



STAKEHOLDER CONSULTATION

REFORM TODAY. SUSTAINABILITY TOMORROW.

TOPICS:

- Wage-Band vs. Percentage-Based System
- Contribution Rate Split
- Contribution Floor

Speaker

Jerome Palma, CEO

Date

February – April, 2026



VALUE STATEMENTS



VISION

A dynamic, progressive and sustainable Social Security system.



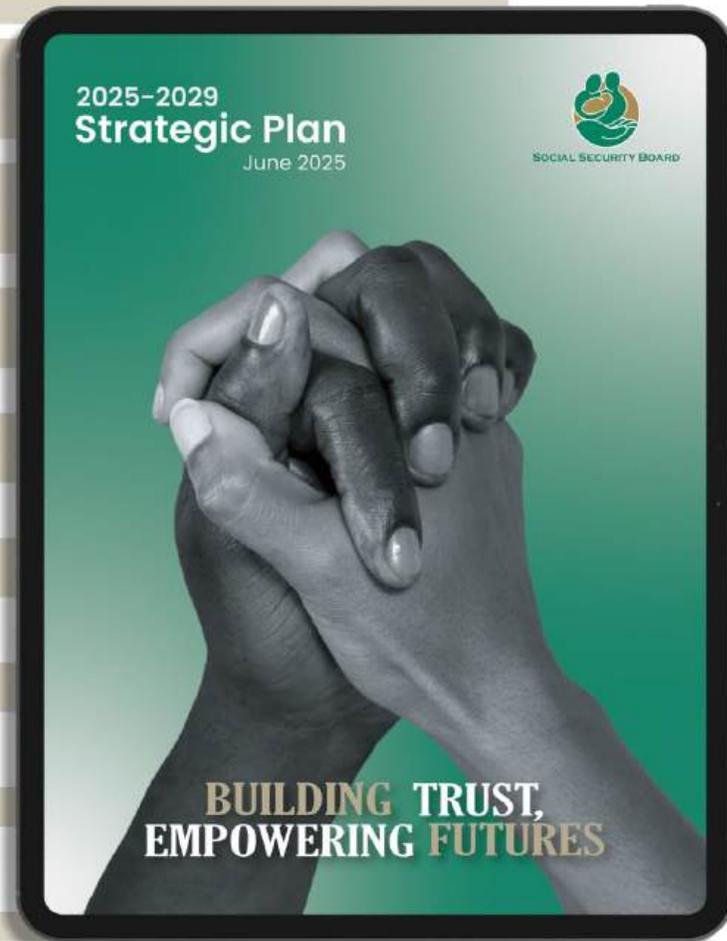
MISSION

We deliver an innovative, resilient, people-centered and sustainable social insurance program that protects against certain vulnerabilities from the womb to the tomb.



PURPOSE

A beacon of hope to improve the quality of life in Belize.



2025 - 2029 STRATEGIC PLAN



Available at
www.socialsecurity.org.bz/publications



STRATEGIC PRIORITY AREAS



**GOOD
GOVERNANCE**



**SCHEME
MODERNIZATION**



**OPERATIONAL
EXCELLENCE**



**FUND
SUSTAINABILITY**

SCHEME MODERNIZATION AT SSB

A relevant, flexible, & inclusive system that adapts to changing needs, ensures resilience & predictability, by **legislative reform** & **leveraging digital solutions** to enhance service & customer experience.



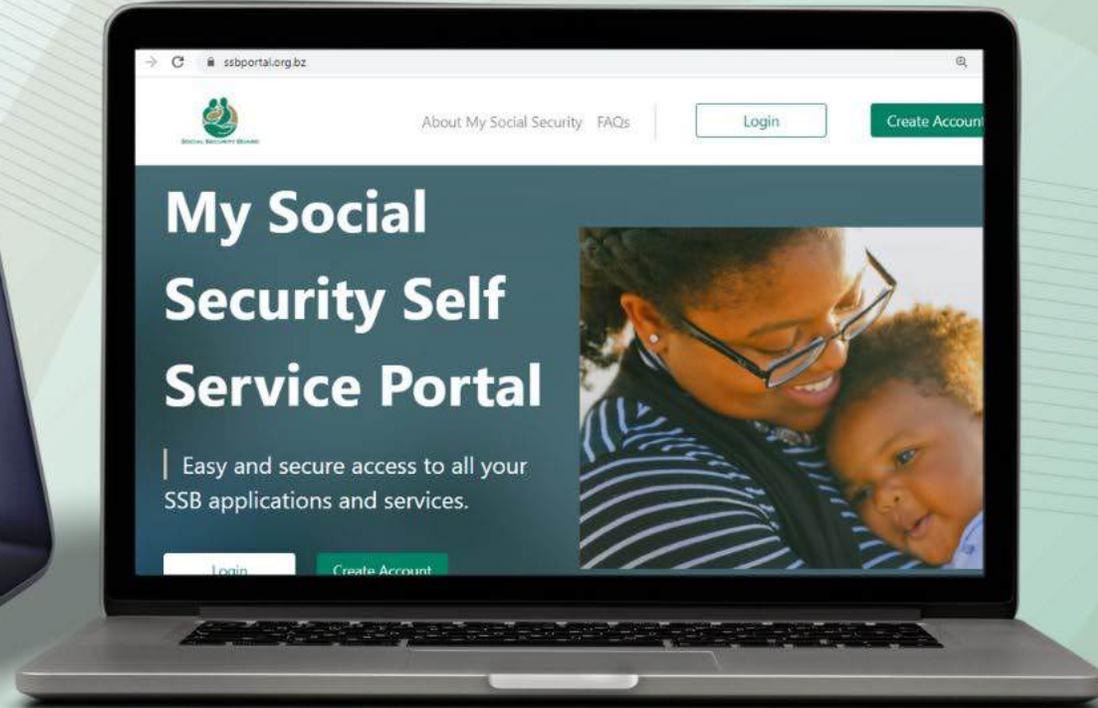
SCHEME MODERNIZATION

HOW WILL IT BE ACHIEVED?

