TELUS Health

Belize
Social Security Board

Actuarial Review of the Social Security Fund as of December 31, 2025

July 2026

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Introduction

The Belize Social Security Board (SSB) began operations in June 1981. Workers are covered for three main types of social security benefits – short-term benefits, long-term benefits and employment injury benefits. Employed persons and self-employed persons are eligible to all benefits, while voluntary contributors are eligible for pensions and Funeral benefit only. A non-contributory pension is paid to elderly Belizeans who have no or limited income. The system is financed by contributions which are levied on employment earnings up to a wage ceiling and are paid by employers, employees and self-employed persons. Surplus funds that are not yet needed to pay benefits are invested locally in various types of securities and properties. The SSB also administers the National Health Insurance Scheme which is fully funded by the Government of Belize.

This is the report of the Actuarial Review of the Social Security Fund (SSF) conducted as of December 31, 2025. It has been prepared for the Board in accordance with Section 45 of the Social Security Act, one year after the 2024 Actuarial Review.

Unlike the comprehensive report produced for the 2024 Actuarial Review, which included 60-year projections under three scenarios, this report does not include any new projections. Instead, the review focuses on the experience emerging since the 2024 exercise, assessing developments over the intervening period. Where projections are referenced, these are drawn from the 2024 actuarial review, as the experience observed in 2025 is not expected to materially alter the long-term outlook for the Fund.

The main purpose of periodic actuarial reviews is to determine if the primary social security system in Belize operates on sound financial and actuarial bases and if it provides adequate and affordable levels of income protection. Where considered necessary, recommendations aimed at ensuring that these objectives can be achieved for current and future generations are made.

It should be noted that the demographic and financial projections quoted in this report are dependent on the underlying data, methodology and assumptions concerning uncertain future events and that the outcomes and eventual experience will most likely differ, possibly materially, from that indicated in the projections. Therefore, in accordance with the Social Security Act, periodic actuarial reviews should be conducted. The next actuarial review of the Fund is due as of December 31, 2026.

We wish to thank Mr. Jerome Palma, CEO, Mrs. Leticia Vega, General Manager Research & Development Division, and all other members of the Social Security Board staff who provided data and otherwise assisted with this review.

All dollar amounts in this report are quoted in Belize dollars.

July 30, 2026

Executive Summary

Given the long-term nature of the Social Security Board's pension promises and the uncertainty inherent in demographic, economic and investment assumptions, periodic actuarial reviews are essential to confirm that the Fund remains financially sustainable and that benefits remain adequate and affordable. They also serve as the tool that verifies, on an ongoing basis, that the Fund can keep delivering the benefits promised without becoming unaffordable or financially unsustainable. Long-term projections and policy recommendations are critical to decision making.

This is the report of the Actuarial Review of the Social Security Fund conducted as of December 31st, 2025, and is being conducted one year after the previous actuarial review.

Experience During 2025

No amendments were made to the Act or any Regulations in 2025.

The SSB continues to benefit from a growing population and economy and the recent increases in the insurable wage ceiling. Both the number of contributors and number of pensioners increased during 2025 with the ratio of contributors to pensioners falling slightly from 7.1 to 7.0.

Income and expenditure experience was generally in line with the projections of the 2024 Actuarial Review with total income exceeding total expenditure for the core Social Security Fund by $51 million, after transfers to other Funds. Core Fund reserves increased from $727 million at the end of 2024 to $778 million at the end of 2025.

Investments continued to be fully invested in Belize and in Belizean dollars. During 2025, the amount held in cash increased by $58 million and accounted for one-third of total cash and investments at the end of 2025. The nominal and real rates of return on reserves in 2025 were 2.9% and 1.8%, respectively.

Main Findings

This actuarial review's assessment of SSB policy and design indicators suggests that current contribution and benefit provisions provide a good level of benefit adequacy and income protection to most workers and pensioners. However, both the wage ceiling and minimum pension are considered low and increases to pensions and grants have been few and unpredictable. As a result, highly paid workers are inadequately covered, and high inflation in recent years has eroded the value of pensions since the last increase in 2016. Unemployment and family benefits are the only ILO-recommended income replacement benefits not offered by the SSB.

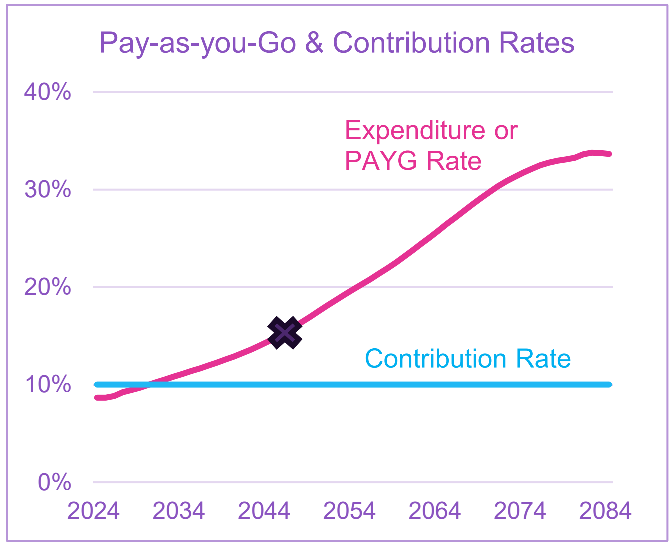
Participation of self-employed persons and informal sector workers is low at less than 4%. Fund investments are poorly diversified with 100% in Belize and there are unnecessarily high allocations to short-term cash and deposits. Rates of return have been below the assumed rate in actuarial reviews. With the growth in contribution income and benefit expenditure, administrative cost ratios are trending downwards and are approaching acceptable levels.

Projection Results

60-year projections of SSB income, expenditure, and reserves were prepared for the 2024 Actuarial Review. With 2025 experience in line with projected and no amendments made in 2025 or approved at the time of preparing this report, no new projections have been made for this actuarial review.

The 2024 projections assumed periodic adjustments to the wage ceiling and pensions starting in 2027. As shown below, for the *Best Estimate* scenario under the assumptions that the contribution rate will remain at 10% and no benefit reforms will be made:

- reserves are projected to peak at around $1.1 billion in 2035 and then be depleted in 2046, and
- the pay-as-you-go or expenditure rate will be around 15.4% in the year reserves are depleted (X in right chart) and then gradually increase to over 30% of insurable wages.



Projections were also made under two different sets of distinct population and economic growth assumptions. These are referred to as *Optimistic* and *Pessimistic* Scenarios in this report. Following are key results, expressed in ranges, for the three projection sets:

1. Total expenditure will exceed contribution income for the first time between 2029 and 2033.
2. Total expenditure will exceed total income for the first time between 2032 and 2040 resulting in the need to liquidate investments to help meet expenditure.
3. The Fund will be depleted between 2043 and 2051.
4. The pay-as-you-go rate around the time the Fund is projected to be depleted in all three scenarios, will be around 15.4% of insurable wages.
5. The average long-term cost of benefits over the next 60 years, often referred to as the general average premium, is between 16.7% and 23.6% of insurable wages.

As shown above expenditure is expected to soon exceed the contribution rate and if investment returns continue to be low, expenditure will exceed total income several years later. While the Social Security Fund is still growing, it is not financially sustainable over the medium and long-terms at current contribution rates and benefit provisions.

Recommendations

The recommendations made in the 2024 Actuarial Review are still considered appropriate. Following is a list of all specific recommendations made in this report.

Recommendations of the 2025 Actuarial Review

1. Contributions
   a. Increase the wage ceiling to $800 per week by 2029.
   b. Discontinue the use of wage bands and instead calculate contributions on actual insurable wages.
   c. Discontinue the use of different contribution- sharing rates that vary by income to a single 4.5%/5.5% employee/employer.
   d. Allow employed persons who are also self-employed to make dual contributions.
   e. Unpaid SSB contributions should never be statute barred.
2. Retirement pension & grant
   a. Change accrual rates to 1.5% for each set of 50 weeks (60% after 40 years of contributions).
   b. Change from 3 to at least 7, the number of years over which wages are averaged.
   c. Reduce the pension amount if awarded prior to age 65 and increase if awarded after 65.
   d. Change the earliest age for Retirement grants from 60 to 65.
   e. Change the Retirement grant factor from 6 to 4. (also applies to Invalidity grant)
3. Invalidity benefit
   a. Revise the eligibility requirements so that a pension is awarded if more than 500 paid weeks of contributions are made.
   b. Allow widow(er)s to receive both Invalidity and Survivors pensions if all eligibility conditions are met.
   c. Consider a partial Invalidity pension where the insured person can work for minimal wages.
4. Survivors benefit
   a. Allowed to keep pension if remarried.
   b. If receiving both Retirement / Invalidity pension and Survivors pension, pay 100% of Retirement / Invalidity pension and 50% of Survivors instead of 100% of both.
   c. A legal marriage should not negate immediately preceding years of common-law relationship.
5. Minimum pensions – introduce explicit fixed dollar minimum pensions for each pension type. (not linked to lowest wage band)
6. Non-Contributory Pension
   a. Equalize the age of eligibility for females & males. (now 65 & 67)
   b. Government of Belize to fund all future awards and pension increases.
   c. Review the criteria for awards and apply them consistently
7. Wage Ceiling & Pension Adjustments
   a. Increase pensions in payment by up to 20% with smaller adjustments to pensions awarded between 2020 and 2024.
   b. Increase Funeral and Maternity grants by 67%.
   c. Adjust the wage ceiling, pensions in payment and grants automatically each year or every two years in line with inflation.
8. Self-employed Persons
   a. Make coverage & contributions mandatory.
   b. New flexible approach to contributing and possibly a new structure for benefits.
   c. Create links with Government departments that issue licenses & permits to enhance compliance.
9. Add Unemployment benefit
10. Investments - Invest up to 20% of funds overseas over 5 years
11. Governance
    a. Create 3 policies – Funding, Benefits, and Risk, and Good Governance Guidelines.
    b. Comprehensive legislative review leading to a repeal & replacement of the Act & Regulations.
12. Eliminate the use of benefit branches

Chapter 1 Historical Experience

With 100% of contribution and investment income generated locally, Social Security Fund financial performance is intrinsically linked to Belize's population and economic changes. Through charts, this Chapter illustrates the evolution of Belize's population and economy, and SSB demographic and financial experience factors.

