.1.1	National basic pension	Granted in the shape of a basic pension/guaranteed minimum pension and an employment pension according to the same rules as apply to old age pension. Pensions are granted to persons between 16 and 67 years of age whose permanent disability is assessed at a minimum of 75% as a result of a medically recognized disease or invalidity. Payments are related to level of incapacity, residence period in Iceland and income.
352.10.3.1.4.0	Daily allowances (paid sick leave)	Wages payable during illness, together with supplementary daily cash benefit schemes run by the unions, are the key parts of sick leave payments. After one year of employment with an employer, an employee is entitled to one month's pay in the event of illness. The majority of employees have a statutory right, or a right deriving from collective agreements, to receive wages for a fairly long period of time. When entitlement to pay during illness ceases, supplementary daily cash benefits may be payable in addition to the public sickness benefit scheme.
352.10.3.2.1.1	Accommodation	Accommodation for the disabled can be provided in institutions (nursing homes, homes for the long-term ill) or in service housing (sheltered housing, service flats, collective housing). Disabled people may also be offered long-term medical treatment in hospital wards.
352.10.3.2.2.1	Assistance for disabled in carrying out daily tasks	Includes delivery of meals, telephone links, home-visiting schemes, physiotherapy and occupational therapy, hairdressing, pedicure, gardening and snow clearing, washing and mending clothes, and transport services.
352.10.3.2.3.1	Rehabilitation services	A rehabilitation allowance is payable when an injured person is no longer entitled to sickness or accident benefits. As a rule the allowance is payable for a maximum of 12 months, but 18 months at maximum (it can be renewed). Payment rates equal the basic amount of the disability pension. Those who receive a rehabilitation allowance must undergo examinations and treatment during the period for which the allowance is received.
352.10.3.2.3.2	National basic pension	Pensioners are offered various kinds of support services and activating measures either on a municipal or on a private basis.
4.	HEALTH	

352.10.4.2.0.0	Public expenditure on health	See <i>OECD Health Data 2003</i> .
5.	FAMILY	
352.10.5.1.1.1	Child allowances	Child allowances are means-tested, and payable until a child reaches the age of 16 or up to 20 if he/she is receiving education. The child must be resident in Iceland.
352.10.5.1.4.1	Communal Alimony Collection Centre	A parent who has obtained an official decree for an award in respect to the maintenance of his children may turn to the State Social Security Institute and collect the same maximum amount as the rate of a Child pension from the State Social Security Institute. The Communal Alimony Collection Centre reimburses the State Social Security Institute for the payments.
352.10.5.1.6.1 and 352.10.5.1.6.3	Income maintenance : maternity benefits and salary during maternity leave	For working employees, the maximum number of weeks for which maternity benefits are payable is 26. Fathers are as of 1 January 1998 entitled to paternity leave for 2 weeks within the first 8 weeks following the confinement. The period can be prolonged, if either the mother or the child is ill. For non-working employees, the maximum is 28 weeks. These benefits are taxable. Maternity leave can begin up to one month prior to expected confinement and can be taken up to 3 months following birth.
352.10.5.2.1.1	Child day care: municipal services	These schemes mainly cover pre-school education and care services. Municipal child-minders are employed and paid by the local authorities and receive children in their own homes.
352.10.5.2.1.2	Municipal home-help services	People with severe disabilities may be granted financial support towards personal assistance and help in managing daily tasks. The assistance is a municipal matter and is provided by municipal staff.
7.	UNEMPLOYMENT	
352.10.7.1.1.1	Unemployment Insurance Funds: full unemployment benefit	Persons must have worked for at least 425 day-time hours during the past 12 months in order to be entitled to benefit for 12 months. Unemployment benefit is payable for 260 working days, upon which payment will be discontinued for 16 weeks. After the 16 weeks, entitlement to benefit resumes for 12 months. Recipients may avoid such discontinuation if they have accepted job training or special employment offers for duration of at least eight weeks during the preceding unemployment benefit period. Payment of unemployment benefit cannot exceed five years.
8.	HOUSING	
352.10.8.1.0.1	Social housing	Housing benefit is only payable to families living in rented accommodation. Payment rates depend on family size, family income and the amount of rent.
9.	OTHER SOCIAL POLICY AREAS	
352.10.9.1.1.1	Income support : Social assistance, children welfare, institutions for addicts	"Social assistance" are payable to families and children. Temporary assistance may also be granted to people in extraordinary circumstances. Social assistance is taxable and is granted to only people resident in Iceland.
352.10.9.1.3.1	Rehabilitation of alcohol and drugs abusers	Out-patient treatment of substance abusers.
352.10.9.1.3.2	Other benefits in kind : Social assistance, children welfare, institutions for addicts	Expenditures on a variety of social services including help in case of crises, family counseling, centers for abused women, hospices, hostels for the homeless and others in need of temporary accommodation.