- Digital Transformation
 - My SS Portal Services
 - SSB Mobile App
- Rebranding & Upgrading facilities for a more streamlined and elevated customer experience
- Legislative amendments



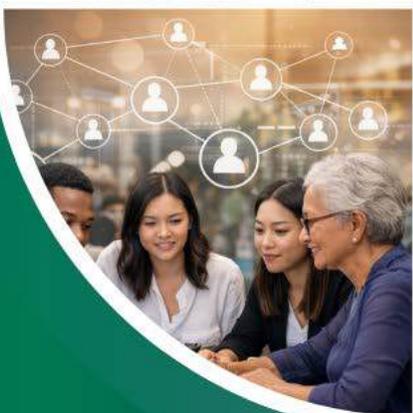
A SMARTER WAY TO ACCESS YOUR SSB!



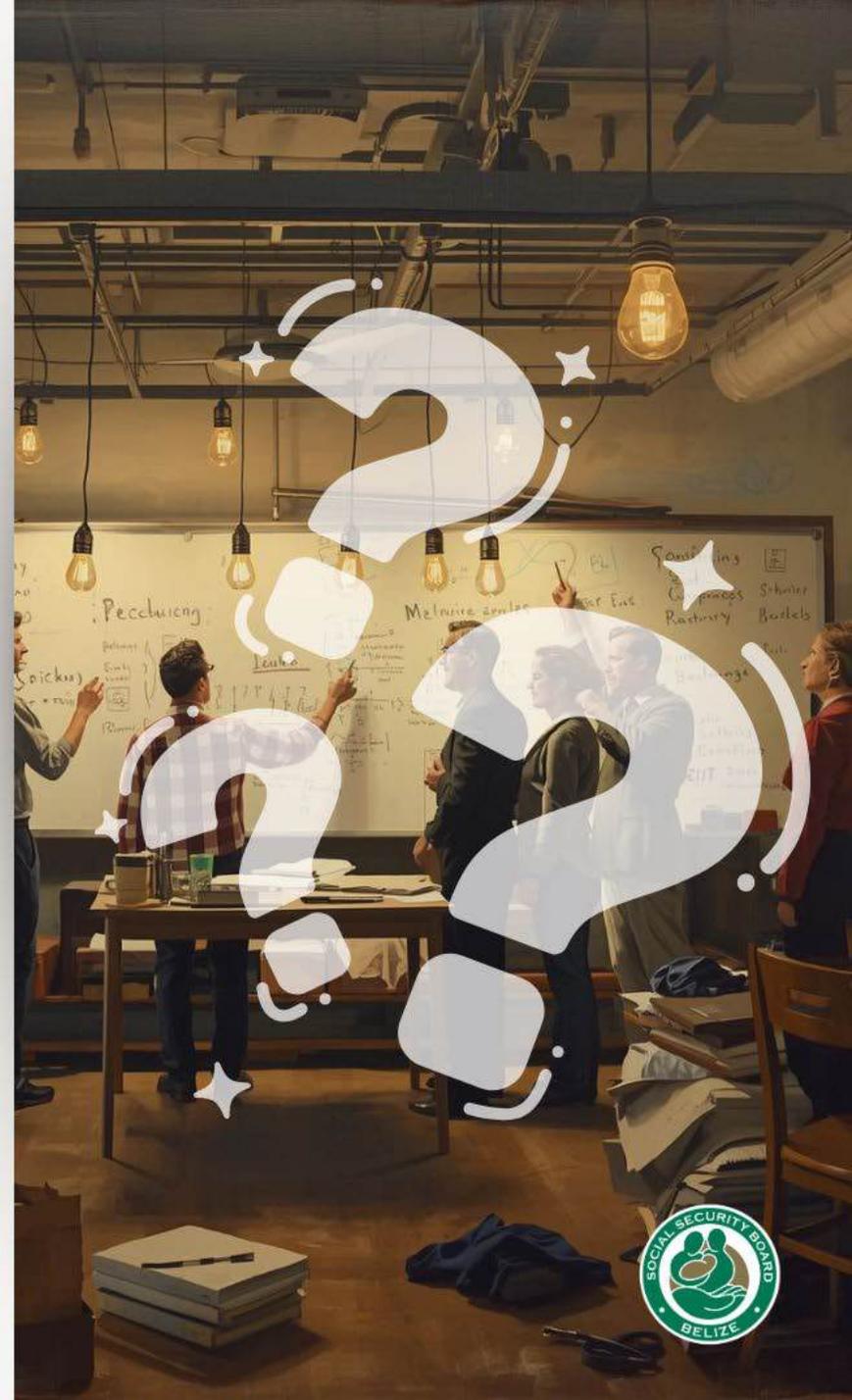
SCHEME MODERNIZATION

2026 FOCUS

- Propose legislative amendments to modernize the Scheme.
- Conduct a series of stakeholder consultations to discuss proposed amendments.



WHY LEGISLATIVE REFORM?



WHY LEGISLATIVE REFORM?