1.1 Population & Economy

The 2022 Population Census placed the population at 397,484, up from 324,528 in 2010. The following charts show the growth of the population since 1901 and the changes in the number of births and deaths between 1995 and 2024. Even though the population continues to increase, the gap between births and deaths is narrowing.

Figure 1.1. Belize Resident Population, Births & Deaths

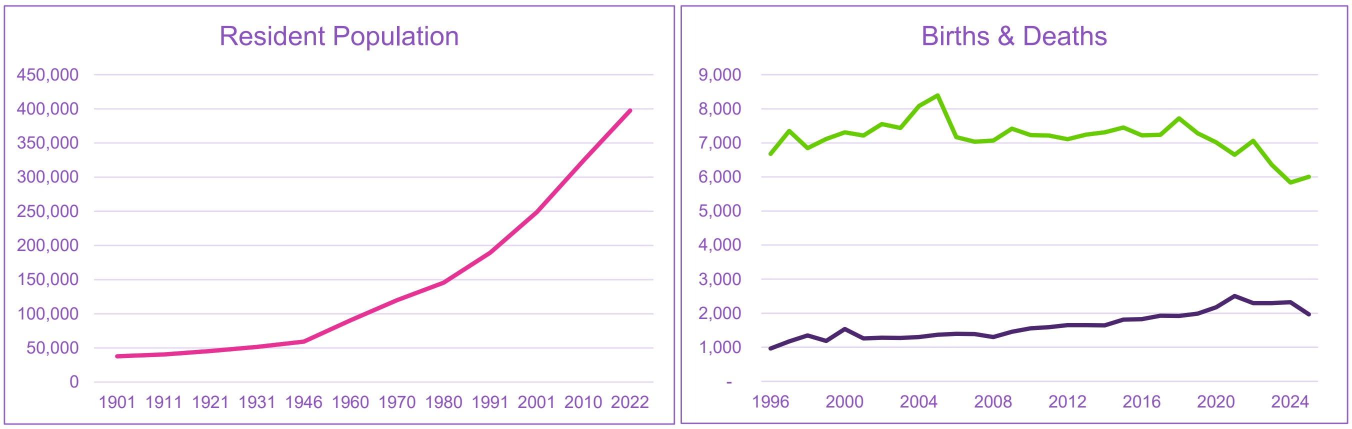
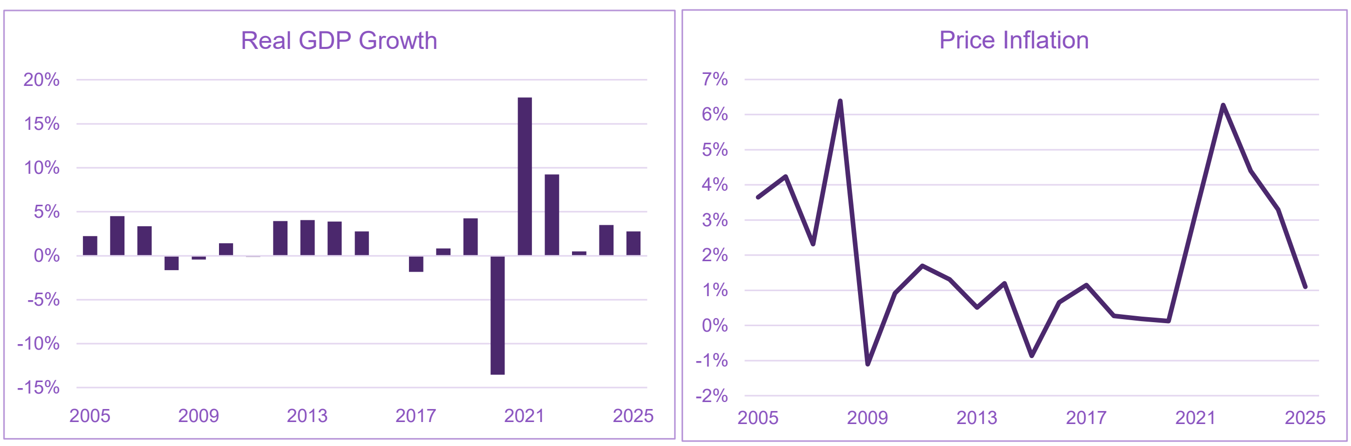


Figure 1.2. GDP Growth & Inflation, 2004 to 2025



Except in 2020 due to Covid, real GDP growth rates have been positive in all but four years since 2005.

- 20-year average: 2.1%
- 10-year average: 2.1%
- 5-year average: 6.6%

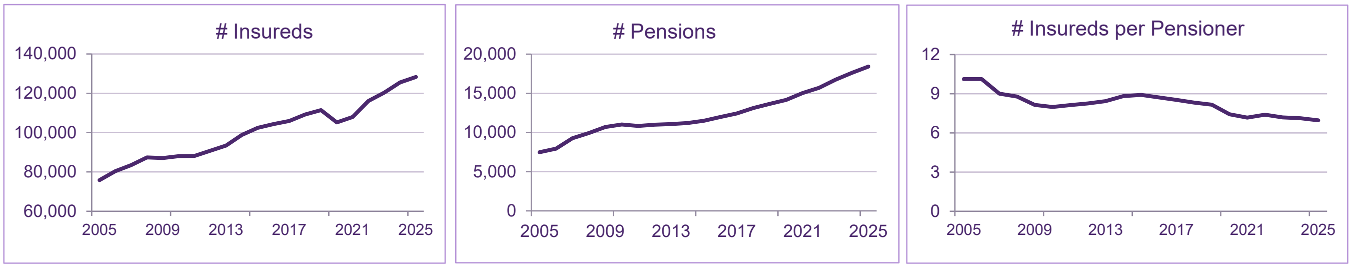
After an extended period of relatively low inflation, price increases were high in each of 2021 to 2024.

- 20-year average: 1.8%
- 10-year average: 2.1%
- 5-year average: 3.6%

1.2 Social Security

The following charts show the number of persons contributing to, and receiving pensions from, SSB each year.

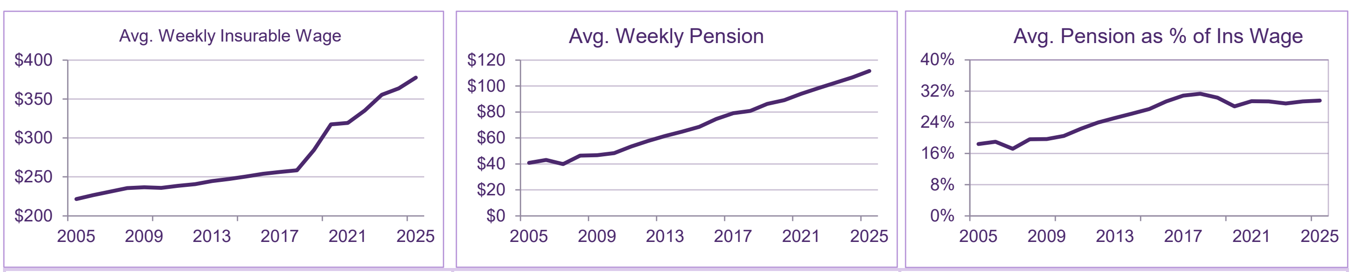
Figure 1.3. Insured Persons (Contributors) & Pensions in Payment, 2005 to 2025



Prior to the Covid-19 pandemic, the number of contributors steadily increased. In 2022, the number of active insured persons surpassed pre-Covid levels.	The number of monthly pensions has consistently increased each year as expected of a maturing pension system.	The number of pensioners has grown at a faster rate than the number of contributors. As a result, the number of contributors for each pensioner has fallen from 10.4 in 2004 to 7.0 in 2025.

The following charts show the average insurable wages and pension amounts for those contributing and drawing pensions, respectively.

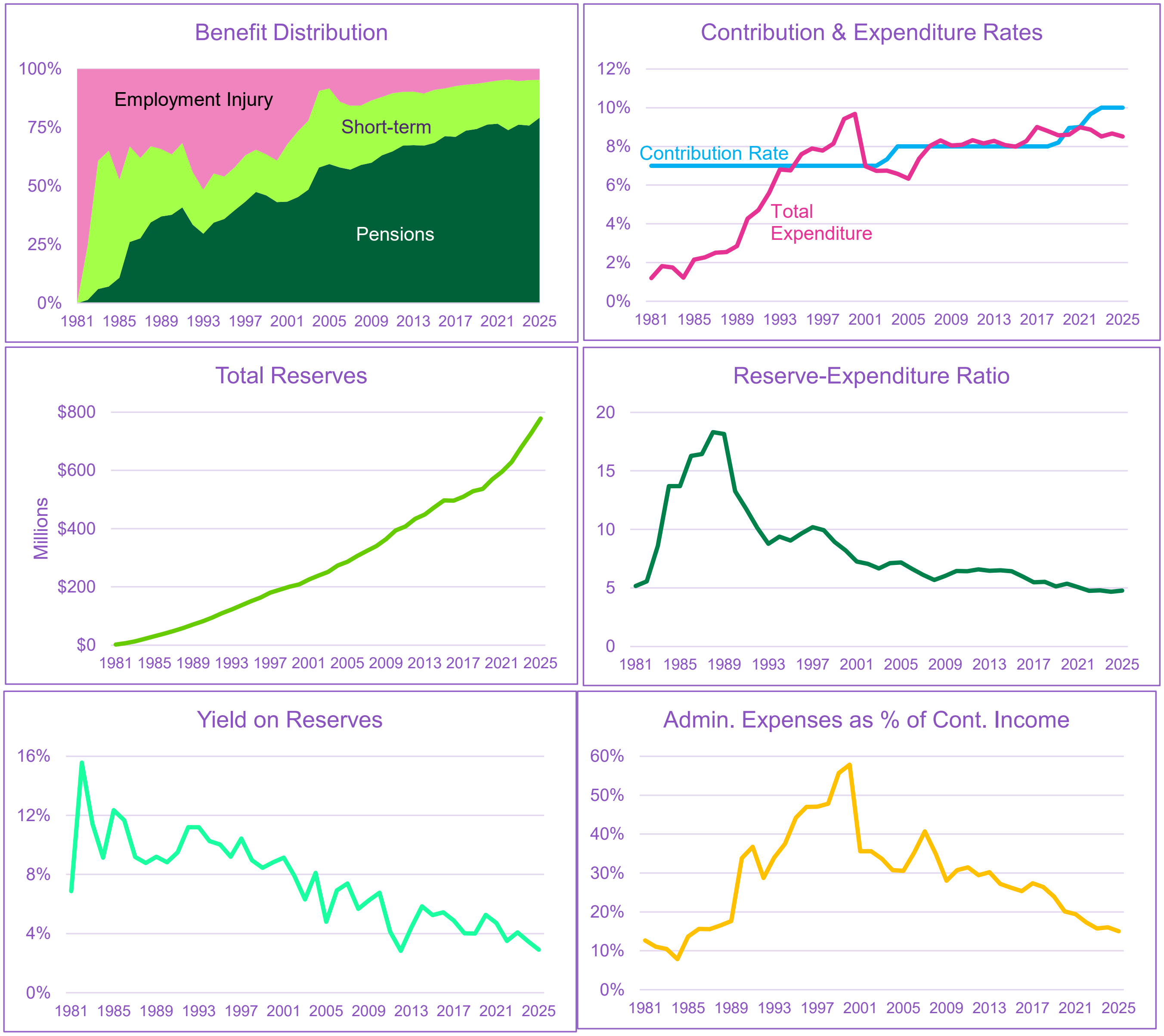
Figure 1.4. Average Insurable Wages & Average Pensions, 2005 to 2025



