


Argentina

Argentina: Pension system in 2012

The pension system has two main components: a basic component and an additional social insurance component. For those aged 70 and above there is also an additional age-related social insurance component, as well as a social assistance component.

Key indicators

		Argentina	OECD
Average worker earnings (AW)	ARS	53 600	209 900
	USD	10 900	42 700
Public pension spending	% of GDP		7.8
Life expectancy	At birth	76.2	79.9
	At age 65	17.4	19.1
Population over age 65	% of working-age population	19.2	25.5

StatLink  <http://dx.doi.org/10.1787/888932908288>

Qualifying conditions

Retirement age for the basic pension is 65 for men and 60 for women with at least 30 years of service. To meet the contribution qualifying condition, the insured may substitute two years of age after the retirement age for one year of missing contributions.

Additional pension (social insurance): Age 65 (men) or age 60 (women) with at least 30 years of service.

Advanced old-age pension (social insurance): Aged 70 or older with at least ten years of service, with contributions paid while employed or self-employed, including at least five of the last eight years before leaving employment. A self-employed person must have been insured for at least five years.

Non-contributory old-age pension (social assistance): Needy persons aged 70 or older residing in Argentina.

Benefit calculation

Old-age pension

The monthly pension is ARS 1 022.84 (as of March 2013).

Additional pension (social insurance)

The monthly pension is 1.5% of the insured's average adjusted monthly earnings in the last ten years (weighted average adjusted amounts for all periods for self-employed persons) for each year of lifetime service.

Advanced-age old-age pension

The monthly pension is 70% of the basic old-age pension, plus the additional pension.

The minimum monthly advanced-age old-age pension is ARS 2 165.00 (as of March 2013).

The combined minimum monthly old-age pension (the sum of all contributory pensions) is ARS 2 165.00 (as of March 2013).

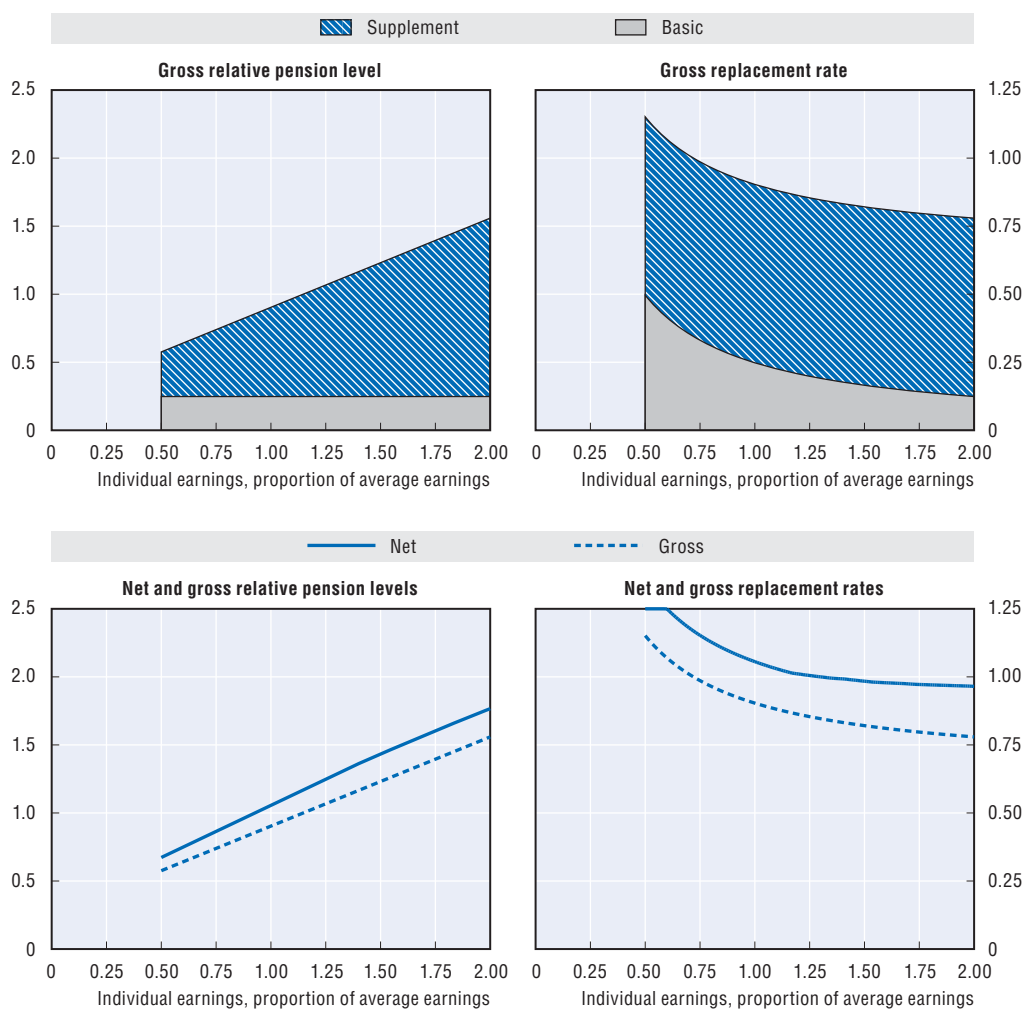
The maximum monthly old-age pension (sum of the basic and social insurance pensions) is ARS 15 861.24 (as of March 2013).

Pensions are paid monthly with a 13th payment equal to the regular monthly payment divided in half and paid in June and December. Benefits are adjusted automatically in March and September based on changes in tax revenue, wage indexes, and revenue of the National Social Security Administration.


Non-contributory old-age pension (social assistance)

The monthly pension is ARS 1 515.50 (70% of the minimum pension of ARS 2 165.00).

Pension modelling results: Argentina



Men Women (where different)	Median earner	Individual earnings, multiple of average				
		0.5	0.75	1	1.5	2
Gross relative pension level	77.9	57.6	74.0	90.4	123.1	155.9
(% average gross earnings)	72.0	53.9	68.5	83.1	112.2	141.3
Net relative pension level	91.0	67.3	86.4	105.6	143.2	176.6
(% net average earnings)	84.1	63.0	80.1	97.1	131.1	162.2
Gross replacement rate	96.2	115.2	98.6	90.4	82.1	77.9
(% individual gross earnings)	88.9	107.9	91.3	83.1	74.8	70.7
Net replacement rate	112.4	134.6	115.3	105.6	98.4	96.5
(% individual net earnings)	103.9	126.1	106.7	97.1	90.1	88.6
Gross pension wealth	14.7	17.6	15.1	13.8	12.5	11.9
(multiple of individual gross earnings)	18.3	22.2	18.8	17.1	15.4	14.5
Net pension wealth	14.2	17.1	14.6	13.4	12.1	11.2
(multiple of individual gross earnings)	17.7	21.5	18.2	16.6	14.9	13.8

StatLink  <http://dx.doi.org/10.1787/888932908307>