WAGE-BAND SYSTEM

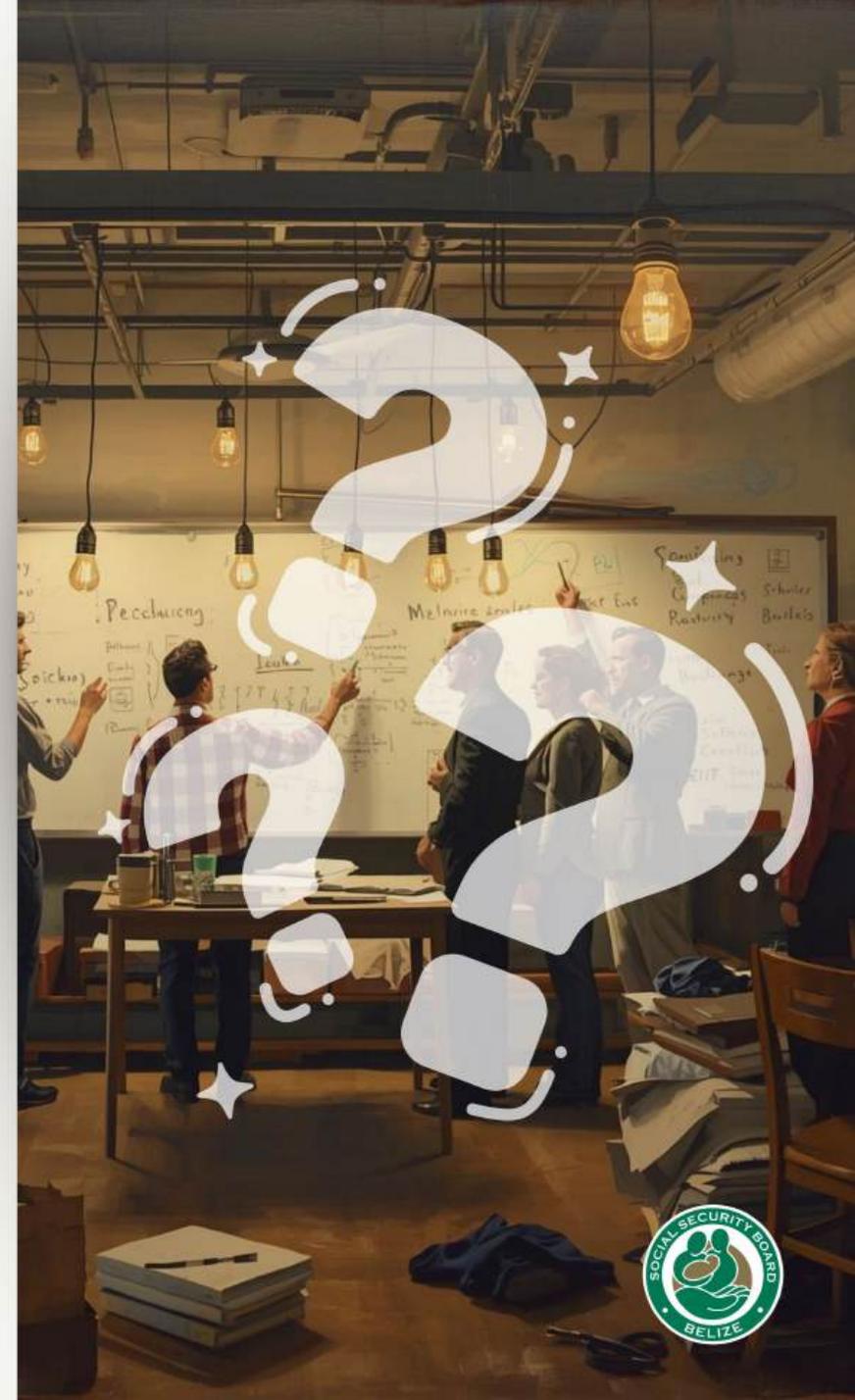
- Only four countries worldwide operate a wage-band system, while more than 100 countries use percentage-based contribution models
- Greater administrative efficiency
- Make the payroll process more efficient



WHY LEGISLATIVE REFORM?

CONTRIBUTION FLOOR

- Dec. 2025 data indicate that one in nine retirees received a minimum pension of \$47 per week, which is unlikely to adequately meet essential living costs
- This floor has not changed since 2001, over two decades ago





CURRENT WAGE-BAND SYSTEM

NUMBER	WAGE BAND (Weekly earnings by salary range)	WEEKLY INSURABLE EARNINGS	RATE OF CONTRIBUTIONS		
			EMPLOYEE	EMPLOYER	TOTAL
1	UNDER \$70.00	\$55.00	1.88%	8.13%	10%
2	\$70.00 - \$109.99	\$90.00	1.88%	8.13%	10%
3	\$110.00 - \$139.99	\$130.00	1.88%	8.13%	10%
4	\$140.00 - \$179.99	\$160.00	2.46%	7.54%	10%
5	\$180.00 - \$219.99	\$200.00	2.97%	7.03%	10%
6	\$220.00 - \$259.99	\$240.00	3.31%	6.69%	10%
7	\$260.00 - \$299.99	\$280.00	3.55%	6.45%	10%
8	\$300.00 - \$339.99	\$320.00	3.73%	6.27%	10%
9	\$340.00 - \$379.99	\$360.00	3.88%	6.12%	10%
10	\$380.00 - \$419.99	\$400.00	4.04%	5.96%	10%
11	\$420.00 - \$459.99	\$440.00	4.19%	5.81%	10%
12	\$460.00 - \$499.99	\$480.00	4.35%	5.65%	10%
13	\$500.00 - OVER	\$520.00	4.50%	5.50%	10%

CURRENT WAGE-BAND SYSTEM

Key Points

- The 10% contribution rate is split between the employer and employee based on the wage band of weekly earnings.