With no adjustments to the wage ceiling between 2001 and 2019, average insurable wage growth was slow. Adjustments in 2019, 2020 and 2022 led to a significant increase in covered and average wages.	Average pension amounts generally increase each year due to new pensioners having a higher average pension than those that die.	Prior to 2019 the average pension amount generally increased more quickly than the average insurable wage. After an initial decline in 2019 pension replacement rates have held steady at just over 29%.

The following six charts provide a near-complete picture of Social Security Fund experience since inception.

Figure 1.5. Social Security Fund Financial Experience, 1981 to 2025



While pension payments were low in the SSB's early years, they have grown to 79% of benefit expenditure in 2025, while Employment Injury benefits now account for less than 5% (top left chart). Between 1981 and 2000, total expenditure relative to wages increased quickly mainly because the wage ceiling was not increased (top right chart). Total expenditure exceeded contribution income in most years from 2007 to 2019.

While total reserves continue to increase (middle left chart), the reserve-expenditure ratio (middle right chart) has generally decreased since 1997 as expenditure increased faster than reserves. This is typical of a maturing partially funded social security system.

Yields on reserves (lower left chart) have steadily declined over the last thirty years, averaging less than 4% in 2022 to 2025. Administrative costs as a percentage of contribution income (lower right chart) have declined since 2000 due to increases in the wage ceiling, economic growth and more recently, contribution rate increases.

Chapter 2 SSB Experience in Review Period

2.1 Amendments to Act & Regulations

There were no amendments made to the Act & Regulations during 2025.

2.2 Financial Experience

Following are summary Social Security Fund (SSF) assets, liabilities, reserves, income and expenditure amounts for 2023 to 2025. A more detailed version of SSF income and expenditure may be found in Appendix D

Table 2.1. SS Fund Assets, Liabilities & Reserves, 2023 – 2025 (millions of $'s)

	2023	2024	2025
Assets			
Cash & Equivalents	154.9	204.8	262.7
Accounts Receivable (incl. contributions)	21.3	6.7	7.9
Investments	517.2	527.6	525.1
Other	34.2	33.8	36.2
Total Assets	**727.6**	**773.0**	**831.9**
Liabilities			
Accounts & Benefits Payable	19.5	8.9	5.1
Pension & Severance Liability	6.6	7.6	8.2
Total Liabilities	**26.1**	**16.6**	**13.3**
Net Reserves – End of Year	**701.4**	**756.4**	**818.6**

Totals may be off due to rounding

Table 2.2. SS Fund Income & Expenditure, 2023 – 2025 (millions of $'s)

	2023	2024	2025
Income			
Contributions	166.0	179.4	191.2
Investment	26.1	23.9	21.6
Other	2.2	3.1	3.5
GOB Contribution to NHI	27.3	33.7	46.5
Total Income	**221.6**	**240.2**	**262.7**
Expenditure			
SSB Benefits	115.3	127.3	133.9
NHI Benefits	17.7	26.2	35.1
Administrative - SSB	26.1	28.8	28.8
Administrative - NHI	1.7	1.9	2.0
Total Expenditure	**160.9**	**184.2**	**199.9**
Excess of Income over Expenditure	**60.7**	**56.0**	**62.8**

Totals may be off due to rounding

Highlights of experience in 2025 are:

- Contribution income increased each year due to increasing contribution rate and more SSB contributors.
- Investment income has been on a declining trend since 2023.
- SSB and NHI benefit expenditure increased each year.
- Administrative expenses were relatively flat from 2024 to 2025.
- The amount held in low or non-interest-bearing cash and cash equivalents increased each year.
- The value of investments decreased slightly in 2025.

2.3 Benefit Branches & Other Reserves

While the summary of SSF finances presented above shows total income and expenditure, internal accounting procedures separate SSF finances into three benefit branches representing the three major types of social security benefits – long-term, short-term and employment injury benefits. Each benefit is allocated to one of the three benefit branches, and each benefit branch is allocated a certain percentage of contribution income, investment income and administrative costs. There is also a Disablement and Death benefit reserve representing the present value of future employment injury related pensions, and a pensions reserve equal to the unfunded status of the staff pension plan.

The existence of branches does not affect the overall financing or sustainability of the Fund.

Detailed benefit experience of each branch for 2023 to 2025 is shown in Appendix E.
Also segregated within the SSF is the National Health Insurance Fund, the Natural Disaster Fund and the Social Development Account. Shown below is a description of each fund, how it is financed, and reserves as of December 31, 2025.

Table 2.3. Non-Benefit Reserves

Reserve	General Description	How Financed	Dec. 2025 (millions)
National Health Insurance Fund	Financing essential healthcare services for residents of Belize	100% from Government of Belize	$34.7
Natural Disaster Fund	Support for the National Emergency Management Organization in the event of an emergency	$250,000 each year from the Employment Injury Benefits Branch	$1.3
Social Development Account	Supports individuals and non-government organizations by providing grants to improve the quality of life for Belizeans	0.15% of the funds assessed from total insurance earnings from the Employment Injury Benefits Branch.	$4.7
		Total	**$40.7**

Since these funds are not available for the payment of SSB benefits, the analysis and projections of this actuarial review exclude amounts in the above funds. Total reserves as of December 2025, considered available for meeting future SSB benefit and administrative expenditure, is therefore $778 million [$818.58 – $40.71 million].

Following is summary income, expenditure and reserves for the "core" SSF for 2023 to 2025.

Table 2.4. "Core" SS Fund Income & Expenditure, 2023 – 2025 (millions of $'s)

	2023	2024	2025
Income			
Contributions	166.0	179.4	191.2
Investment	26.1	23.9	21.6
Other	2.2	3.1	3.5
Total Income	**194.3**	**206.5**	**216.2**
Expenditure			
SSB Benefits	115.3	127.3	133.9
Administrative	26.1	28.8	28.8
Total Expenditure	**141.5**	**156.1**	**162.7**
Excess of Income over Expenditure	**52.8**	**50.4**	**53.5**
Transfers to Other Funds	(2.3)	(2.4)	(2.6)
Net Reserves – End of Year	**679.0**	**727.0**	**778.0**

Totals may be off due to rounding

2.4 Experience Compared with Projections of the 2024 Actuarial Review

Shown below is a comparison of actual experience over 2025 with the baseline projections of the 2024 Actuarial Review.

Table 2.5. Projections for 2025 from the 2024 Actuarial Review Compared with Experience ($'s in millions)

	Projected	Actual	Difference
Contribution Income	$191.3 m	$191.2 m	in line with projected
Investment Income	$18.5 m	$21.6 m	17% above projected
Other Income	$2.9 m	$3.5 m	19% above projected
Benefit Expenditure	$134.8 m	$133.9 m	1% below projected
Administrative Expenditure	$28.7 m	$28.8 m	in line with projected
Year-end 2025 Benefit Reserves	$774.0 m	$777.9m	1% above projected

2.5 Investments

At the end of 2025, Social Security investments totaled $525.1 million. This represents 64% of total reserves. During the 3-year review period, the average yield on reserves was 3.5%.

The following table provides a summary of Fund investments in December 2024 and December 2025. Included below are amounts held in non-interest-bearing cash.

Table 2.6. Summary of SSF Cash & Investments, December 2025 and 2024 (millions of $'s)