NUMBER	WAGE BAND (Weekly earnings by salary range)	WEEKLY INSURABLE EARNINGS	RATE OF CONTRIBUTIONS		
			EMPLOYEE	EMPLOYER	TOTAL
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CURRENT WAGE-BAND SYSTEM

Key Points

- 13 bands from under \$70 to \$500 and over weekly insurable earnings

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			EMPLOYEE	EMPLOYER	TOTAL
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CURRENT WAGE-BAND SYSTEM

Key Points

- Not linked to real wage earnings

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			EMPLOYEE	EMPLOYER	TOTAL
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CURRENT WAGE-BAND SYSTEM

WEEKLY EARNINGS BY SALARY RANGE (WAGE BAND)	WEEKLY INSURABLE EARNINGS	WEEKLY CONTRIBUTIONS			RATE OF CONTRIBUTIONS			MAX. WEEKLY BENEFIT		MAX. YEARLY PENSION
		EMPLOYEE	EMPLOYER	TOTAL	EMPLOYEE	EMPLOYER	TOTAL	SHORT TERM	PENSIONS	
UNDER \$70.00	\$55.00	\$1.03	\$4.47	\$5.50	1.88%	8.13%	10%	\$44.00	\$47.00	\$2,444.00
\$70.00 – \$109.99	\$90.00	\$1.69	\$7.31	\$9.00	1.88%	8.13%	10%	\$72.00	\$54.00	\$2,808.00
\$110.00 – \$139.99	\$130.00	\$2.44	\$10.56	\$13.00	1.88%	8.13%	10%	\$104.00	\$78.00	\$4,056.00
\$140.00 – \$179.99	\$160.00	\$3.94	\$12.06	\$16.00	2.46%	7.54%	10%	\$128.00	\$96.00	\$4,992.00
\$180.00 – \$219.99	\$200.00	\$5.94	\$14.06	\$20.00	2.97%	7.03%	10%	\$160.00	\$120.00	\$6,240.00
\$220.00 – \$259.99	\$240.00	\$7.94	\$16.06	\$24.00	3.31%	6.69%	10%	\$192.00	\$144.00	\$7,488.00
\$260.00 – \$299.99	\$280.00	\$9.94	\$18.06	\$28.00	3.55%	6.45%	10%	\$224.00	\$168.00	\$8,736.00
\$300.00 – \$339.99	\$320.00	\$11.94	\$20.06	\$32.00	3.73%	6.27%	10%	\$256.00	\$192.00	\$9,984.00
\$340.00 – \$379.99	\$360.00	\$13.98	\$22.02	\$36.00	3.88%	6.12%	10%	\$288.00	\$216.00	\$11,232.00
\$380.00 – \$419.99	\$400.00	\$16.15	\$23.85	\$40.00	4.04%	5.96%	10%	\$320.00	\$240.00	\$12,480.00
\$420.00 – \$459.99	\$440.00	\$18.45	\$25.55	\$44.00	4.19%	5.81%	10%	\$352.00	\$264.00	\$13,728.00
\$460.00 – \$499.99	\$480.00	\$20.86	\$27.14	\$48.00	4.35%	5.65%	10%	\$384.00	\$288.00	\$14,976.00
\$500.00 – OVER	\$520.00	\$23.40	\$28.60	\$52.00	4.50%	5.50%	10%	\$416.00	\$312.00	\$16,224.00

The contribution is subject to:

- Current Weekly Insurable Earnings
- Floor of \$55.00
- Ceiling of \$520.00

MINIMUM INSURABLE EARNINGS
\$55 per week

MAXIMUM INSURABLE EARNINGS
\$520 per week



CHALLENGES WITH THE WAGE BAND SYSTEM

01

OBSOLETE ■

SSB used the "wage-band" system since the scheme's inception.

People earning different amounts are grouped together in bands and contribute the same amount.



CHALLENGES WITH THE WAGE BAND SYSTEM

02

LIMITS BENEFIT ADEQUACY

Benefits are limited to 13 possible weekly insurable earnings.



CHALLENGES WITH THE WAGE BAND SYSTEM



03

■ INEQUITABLE & INEFFICIENT

This system is rigid.

It creates inequity and makes administration difficult.

CHALLENGES WITH THE WAGE BAND SYSTEM

04

■ OUTLIER

Belize is one of four countries worldwide using this old method.

It slows our ability to adapt to economic changes and scheme modernization initiatives.



CHALLENGES WITH THE WAGE BAND SYSTEM



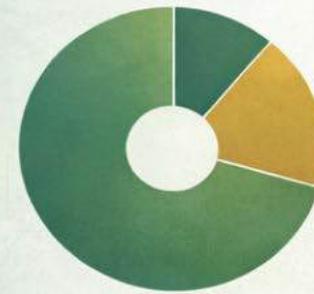
WHAT SSB PROPOSES

Before

Wage Bands

Examples	Flat contribution
Under \$70.00	\$5
\$70.00 - \$109.99	\$11
\$110.00 - \$139.99	\$13
\$140.00 - \$179.99	\$16

After



10% of
Actual
Weekly
Earnings

Contribution Reform Proposal #1

Adopt a percentage-based model for contribution payments.



PERCENTAGE- BASED SYSTEM

Key Points:



- Unlike a wage-band system, which assigns contributions to fixed income ranges, a percentage-based system links contributions directly to actual earnings



- This makes contributions more proportional and responsive to changes in income



LET'S COMPARE BOTH SYSTEMS

WAGE-BAND SYSTEM

The contribution rate is applied to the Insurable Earnings based on the wage band.