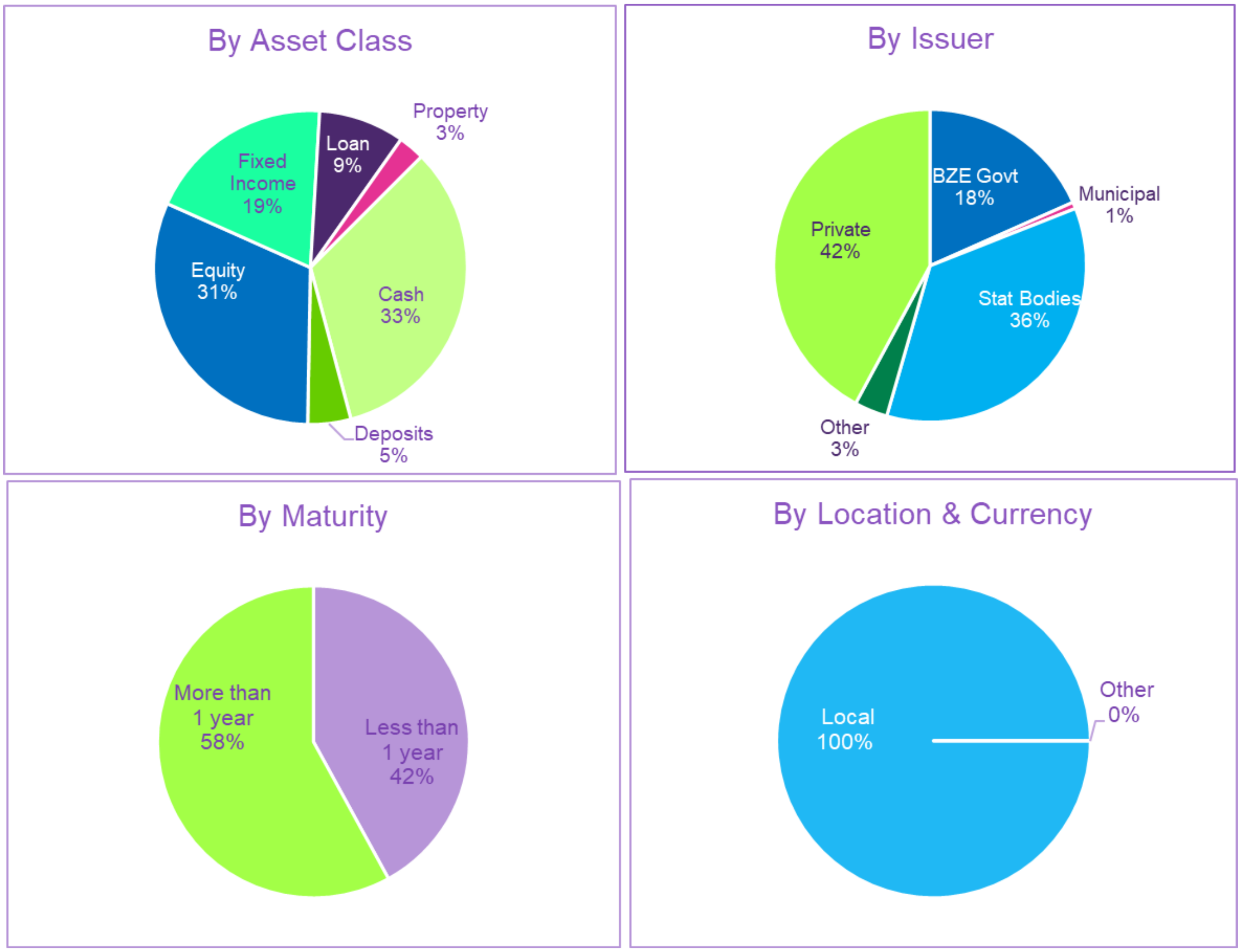
Investment Category	2025		2024	
Cash & Cash Equivalents	$262.7	33.3%	$204.8	28.0%
Certificates of Deposit	$35.0	4.4%	$44.5	6.1%
Fixed Income Securities	$151.7	19.3%	$151.8	20.7%
Loans	$69.8	8.9%	$62.5	8.5%
Equities	$247.3	31.4%	$247.3	33.8%
Properties	$21.3	2.7%	$21.6	2.9%
Total	**$787.8**	**100.0%**	**$732.5**	**100.0%**

Totals may be off due to rounding

As shown above the amount of Fund assets held in cash and deposits increased by 19% over 2024 to 2025.

Diversification is a critical component in the investment of social security funds. How well investments are diversified can be assessed using several criteria:- across various asset classes, maturity dates, different locations and currencies, and by issuer of the underlying securities. The following charts illustrate the diversification of SSB investments as of December 2025.

Figure 2.1. SSF Investments, December 2025



Note: National Bank of Belize is classified as a Statutory Body.

A summary of the asset mix, with specific emphasis on diversity, shows that:

- By asset class:- good mixture of different types of investments although not all suitable for the SSB as described below.
- By issuer:- good mix of private and public Belize and Municipal government debt although all ultimately are backed by the Government of Belize.
- By maturity:- poorly diversified since the Fund currently enjoys large surpluses and there is no need for liquid cash.
- By location:- poorly diversified with 100% of investments domiciled in Belize.
- By currency:- poorly diversified with 100% of investments held in Belizean dollars.

The Board recently approved a comprehensive Investment Policy Statement. With the new strategic asset allocations, investments should be gradually rebalanced so that actual allocations of each asst class fall within permissible ranges.

Chapter 3 Design & Performance Assessment

Social security systems must balance benefit adequacy with contribution affordability and long-term sustainability. There is an obvious trade-off between these concepts:- higher benefits provide larger incomes to beneficiaries but cost more. On the other hand, inadequate pensions result in pressures to increase benefits. This Chapter contains a review of current design parameters and examines how well key policy objectives are being met.

3.1 Meeting Policy Objectives

Following is a brief assessment of four of SSB's primary objectives:- coverage, pension adequacy, financial sustainability, and administrative efficiency.

- Coverage looks at how well workers of all sectors are covered for income security in old age;
- Pension adequacy relates to the ability of pensions to provide a decent standard of living in old age;
- Financial sustainability ultimately relates to the affordability of the system to future contributors; and
- Administrative efficiency relates to effectively collecting contributions and paying benefits, keeping administrative costs low while delivering quality service and fulfilling statutory reporting obligations.

To determine how well these objectives are now being met, and how likely they are to be met in the future, an analysis of current contribution and benefit provisions, key rates and parameters as well as actual performance indicators have been reviewed. While some mention is made of short-term benefits, this analysis focuses primarily on pensions which account for over 79% of SSB benefit expenditure.

3.1.1 Coverage

With SSB participation mandatory for all employed persons and voluntary for self-employed persons, coverage concerns relate to actual participation rates by formal and informal sector workers and the proportion of elderly residents receiving a SSB pension. The following six metrics provide a good analysis of current coverage levels:

Table 3.1. Assessment of Current Coverage Levels

	Metric	Result	Comment
1.	% of employed persons contributing to the SSB	Approx. 90%	Contributions are being made for most formally employed persons
2.	% of Self-employed persons (SEPs) making contributions	< 4%	Very low
3.	% of contributors that have their wages fully covered by SSB. (i.e. earned an average of $520 per week or less in 2024)	85%	In a given month more than 20% of insureds could have earnings above $520 per week. The wage ceiling is therefore considered low.
4.	# of SSB pensioners over age 65 as % elderly resident population	39%	Low after more than 40 years
5.	% of deaths resulting in Funeral grants (2023 to 2025)	57%	Low, especially given the minimal contribution requirement.
6.	% of births resulting in maternity grants (2023 to 2025)	44%	Low even though females make up just over 40% of the workforce.

3.1.2 Adequacy

Benefit adequacy can be broken down into two components:

- Current adequacy: Are pensions adequate today?
- Future adequacy: Under current provisions, will the pension be adequate in the future?

Current Adequacy

The 2025 minimum Retirement pension of $47 per week is 24% of the minimum wage and 13% of average insurable wages. This is considered low.

For pensioners receiving more than the minimum, their pension replacement rates are initially between 30% and 60% of their final average insurable wage, lower for highly paid persons who earn more than the wage ceiling. This replacement level is considered adequate.

Future Adequacy

SSB provides a relatively generous benefits package for a modest contribution rate. A worker who has steady earnings below the wage ceiling and contributes to SSB for a full career, sustaining him/herself predominantly from his employment earnings, can expect a pension of close to 60% of pre-retirement earnings. The challenge quite often, especially for the self-employed, is that many workers do not have steady wages and do not consistently work and contribute for 40 years.

Pensions in payment have only been adjusted once, in 2016, during SSB's first 45 years. As a result, inflation eroded the value of SSB pensions for extended periods. Without any policy on pension adjustments, there is significant uncertainty regarding SSB's pensions maintaining purchasing power. Wage ceiling adjustments have also been infrequent – prior to 2019, only once in 38 years. As a result, the level of insurance coverage prior to 2019 was extremely low for many workers. The current ceiling of $520 per week is still low. For the SSB to remain relevant for higher paid workers, regular wage ceiling adjustments are required.

While current contribution and benefit provisions provide pensions in old age that reasonably meet adequacy tests of SSB insureds, there are deficiencies for lower income pensioners and higher income workers.

When non-pension benefits are considered, the various short-term and employment injury benefits provide almost full income protection for the contingencies that could lead to involuntary loss of employment income. The sole income replacement benefit not provided is one that covers loss of income due to involuntary unemployment.

3.1.3 Financial Sustainability

As highlighted in this report, SSB is not financially sustainable over the medium and long-term at current contribution rates and benefit provisions:– reserves are projected to be exhausted in the mid-2040s and the cost of benefits at that time will be around 16% of insurable wages. Even if pension reforms are made soon, a rate increase to at least 15% will be required within the next twenty years.

3.1.4 Administrative Efficiency

An average of 15.6% of contribution income, 9.2% of contributions plus benefits, or 1.6% of insurable wages, was spent on operating expenses over the period 2023 to 2025. Given that both the wage ceiling and contribution rate are low, the above expense ratios which are all trending downwards, are considered acceptable.

Regarding operational effectiveness, SSB's main challenge is contribution compliance among very small employers. Employers who contribute pay over 95% of their expected contributions. Recent investments in administrative systems have improved claims processing times and overall service to stakeholders. Audited financial statements and actuarial reviews have been conducted and tabled in Parliament as required and then published on the SSB's website.

Chapter 4 Social Security Fund Projections

This chapter presents the projection results from the 2024 Actuarial Review. Consistent with the focus of this report, no new projections have been prepared, as the experience observed during 2025 is not expected to materially alter the Fund's long-term outlook. Accordingly, any references to projected outcomes are based on the results of the 2024 review, with the current analysis concentrating on assessing emerging experience since that exercise.

Many demographic and economic factors, such as changes in the size and age structure of the population, economic growth, employment and wage levels, and inflation, influence Social Security Fund finances. Therefore, to best assess the Fund's long-term costs and sustainability, projections of Belize's total population and the economy are required. For the 2024 Actuarial Review, 60-year projections were performed.

The 2024 Actuarial Review included demographic and economic projections up to 2084. Given the uncertainty in forecasting such a long period, three different scenarios that encompass different demographic, economic and Social Security assumptions were presented.

(a) *Best Estimate* under best-estimate assumptions.

(b) *Optimistic* - represents a larger economy with more contributors, higher wages, better contribution compliance and higher investment returns compared with the *Best Estimate* scenario.

(c) *Pessimistic* – smaller population with fewer contributors, lower wages and larger pensions, lower contribution compliance and lower investment returns compared with the *Best Estimate* scenario.

In developing the assumptions used for the projections, historical trends and reasonable future expectations, as well as the interrelationships between the various assumptions, have been considered.

4.1 Projection Assumptions

Belize has experienced net inward migration for the last twenty-five years. Fertility rates are now below replacement rate and life expectancy continues to increase. The population increased by 73,000 between the 2010 and the 2022 censuses, around 8,500 of which was due to net immigration. Although births continue to exceed deaths, the gap is narrowing as the number of births each year declines and the number of deaths increases.

Projections of Belize's population begin with the results of the 2022 census. In each projection year thereafter, fertility, mortality and migration assumptions are applied. Details of these assumptions are provided in Appendix B

Following is a summary of the main assumptions for the three scenarios. Other assumptions are similar across scenarios. Values shown for the *Pessimistic* and *Optimistic* scenarios are relative to the *Best Estimate* assumption.

Table 4.1. Principal Demographic, Economic & SSB Assumptions

Assumption	*Pessimistic*	*Best Estimate*	*Optimistic*
Ultimate Total Fertility Rate	1.2	1.4	1.6
Mortality Improvements	Medium	Slow	Slow
Net In-Migration	70% of *Best Estimate*	500 pa from 2022 to 2040 increasing to 750 pa in 2050 then to 1,000 pa in 2060, constant thereafter	130% of *Best Estimate*
Real GDP Growth	-0.5%	2025 to 2029: 1.5%, 2.4%, 2.2%, 2.1%, 2.0% (IMF) 2.0% pa between 2030 & 2034, decreasing linearly to 0.5% pa in 2050, 0.5% pa thereafter	+0.5%
Annual Inflation	1.8% from 2030	1.3% from 2025 to 2030, 2.0% pa thereafter	2.2% from 2030
Collection of Contributions	-2%		+2%
Yield on Reserves	-1%	2.5% in 2025, 3.0% in 2026, 3.5% thereafter	+1%
Ultimate Administrative Expense as % of IW	1.4%	1.2%	1.0%

4.2 Social Security Fund Projections

It should be noted that the assumptions and rates in the above table are not targets which the SSB should aim to achieve but instead are the assumptions on which the projections are based.

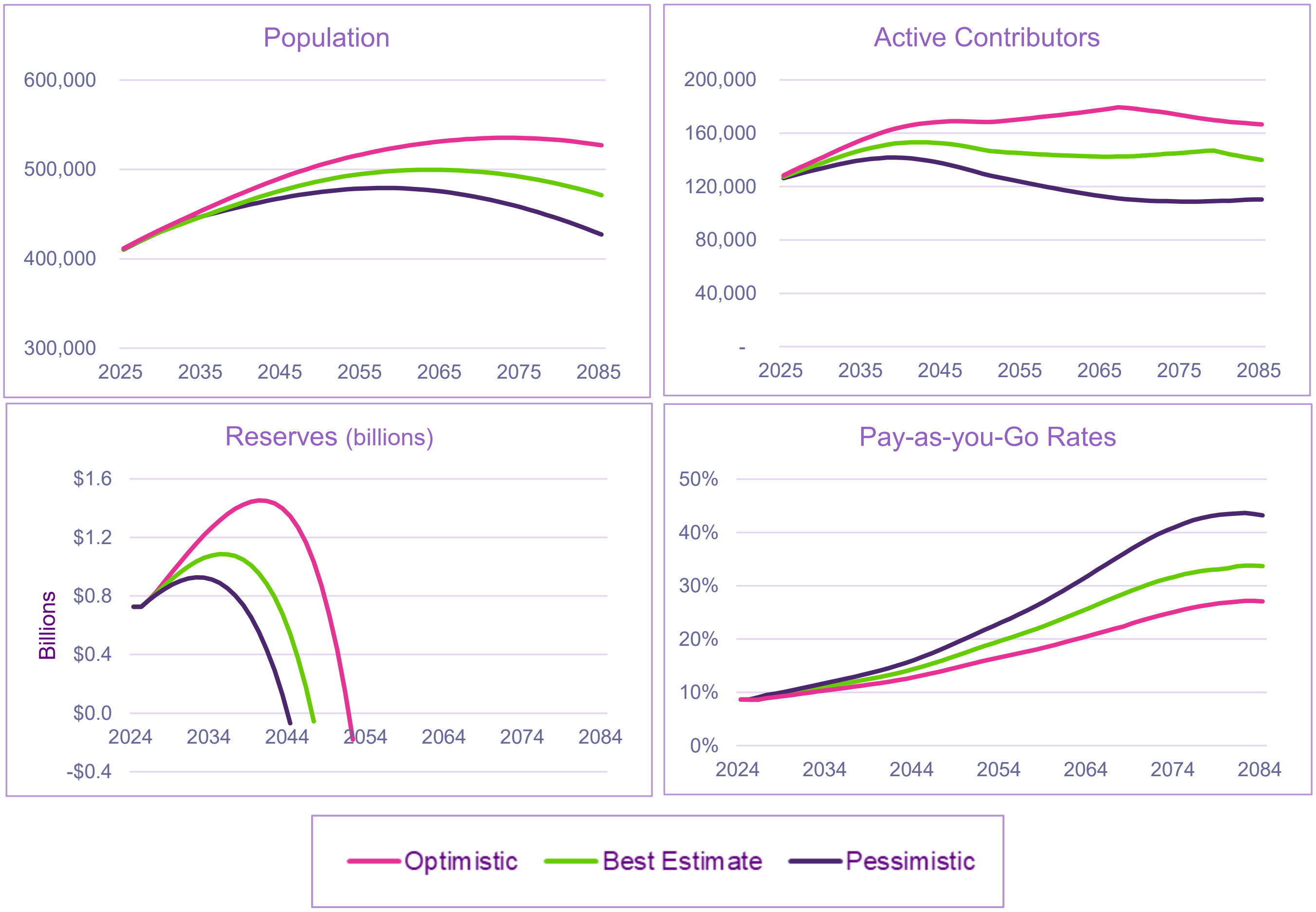
By assuming that the wage ceiling and pensions will increase annually in line with wage and price inflation after significant adjustments in 2027, it is being assumed that the prevailing level of coverage will be generally maintained throughout the remainder of the projection period.

For this report, the projections for the three benefit branches are combined. Reserves as of December 2024 were $727 million. The charts in Figure 4.2. highlight key projection results of the *Best Estimate* scenario if the contribution rate remains at 10% and that there are no changes to benefit provisions throughout the projection period.

4.2.1 Projection Results

SSB demographic and financial results of the three projection sets are presented in Figure 4.1. As expected, the outlook for SSF finances is closely linked to the size and age distribution of the general population and SSB performance indicators such as contribution collection rates and yield on investments. Fund depletion is projected to occur between 2043 and 2051 and pay-as-you-go rates in 20 years could be more than 3% higher in the *Pessimistic* scenario than in the *Optimistic* scenario.

Figure 4.1. Projection Results – All Scenarios



The key results of these projections are summarised as follows:

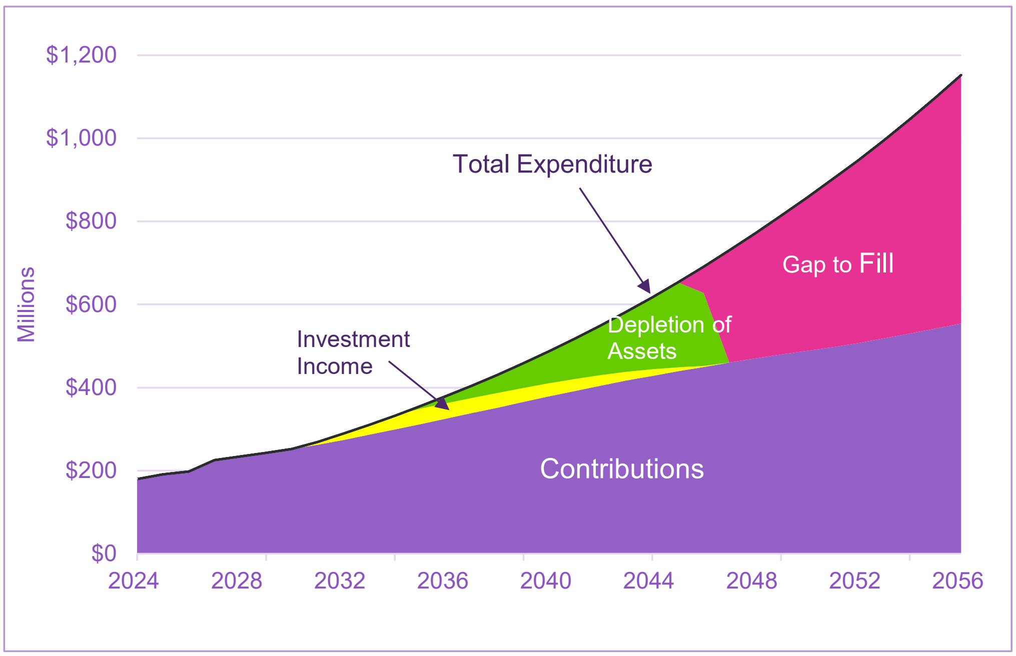
Table 4.2. Summary Results – All Scenarios

		Pessimistic	Best Estimate	Optimistic
General Average Premium		23.6%	19.8%	16.7%
Total Expenditure Exceeds Contributions		2029	2031	2033
Total Expenditure Exceeds Total Income		2032	2035	2040
Reserves Depleted		2043	2046	2051
Pay-as-you-go rate in:	2044	16.1%	14.4%	12.9%
	2064	31.9%	25.8%	20.6%
	2084	43.2%	33.7%	27.1%
# of Contributors per pensioner in 2084 (60 years)		1.1	1.4	1.6

Population projection results for all three scenarios may be found in Table C.1. Projection results for the *Best Estimate, Pessimistic* and *Optimistic* scenarios are included in Appendix C.

The following chart illustrates how the sources of financing SSF expenditure will change as expenditure increases from 88% contribution income in 2024 to over 150% of contribution income in 2046 when reserves are projected to be depleted.

Figure 4.2. Sources of Financing Expenditure, 2024 to 2056 – *Best Estimate* Scenario



1. Starting 2031, investment income (yellow section) will be required to meet expenditure.
2. Starting 2035, assets (green section) will have to be liquidated.
3. If the contribution rate is not increased and assets are depleted in 2046, the income shortfall (pink section) in 2047 is estimated at 5.9% of insurable wages.