EXAMPLE 1A: DIFFERENT WAGE BANDS				CONTRIBUTION % SPLIT		CONTRIBUTION PAYMENT		
NUMBER	EMPLOYEE	WEEKLY SALARY	INSURABLE EARNINGS	EMPLOYEE	EMPLOYER	EMPLOYEE	EMPLOYER	TOTAL PD. TO SSB
1	JOSE	\$200.00	\$200.00	2.97%	7.03%	\$5.94	\$14.06	\$20.00
2	BRIAN	\$250.00	\$240.00	3.31%	6.69%	\$7.94	\$16.06	\$24.00
3	MARIE	\$320.00	\$320.00	3.73%	6.27%	\$11.94	\$20.06	\$32.00
4	JUDY	\$400.00	\$400.00	4.04%	5.96%	\$16.16	\$23.84	\$40.00
5	SAM	\$475.00	\$480.00	4.35%	5.65%	\$20.88	\$27.12	48.00
6	JANETTE	\$500.00	\$520.00	4.50%	5.50%	\$23.40	\$28.60	\$52.00

**Example 1A:
Different Wage Bands**

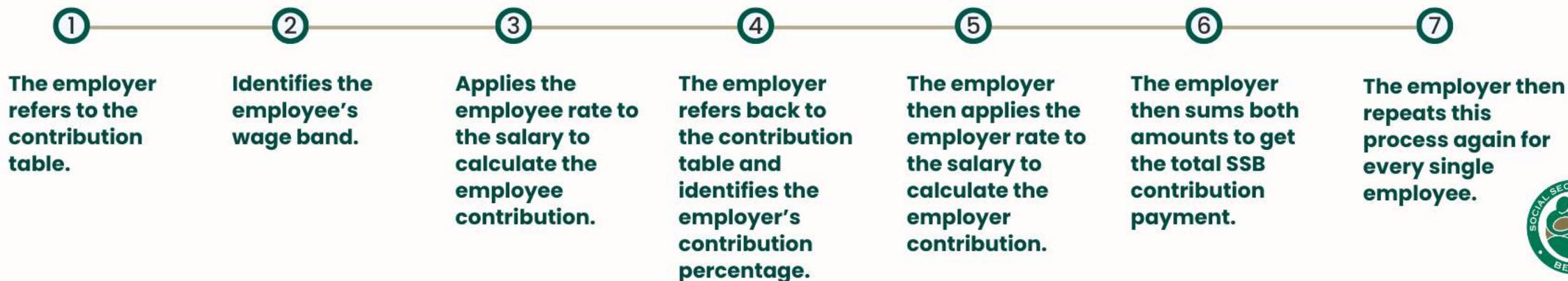


LET'S COMPARE BOTH SYSTEMS

WAGE-BAND SYSTEM

EXAMPLE 1A: DIFFERENT WAGE BANDS				CONTRIBUTION % SPLIT		CONTRIBUTION PAYMENT		TOTAL PD. TO SSB
NUMBER	EMPLOYEE	WEEKLY SALARY	INSURABLE EARNINGS	EMPLOYEE	EMPLOYER	EMPLOYEE	EMPLOYER	
1	JOSE	\$200.00	\$200.00	2.97%	7.03%	\$5.94	\$14.06	\$20.00
2	BRIAN	\$250.00	\$240.00	3.31%	6.69%	\$7.94	\$16.06	\$24.00
3	MARIE	\$320.00	\$320.00	3.73%	6.27%	\$11.94	\$20.06	\$32.00
4	JUDY	\$400.00	\$400.00	4.04%	5.96%	\$16.16	\$23.84	\$40.00
5	SAM	\$475.00	\$480.00	4.35%	5.65%	\$20.88	\$27.12	48.00
6	JANETTE	\$500.00	\$520.00	4.50%	5.50%	\$23.40	\$28.60	\$52.00

7 STEPS TO CALCULATE EMPLOYEE CONTRIBUTIONS



LET'S COMPARE BOTH SYSTEMS

PERCENT - BASED

The contribution rate is applied to the actual weekly salary.

EXAMPLE 1B: DIFFERENT WAGE BANDS			CONTRIBUTION % SPLIT		CONTRIBUTION PAYMENT		TOTAL PD. TO SSB
NUMBER	EMPLOYEE	WEEKLY SALARY	EMPLOYEE	EMPLOYER	EMPLOYEE	EMPLOYER	
1	JOSE	\$200.00	4.50%	5.50%	\$9.00	\$11.00	\$20.00
2	BRIAN	\$250.00	4.50%	5.50%	\$11.25	\$13.75	\$25.00
3	MARIE	\$320.00	4.50%	5.50%	\$14.40	\$17.60	\$32.00
4	JUDY	\$400.00	4.50%	5.50%	\$18.00	\$22.00	\$40.00
5	SAM	\$475.00	4.50%	5.50%	\$21.28	\$26.13	\$47.50
6	JANETTE	\$500.00	4.50%	5.50%	\$22.50	\$27.50	\$50.00

**Example 1B:
Different Wage Bands**



LET'S COMPARE BOTH SYSTEMS

PERCENT - BASED

EXAMPLE 1B: DIFFERENT WAGE BANDS			CONTRIBUTION % SPLIT		CONTRIBUTION PAYMENT		
NUMBER	EMPLOYEE	WEEKLY SALARY	EMPLOYEE	EMPLOYER	EMPLOYEE	EMPLOYER	TOTAL PD. TO SSB
1	JOSE	\$200.00	4.50%	5.50%	\$9.00	\$11.00	\$20.00
2	BRIAN	\$250.00	4.50%	5.50%	\$11.25	\$13.75	\$25.00
3	MARIE	\$320.00	4.50%	5.50%	\$14.40	\$17.60	\$32.00
4	JUDY	\$400.00	4.50%	5.50%	\$18.00	\$22.00	\$40.00
5	SAM	\$475.00	4.50%	5.50%	\$21.28	\$26.13	\$47.50
6	JANETTE	\$500.00	4.50%	5.50%	\$22.50	\$27.50	\$50.00

3 STEPS TO CALCULATE EMPLOYEE CONTRIBUTIONS

①

Apply the employee contribution rate to the salary to calculate the employee's share.