4.3 Sensitivity Analysis – SSB Factors

To illustrate a reasonable range for the Fund’s outlook, projections using two different sets of population, economic and Social Security assumptions are presented in the following chapter. However, certain SSB factors such as yield on reserves, pension increases, and contribution collection rates will also impact the Fund’s outlook. The changes in expenditure and reserve depletion for small differences in several assumptions are shown in the following table. 2040 has been selected to compare pay-as-you-go rates and reserve-expenditure ratios as it is a few years before projected Fund depletion.

Table 4.3. Sensitivity Tests – SSB Factors

Assumption	Differs from Best Estimate	General Average Premium	PAYG Rate in 2040	Reserve Ratio in 2040	Reserves Depleted
Best Estimate		19.8%	12.9%	1.8	2046
Long-term Yield on Reserves (4.5%)	+1%	18.5%	12.9%	2.2	2047
	-1%	21.1%	12.9%	1.5	2045
Contribution Collections (no effect on benefits)	+2%	19.8%	12.6%	2.1	2047
	-2%	19.8%	13.1%	1.6	2045
Pension Increases	50% of Inflation	18.3%	12.2%	2.3	2048
	75% of Inflation	19.0%	12.5%	2.0	2047

Changes in General Average Premium provide an indication of the impact of the assumption change on long-term benefit costs while the 2040 PAYG rate is the estimated expenditure cost as a percent of insurable wages that year.

As shown above, improvements in investment returns and contribution compliance, or smaller pension increases, do not individually have a material impact on the medium-term outlook for Fund sustainability. They do, however, result in material changes to PAYG rates and general average premiums. Since PAYG rates and general average premiums represent the costs to be borne by contributors more emphasis should be placed on the impact on these rates than on the year reserves are projected to be depleted.

The projections presented above assume significant ceiling and pension adjustments in 2027 and smaller increases each year, thereafter. If neither the wage ceiling nor pensions were increased in the next 15 years total expenditure would exceed total income in 2037 instead of 2035 as projected under the Best Estimate scenario. This suggests that increasing the ceiling to $700 per week and pensions by an average of 15% in 2027 is more costly than no adjustments. However, it must be noted that adjustments to both the wage ceiling and pensions in payment are intended to enhance Social Security's relevance.

Additional details may be found in the report of the 2024 Actuarial Review

Chapter 5 Towards a Modern & Sustainable SSB

The Social Security Fund is not sustainable at current contribution rates and benefit provisions. Projections presented in earlier chapters show that:

- Benefit costs will increase much faster than wages,
- Expenditure will surpass contribution income between 2029 and 2033,
- Reserves will be depleted between 2043 and 2051,
- Total expenditure when reserves are projected to be exhausted (in all three scenarios) will be between 15% and 16%, and
- Expenditure will exceed 20% of insurable wages in the 2050s under the *Best Estimate* and *Pessimistic* scenarios.

With contribution income and investment returns entirely linked to the local economy, a "good economy" is considered the first of the four ingredients necessary for long-term sustainability of the Social Security Fund. The other three ingredients, over which the government and SSB have greater control are:

1. Good design – a system that provides relevant, equitable and affordable benefits that are consistent with prevailing socio-economic and labour market conditions, other employment linked benefits and available technology. Contribution rates must be consistent with the benefit promise.
2. Efficient & effective administrative systems – collecting all contributions, timely claims processing, efficient investment of surplus assets, and high-quality customer service all at a reasonable cost.
3. Honest & responsible governance – transparent, accountable, proactive and prudent decision making, along with timely reporting at all governance levels for the best long-term interest of residents.

The ability of any social security system to remain meaningful to insured persons, yet affordable to future generations, is dependent on these four ingredients. This chapter focuses on "Good Design" with reform recommendations aimed at ensuring that promised pensions are affordable to future generations.

5.1 Coverage & Relevance

5.1.1 Wage Ceiling

With only one adjustment between 1980 and 2018, the wage ceiling was increased from $320 to $520 per week in 3 steps in 2019, 2020 and 2022. Approximately 15% to 20% of contributors earn more than $520 per week or $2,250 per month. This level of income coverage is considered inadequate.

An increase in the wage ceiling to at least $800 per week, $3,466 per month, followed by automatic annual or biennial adjustments are recommended. The increase from $520 to $800 per week could be made in two or three steps over three to four years.

Subsequent automatic adjustments should be in line with the estimated change in wages. For example, if the ceiling is adjusted every 2 years and the estimated average national wage increased by 5% since the last ceiling adjustment, then the ceiling should be increased by 5%.

5.1.2 Adjustments to Pensions and Fixed-Dollar Parameters

Following are specific recommendations for increases to pensions in payment.

Table 5.1. Recommended Pension Adjustments, 2027

Year Pension Awarded	Recommended Increase
Before 2021	20%
2021	15%
2022	10%
2023	7%
2024	3%
2025 & 2026	0%

Following are specific recommendations for adjustments to fixed-dollar rates.

Table 5.2. Recommended Fixed-Dollar Automatic Rate Adjustments, 2027

Parameter	Current Rate	Recommended Rate
Wage Ceiling (in 2 or 3 steps)	$520 pw	$800 pw
Maternity Grant	$300	$500
Funeral Grant (insured/spouse/child)	$1,500/$1,000/$500	$2,500/$2,000/$1,000
Minimum Retirement/Invalidity Pension	$47 pw	$60 pw
Minimum Survivors - Adult	$47 pw	$60 pw
Minimum Survivors – Child	-	$30 pw
Non-Contributory Pension	$100 pm	$35 pw or $150 pm

The above increases to pensions and grants should only occur if material reforms are made to Retirement benefit.

5.1.3 Invalidity Benefit

The contribution requirement for Invalidity benefit is:

(a) 150 weekly contributions plus either of:

(b) 250 weekly contributions in the previous 5 contribution years,

(c) 5 contributions in the previous 13 weeks

The amendment made in 2019 to add (a) above appears to have been intended to ensure that the claimant had steady employment for several years prior to becoming invalid. As a result of the amendment, however, insured persons with more than 30 years of contributions who have not recently worked are qualifying for a lump sum Invalidity grant instead of a lifetime pension. This is not consistent with social security best practice.

One way of controlling Invalidity pension costs is to introduce a recent contribution requirement if the claimant has paid fewer than 500 contributions, the threshold used for Retirement benefit. A recent contribution requirement for someone with few contributions is consistent with the social security principle of replacing lost income.

It is recommended that the contribution requirement for Invalidity pension be changed such that the claimant must meet at least one of the following:

(a) 500 paid weeks of contributions, or

(b) At least 150 paid weeks of contributions in the 5 years prior to being deemed invalid.

If neither of these are met but the applicant has at least 50 contributions, a one-time Invalidity grant should be awarded.

5.1.4 Survivors Benefit

Other than allowing widowers to qualify on the same basis as widows and the receipt of both Retirement and Survivors pensions together, eligibility rules for Survivors benefit have remained mostly unchanged since inception. The relevance and appropriateness of some of these provisions are being reviewed around the region. These are presented below.

(a) Eligibility to a Survivors' pension, if there are no dependent children, depends on the age of the spouse at the date of death of the insured person – no pension if under age 50 but a lifetime pension if over 50. No pension is awarded if the couple had been married or cohabiting for less than three (3) years or five (5) years, respectively. With the fixed age of 50 and 3/5 years of marriage/cohabitation, a difference in date of death of just a few days could determine whether one gets a pension for a lifetime or not at all. This approach based on presumed need being greater for an older spouse and a longer living relationship does not consider the actual circumstances of the family.

(b) There is no explicit minimum rate for children and no more than 100% of the insured deceased's pension is paid if there are a spouse and two or more children, or more than four children. It is recommended that a minimum pension rate be set for Survivor children and that the 100% cap be removed allowing a reasonable payment to be made for each eligible survivor. The minimum rate for a child can be linked to the minimum rate for an adult.

(c) The 3-year period of marriage and 5-year period for common-law is arbitrary and perhaps was intended to ensure that the marriage was "firm" or "legitimate". Given the potential difficulty in determining when a common-law arrangement started, the 3-year requirement could be eliminated for legally married couples but maintained for common law relationships.

(d) SSB practice where a legal marriage is immediately preceded by a common-law relationship is to require 3 years of legal marriage prior to death. This practice ignores the fact that the survivor would have qualified had the couple chosen not to get married. It is recommended, that a legal marriage not eliminate the years of common-law when considering whether the marriage, legal or common-law, existed for a sufficient period.

(e) Living together or being dependant on the deceased spouse is not a requirement for a Survivors pension. As a result, where spouses have been separated for many years a widow or widower could receive Survivors pension even if the deceased was in a living relationship with another person.

(f) Pension suspended upon remarriage or co-habitation: Not only is this difficult to administer, but it presumes that the new spouse is financially able to provide for the pensioner. Consideration could be given to allowing spouses to continue receiving their pension after remarriage with the restriction that only one Survivors pension is payable should there be more than one deceased spouse.

(g) A 2011 amendment provided the payment of 100% of Retirement pension with the full Survivors pension. However, no provision was made for the payment of Survivors benefit with Invalidity benefit. This may have been an oversight which should be corrected. In providing for the duplication of Invalidity and Survivors benefit, consideration could be given to reducing the portion of the Survivors benefit payable from 100% to 50%.This would result in the survivor receiving 100% of his/her pension and 50% of the Survivors pension.

All the above changes except (g) will slightly increase benefit costs. Given the projected state of the Fund, changes that result in additional benefit payouts should be offset by either contribution rate increases or changes in Retirement pensions that serve to reduce future benefit costs.

5.1.5 Non-Contributory Pension

Since 2003, SSB pays a Non-contributory Pension (NCP). To qualify, women 65 and over and men 67 and over must (a) have no source of income or adequate support and (b) be born Belizean or Naturalized Belizean. Further, no other resident in the home should be in receipt of a SSB pension. In 2025, NCP payments to just over 800 persons totalled $817,000. The $100 monthly pension amount has not been increased since 2007.

Decisions on NCP claims are made by a Non-Contributory Pension Committee comprising representatives of the SSB Board, Belize Council of Churches, the National Council on Aging, the Ministry of Human Development and one other SSB representative. During 2022 to 2024, a total of 97 NCPs were awarded.

NCP is the only remaining SSB benefit that has different eligibility conditions for men and women – minimum age being 65 for females and 67 for males. We support the change to a single eligibility age for men and women that is being considered.

Ideally, Assistance pensions should be financed by the Government of Belize (GOB). Even though the financial impact of the savings will not be significant, it is recommended that the GOB meet 100% of the cost of future NCP pensions. Alternatively, GOB could consider slightly lower cost options such as:

- Meeting the full cost of any new NCP awards starting in 2026, and/or
- Meeting the cost of any increase in the NCP pension above $100 per month for all NCP pensioners.

It is also recommended that steps be taken to improve SSB contribution compliance and improve the means test assessments both at the time of award and every 6 months during the pension verification process. These will help reduce the number of new NCP awards.

5.1.6 Unemployment Benefit

One ILO-recommended benefit not offered by the SSB is Unemployment benefit. This benefit provides partial income replacement to eligible covered workers for short periods following involuntary unemployment. Like other contributory social security benefits, unemployment benefits are paid as a matter of right with no demonstration of need required. Barbados, The Bahamas, Grenada and the Turks & Caicos Islands are the only Caribbean countries with a permanent unemployment benefit.

An in-depth analysis of unemployment experience and how much a new UEB will cost is beyond the scope of this Review. The report of the 2024 Actuarial Review included an extensive discussion of this benefit. Should Government consider adding an Unemployment benefit to the SSB benefits package, design features such as who is eligible, what conditions must be met, what benefit rate, and the maximum payment duration must all be suitable for Belize and the current labour market.

5.2 Sustainability

5.2.1 Contribution Rate Increases

Given that expenditure will exceed the current 10% contribution rate within the next 5 years and investment income is low relative to annual expenditure, stakeholders should plan for contribution rate increases to at least 12% by 2030 and 15% by 2040.

5.2.2 Retirement Pension Reforms

Retirement pension costs are projected to exceed 12% of insurable wages in 2050 and exceed 17% in 2060. This is due primarily to the generosity of the Retirement pension with its 30% replacement rate after only 10 years of contributions. Following are specific reform recommendations to lower future costs:

1. Change the schedule of accrual rates to 1.5% for each set of 50 weeks of contributions (phase in over 10 years).
2. Increase the number of years over which wages are averaged from 3 to 7 (phase in over 5 years).
3. Reduce pensions awarded prior to age 65 by ½% per month below age 65, and increase pensions awarded after age 65 by ½% per month above 65 for those who elect to keep working and not receive their pension at age 65.

While increasing the number of contributions required to qualify for a pension and increasing pensionable ages above 60 (early) and 65 (normal) are not recommended at this time, stakeholders should begin discussions on these options.

5.2.3 Retirement Grant

The SSB has 2 pension ages

- 60 if the insured person is no longer employed, and
- 65 regardless of whether the insured person is employed or not

SSB currently allows the Retirement grant to be paid at age 60 even though the person has 5 more years of potential work and contributions to be eligible for a lifetime Retirement pension. It is recommended that Retirement grants not be payable before age 65.

Also, a review of the formula used to calculate Retirement grants suggests that the grant amount likely exceeds the accumulated contributions made by and on behalf of the contributor when administrative expenses are considered.

The grant amount is calculated as 6 times the average weekly insurable earnings for each set of 50 weekly contributions paid. A more appropriate factor for the Retirement grant is 4.

Any change in formula should also apply to Invalidity and Survivors grants.

5.2.4 Investments

Investment income is a key factor in long-term sustainability. As shown in Figure 1.5 and in Table 5.3, investment returns have steadily declined over the last thirty years, in part due to increasing holdings of bank deposits.

Table 5.3. Average Yield on Reserves up to 2025

Period	Average Yield
Prior 5 years	3.7%
Prior 10 years	4.2%
Prior 20 years	4.9%
Prior 30 years	6.0%

It is estimated that had investments earned 1% more since 2005, i.e. an average of 5.9% instead of 4.9%, reserves would have been around $930 million instead of $778 million.

100% of SSF investments are currently held in Belize and in Belizean dollars, one-third in short-term deposits. To improve investment diversification and potentially improve returns, it is recommended that up to 20% of Fund assets be gradually invested outside of Belize.

5.3 Other

5.3.1 Wage Bands

The Belize SSB is one of only two Caribbean social security schemes that uses wage bands and the only one that has contribution rates that vary by income level. The use of wage bands, which are regressive to those with lowest incomes within each wage band, were introduced at a time when there were no computers. With advanced technology now available, there is no longer a need for wage bands and thus they should be eliminated.

5.3.2 Contribution Rate Sharing

Current contribution rates at the lowest income levels are shared 1.88%/8.12% and 4.5%/5.5% at the highest income band, respectively, by employees and employers. This progressive approach results in lower income workers having a smaller SSB deduction. Belize is the only Caribbean country with this contribution rate structure.

11 sets of shared rates are excessive. Stakeholders should determine whether this approach to contribution sharing is still desirable. Options to be considered include:

(a) Reduce to no more than 5 sets of shared rates,

(b) Have all income levels contribute at the 4.5%/5.5% employee/employer rates.

If a decision is made to keep more than one shared rate, it is recommended that the 1% spread between employer and employee rates apply to all wages above $500 per week when the wage ceiling is increased in the future.

5.3.3 Statute Barred Contributions

Current legislation suggests that the period for instituting proceedings for summary recovery of contributions due to the Fund is six years. This period is too short, especially when such contributions owed may have been deducted from employees' wages.

Employers should not be able to use the law as a means of not paying contributions, especially when deductions have been made from employees' wages/salary. On the other hand, the Social Security Board should not be allowed to ignore and/or not use all measures available to collect outstanding contributions. The value of statute barred contributions was not available at the time of preparing this report, but it should be calculated and continuously monitored.

Amendments to relevant sections in the Act that allow the SSB to collect outstanding contributions after any period should be made

5.3.4 Frequency of Actuarial Reviews

Belize SSB is the only social security scheme in the Caribbean that requires annual actuarial reviews. Most conduct reviews at 3-year intervals with two countries using a 5-year cycle. A 3-year cycle is considered acceptable since the long-term outlook for social security funds hardly ever changes significantly in one year. Therefore, unless the Fund is less than five years away from depletion, comprehensive actuarial reviews are not required more often than every three years.

Actuarial support is important for the SSB. The SSB should have year-round access to an actuary and ongoing actuarial advice on policy issues and the implementation of previously recommended reforms and amendments.

5.3.5 Branch Accounting

Internal accounting procedures separate Fund finances into three benefit branches with each branch expected to be financially autonomous. Regulations provide for the allocation of contribution income, investment income and administrative expenditure to each branch as well as minimum level of reserves for each branch. The transfer of reserves from one branch to another and changes in allocation of contribution income between branches are permitted upon actuarial advice.

It is extremely unlikely that benefits in a branch that has run out of reserves will not be paid on time. Either before or after that point is reached, reserves will be transferred from another branch and an increase in the portion of contribution income will be made. Some SSB funds in the region have, and are still paying benefits from, branches with negative reserves.

The use of benefit branches has little, if any, practical application for SSB decision making and adds no significant value to the users of SSB's financial statements. Its use, however, increases the complexity of internal accounting tasks and audited financial statements. Branch accounting should therefore be discontinued.

Chapter 6 Self-employed Scheme

There are several material differences between coverage offered to self-employed persons (SEPs) and coverage offered to employed persons. These differences are shown below.

Table 6.1. SSB Participation for Employed and Self-employed Persons Compared.

	Employed Persons	**Self-employed Persons**
SS Participation	Mandatory	Voluntary
Available Benefits	All	All
Contribution Rate	10%	7%
Wage Ceiling	$520 per week	$320 per week
Income on which contributions based	Wage band that applies to actual earnings that month	Must select and declare a weekly income

For the Self-employed Scheme, the wage ceiling was not increased from $320 per week to $520 per week in 2020. As a result, coverage is almost irrelevant for higher paid persons such as doctors, lawyers and other professionals.

Further, there are several restrictions on how the selected income can be changed as follows:

(a) At the time of registration if one is between 18 and 50, they may select an income between $55.00 and $320.00 weekly and if between 51 and 60 they may select an income between $55.00 and $200.00 weekly.

(b) The weekly declared income cannot be changed after age 50.

(c) The weekly declared income for the next year can be changed only in January. Failure to select and declare a wage in January will result in the same income being used for that year.

(d) Any change of declared earnings cannot exceed $50 per week above or below the previously declared wage.

(e) Contributions must be paid each month by the 14^{th} day of the subsequent month. Failure to make contribution payments on time may result in the loss of short-term and injury benefits,

Less than 4% of SEPs contribute to the SSB and less than 1% of SSB contribution income comes from SEPs. This low participation is likely due to the restrictive nature of the Self-employed Scheme.

The first step to increasing SEP coverage is to make participation mandatory. Self-employed persons who are also employed should be allowed to make additional self-employed contributions. However, as other Caribbean social security schemes will attest, this alone will not make a huge difference unless the SSB is prepared to enforce participation and have severe consequences for failure to register and contribute.

The second step to increasing SEP participation is a change in the structure of the SEP scheme given the significant restrictions of the current scheme.

6.1 A New Approach to SEP Contributions

The relatively low level of participation among the growing self-employed and informal sector in Belize is common across the Caribbean. The primary effect of low coverage among these groups is a growing number of elderly persons who will not have a secure pension in old age. COVID-19 related lockdowns and restrictions showed how vulnerable uncovered self-employed persons are to reduced or lost earnings.

SEPs earn differently from employed persons. The current structure was designed primarily for employed persons and as shown above SEP participation in the SSB is low and SEPs appear to understate their wage and/or contribute less frequently than they should.