②

Apply the employer contribution rate to the salary to calculate the employer's share.

③

Add both amounts to determine the total SSB contribution.



LET'S COMPARE BOTH SYSTEMS

WAGE-BAND SYSTEM

The contribution rate is applied to the Insurable Earnings based on the wage band.

EXAMPLE 2A: SAME WAGE BAND				CONTRIBUTION % SPLIT		CONTRIBUTION PAYMENT		TOTAL PD. TO SSB
NUMBER	EMPLOYEE	WEEKLY SALARY	INSURABLE EARNINGS	EMPLOYEE	EMPLOYER	EMPLOYEE	EMPLOYER	
1	ANNA	\$220.00	\$240.00	3.31%	6.69%	\$7.94	\$16.06	\$24.00
2	BRIAN	\$240.00	\$240.00	3.31%	6.69%	\$7.94	\$16.06	\$24.00
3	MARIE	\$250.00	\$240.00	3.31%	6.69%	\$7.94	\$16.06	\$24.00

**Example 2A:
Same Wage Band**



LET'S COMPARE BOTH SYSTEMS

PERCENT-BASED

The contribution rate is applied to the actual weekly salary.

EXAMPLE 2B: SAME WAGE BAND			CONTRIBUTION % SPLIT		CONTRIBUTION PAYMENT		TOTAL PD. TO SSB
NUMBER	EMPLOYEE	WEEKLY SALARY	EMPLOYEE	EMPLOYER	EMPLOYEE	EMPLOYER	
1	ANNA	\$220.00	3.31%	6.69%	\$7.28	\$14.72	\$22.00
2	BRIAN	\$240.00	3.31%	6.69%	\$7.94	\$16.06	\$24.00
3	MARIE	\$250.00	3.31%	6.69%	\$8.57	\$17.33	\$25.00

**Example 2B:
Same Wage Band**





REVISITING THE CONTRIBUTION RATE SPLIT



CONTRIBUTION RATE SPLIT ANALYSIS

Current Mean Average

6.22% Employer

3.78% Employee

↓ Impacts 52.3% of Active Insured Persons

Highest Wage Band Rate

5.5% Employer

4.5% Employee

↓ Impacts 79.4% of Active Insured Persons

Adjusted CARICOM Mean Average

5.41% Employer

4.59% Employee

↓ Impacts 100% of Active Insured Persons



KEY CONSIDERATION

To improve administrative and customer service efficiency and effectiveness, it is recommended that a single employer/employee rate be established.



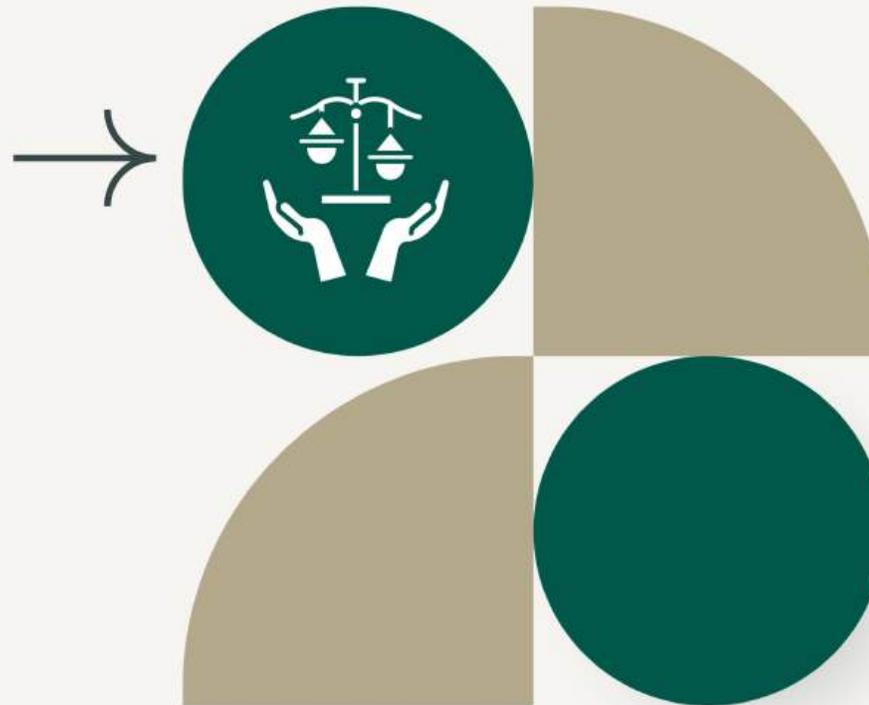
BENEFITS OF % BASED SYSTEM

Equitable:

Earn less than your current insurable earnings, you contribute less.

Earn equal to your current insurable earnings, you contribute the same.

Earn more than your current insurable earnings, and you contribute more.

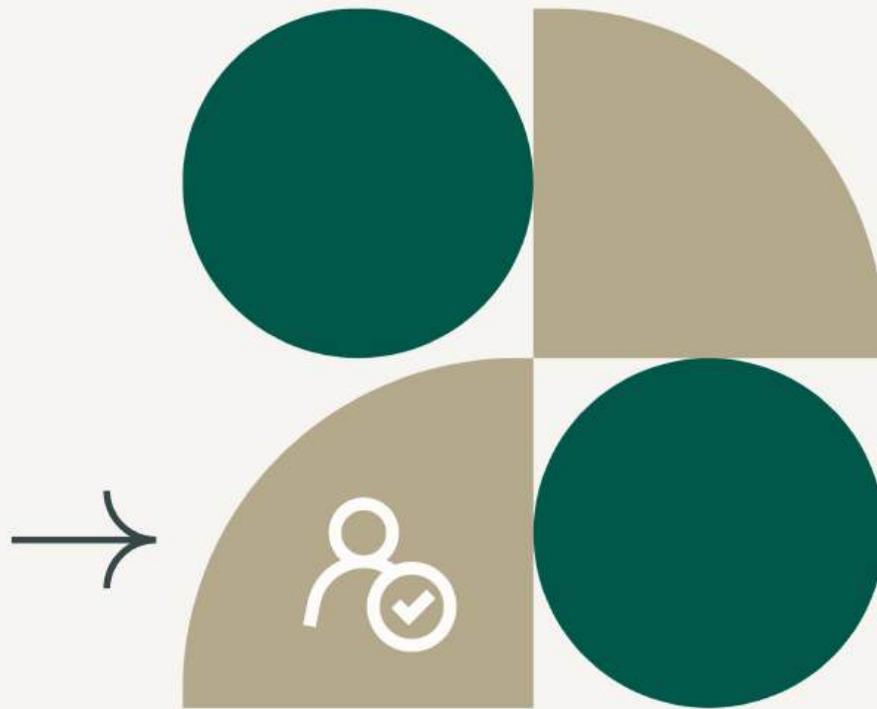


BENEFITS OF % BASED SYSTEM

User-Friendly:

Easier to understand and calculate payments, reducing administrative headaches.

It is more compatible with modern accounting systems.



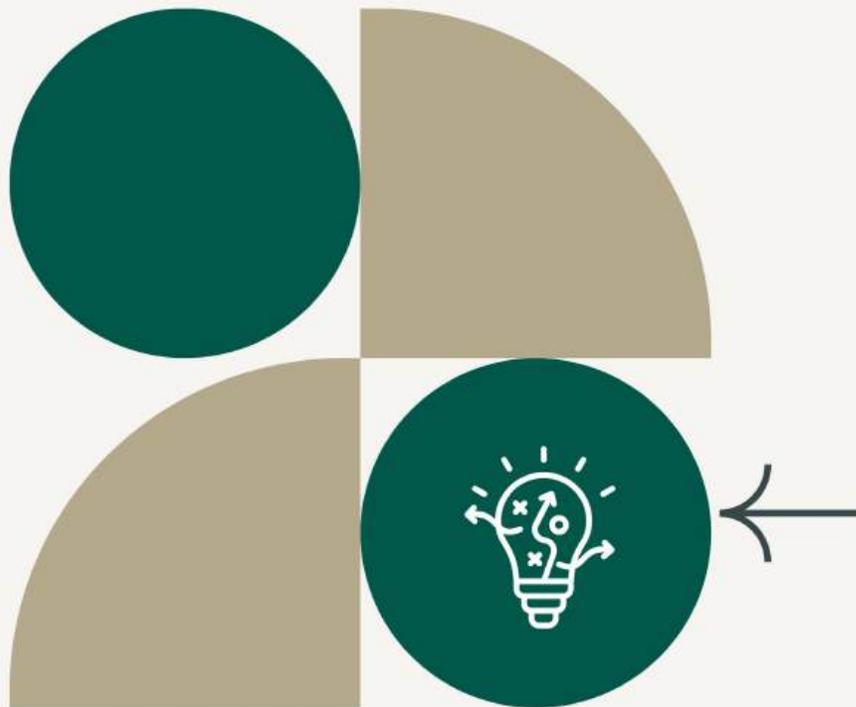
BENEFITS OF % BASED SYSTEM



Fair Payments:

SSB receives consistent and fair contributions based on actual income, improving long-term financial health.

BENEFITS OF % BASED SYSTEM



Modern Approach:

Brings Belize in line with international leading practices.

BENEFITS OF % BASED SYSTEM

Equitable



Fair Payments

User-Friendly



Modern Approach

Contribution Reform Proposal #2

Establishment of a new contribution floor



PROPOSED CONTRIBUTION FLOOR

Inequity & Fund Strain:

- Workers earning less than \$70 per week contribute \$1.03
- Pensions for the lowest wage bands are significantly subsidized by higher earners, leading to financial strain on the Fund



PROPOSED CONTRIBUTION FLOOR



The lowest two wage bands (\$55 and \$90) will be removed.



6,006 contributors (4.72%) would be affected by this change.

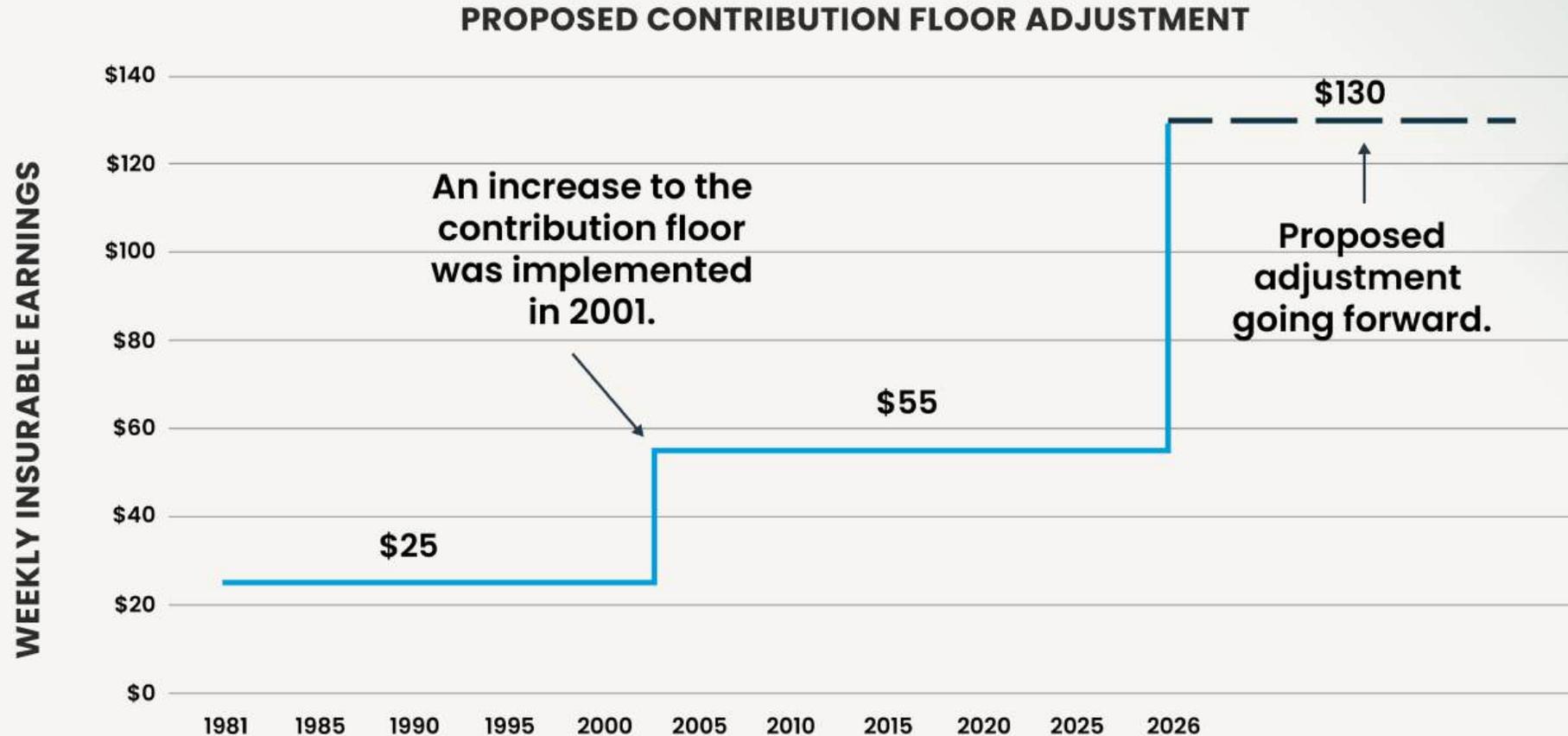


127,324 total active insured persons on record for 2025.



The new minimum contribution sum will start at \$130 weekly insurable earnings.

PROPOSED CONTRIBUTION FLOOR



PROPOSED CONTRIBUTION FLOOR OF \$130

Example: Let's say Carla works part-time and earns \$69 weekly.

CURRENT CONTRIBUTION FLOOR

- Contribution on her behalf is 10% of \$55 = \$5.50
- Based on the sum of her contributions, she would receive between \$16.50 to \$33 weekly in pension benefits.
- Due to the statutory minimum pension benefit, she would actually receive \$47 weekly.

VS

PROPOSED CONTRIBUTION FLOOR

- Contributions on her behalf would be 10% of \$130 = \$13.
- With this new floor, she would receive between \$39 to \$78 weekly in pension benefits.
- Due to the statutory minimum pension benefit, she would receive no less than \$47 weekly.



SUMMARY

Two proposals for consideration:

1

Shift from the
Wage-band
system to the
percent-based
system

2

Increase the
contribution
floor to \$130

**WHY
MAKE THESE
CHANGES?**



WHY MAKE THESE CHANGES



Employee

- Receive higher benefits and better protection against loss of income, especially for low-income earners
- Ensures both contributions and benefits are more aligned with actual earnings



WHY MAKE THESE CHANGES



Employer

- Creates greater efficiency using a modern approach that is easier to use
- More equitable for both the employee and the employer
- Provides a more predictable application of the contribution rate



WHY MAKE THESE CHANGES



GOB

- Ensures the social security system aligns with current minimum-wage levels
- Improved social protection for the lower income earners



WHY MAKE THESE CHANGES



Social Security Board

- Leads to greater administrative efficiency
- Provides better protection against loss of income for low-wage earners
- A shift in the system creates a more dynamic structure to easily adapt to future changes.
- As people earn more, they contribute more and their benefit increases.



Current Wage-Band System

Contribution Ceiling
of **\$520**

10% of
Weekly
insurable
Earnings
within 13
Wage-Bands

Contribution Floor
of **\$55**

Proposed Percentage-Based System

Contribution
Ceiling
= **\$520**

10% of
Actual
Weekly
Earnings

Contribution
Floor
= **\$130**

FEEDBACK



***YOUR INPUT
MATTERS!***

**SCAN TO
SHARE YOUR
THOUGHTS.**





**THANK
YOU!**