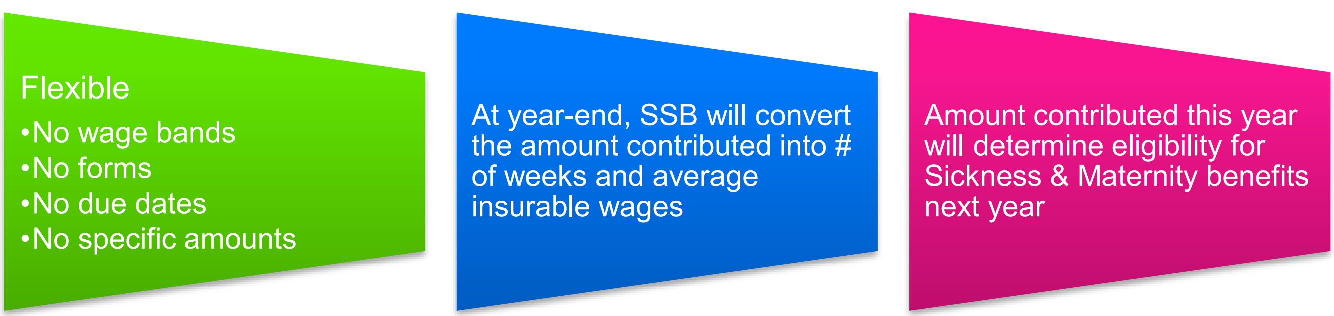
A new approach to SEPs contributing that is consistent with the nature of their work and earnings should be considered. High-level design features of two options for a new Self-Employed Scheme with different approaches are presented for consideration:

1. Maintain the traditional pooling and solidarity benefit structure of the SSB but make contributing flexible and consistent with the nature of their earning patterns.
2. Create a separate program of individual accounts for SEPs with provisions for being always covered for short-term and employment injury benefits.

6.1.1 Maintain Traditional Pooled Structure for SEPs

Since SEPs do not always have steady wages like employed persons do, the following approach provides flexible contributing with SSB determining the number of weeks and average insurable wages at year-end.

Figure 6.1. A New Approach to SEP Contributions & Benefits – Current Benefit Structure

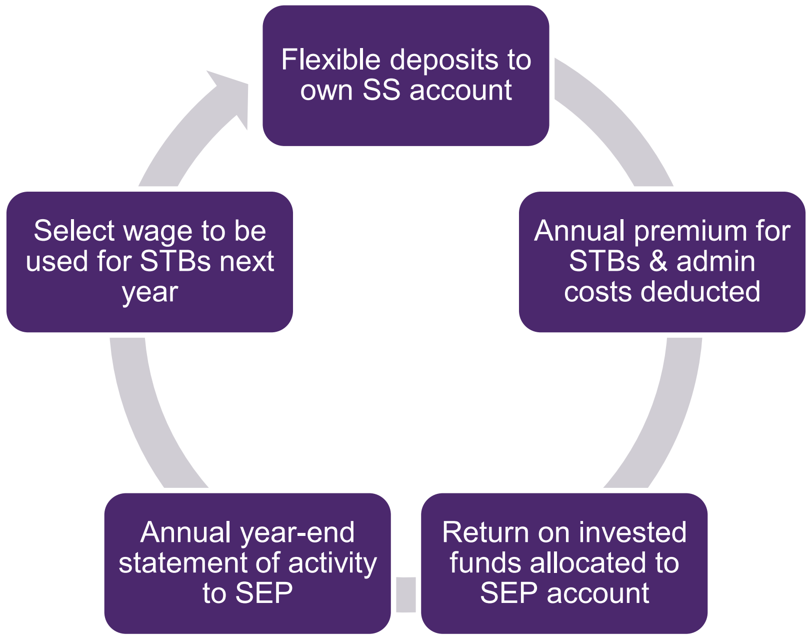


This recommended approach will allow the SSB to keep the current contribution approach that works well for employed persons and deal with those who move between both classes of employment. Special rules will be required for the first year and for years when the insured moves from being employed to self-employed or vice versa. Grenada recently adopted this approach.

6.1.2 Individual Account Approach

Under this second approach SEPs could also contribute as often and as much as they wish to their individual savings account into which investment income on their accumulated savings would be added, and benefit payments subtracted. Following is an illustration of how this approach could work.

Figure 6.2. A New Approach to SEP Contributions & Benefits – Individual Account Approach



To cover the cost of Sickness, Maternity, Funeral, Injury or Unemployment benefits, a premium of around 1.25% of the insurable wage selected would be deducted from their account balance each year. This will allow the SEP to receive those benefits in a manner similar to employed persons.

Following are brief details of how benefits would be determined and paid under the individual account approach.

Table 6.2. Individual Account Approach Benefit Determination

Life Event	Benefit Payable
1. Illness, confinement, injury, unemployment	80% of wage selected for the applicable duration. (same as under current system)
2. Retire (or reach a certain age)	Balance remaining in the individual account used to purchase an annuity from the SSB, or drawn down in accordance with specific guidelines that will ensure funds are not exhausted before a specific age.
3. Become Invalid	Balance remaining in the individual account available to the insured for draw down at his/her discretion.
4. Injury	Same as available to insured person under current system. (Disablement, Medical Care, Death)
5. Death	Remainder in individual account paid as lump sum to beneficiary or beneficiaries.

6.2. Pros & Cons of Two Approaches

Following is a summary of pros and cons of the two approaches presented above.

Table 6.3. Pros & Cons of Pooled and Individual Approach to Self-employed Contributions & Benefits

Pooled Fund Approach	
Pros	**Cons**
• **Risk Sharing:** Contributions are pooled, so risks (such as investment losses or longevity) are shared among all insureds. • **Administration:** Although some changes will be required, current basic structure will be maintained. • **Benefits more Predictable:** Especially for those with irregular income or contributions. • **Solidarity:** Promotes a sense of collective responsibility and support.	• **Less Transparency:** Individuals may not see a direct link between their contributions and benefits. • **Potential for Cross-Subsidization:** Some may feel they are subsidizing others, especially since benefit formula is not fully tied to contributions. • **Less Flexibility:** Harder to tailor benefits to individual needs or circumstances.

Individual Account Approach	
Pros	**Cons**
• **Transparency:** Each person's contributions and entitlements are tracked separately, making it easy to understand how much has been saved and what benefits are due. • **Ownership:** Self-employed individuals may feel a greater sense of control over their own savings. • **Consistency:** Aligns with modern approach to private pensions which many self-employed persons are familiar with.	• **Risk of Inadequate Savings:** If employment ceases or contributions are irregular, individuals may not accumulate enough for adequate benefits. • **Administrative Complexity:** New systems required • **Limited Risk Pooling:** Individuals bear more investment and longevity risk, as there's less sharing of risk across a group.

Chapter 7 Governance, Policies & Legislative Review

An important, though often understated, factor influencing the performance of public sector institutions is the quality of governance. Where clear policies, defined roles, and consistent decision-making frameworks are absent, key parameters can drift out of alignment with their intended objectives.

Good governance practices include having policies that support an outcome-focused approach to decision making that is managed around objectives, preferences, and "what ifs". Instead of hoping for positive results, leaders should prepare rational responses to specific potential outcomes. For the SSB, formal policies relating to funding, investments, and risk should be part of a new good governance framework.

7.1 Funding Policy

SSB does not have any explicit funding targets. As a result, there is no requirement for specific actions such as increasing the contribution rate or amending benefit formulas when a certain funding level is either reached or projected by the actuary. Funding targets and prescribed actions will help ensure that future benefit reforms and/or contribution rate increases are gradual and predictable.

A Funding policy will help policymakers assess whether the Fund remains on a desirable path towards long-term sustainability. It will therefore also help determine the level of benefits that can be offered. A Funding policy for the SSB should include:

(a) a list of beliefs (policy positions) that will guide future SSB decision making,

(b) specific funding targets such as minimum Reserve-Expenditure ratios in a specific year and maximum contribution rate,

(c) a list of reforms to be considered if projections suggest that targets will not be met,

(d) automatic adjustment mechanisms should experience and updated actuarial projections indicate that stated targets will not be met, and

(e) specific requirements to be included in the SSB Act that will mandate governments to implement changes intended to maintain long-term sustainability.

Once the policy is approved, it will provide guidance for reform recommendations of future actuarial reviews.

7.2 Risk Policy

The projections presented earlier indicate that under current contribution rate and benefit provisions, the SSB Fund will be depleted within the next 18 to 26 years, and future contribution rate increases are inevitable. While there is no current crisis, specific measures to delay Fund depletion and reduce long-term costs have been presented elsewhere in this report.

There are many risks that, if not managed well, could result in the SSB being forced to make drastic reforms to appropriately balance benefit adequacy, contribution affordability, and long-term sustainability. Below is a generic list of key social security scheme-related risks, under four broad headings.

Table 7.1. Common Risks Faced by National Insurance Schemes

Financial	***Operational***
▪ Financing - Fund depletion (no assets) ▪ Liquidity - Insufficient liquid assets (even if reserves positive) ▪ Investment - Underperforming investments ▪ Compliance - less than 100% compliance ▪ Demographic – expenditure rising faster than income due to aging population ▪ Longevity – pensioners living longer than expected ▪ Inflation – pressure to increase pensions ▪ Recovering unpaid contributions for which benefits accrue ▪ High administration costs	▪ Paying incorrect benefit (other than the right amount to right person for right period) ▪ Incomplete database – initial input, changes, updates, backups ▪ Service standards – performance below expectations ▪ 3rd party providers ▪ Accounting ▪ Data protection (cyber) ▪ Legal – all activities consistent with Act & Regulations ▪ Human Resources – relevant talent, honest evaluations, appropriate pay, retention, benefits ▪ Fraud ▪ Disaster (catastrophe) recovery – natural, electronic etc. ▪ Insurance administration systems – functionality, costs, access to support, updates ▪ Key people (internal and external)
Governance	***Stakeholder***
▪ Legislation outdated ▪ Delayed decision making (kicking the can down the road) ▪ Board/Committees not appointed in accordance with Act ▪ Board contains political allies and thus cannot act independently ▪ Failure to disclose – actuarial & financial reports not tabled in the Parliament or not published for all to see ▪ Regular audits & actuarial reviews ▪ Conflict of interest policy ▪ Political interference	▪ Value perception – contribution costs too high for benefits offered (SEPs) ▪ Not providing the income security promised or intended ▪ Contingent liability for government obligation if Fund not sustainable ▪ Reputational – irrelevant benefits, service, fraud, surprise changes ▪ Inconsistent application of the Act

This list of risks is not exhaustive, but it includes key issues that should be addressed on an ongoing basis. It is therefore recommended that SSB develop a formal Risk Management Policy which documents the level of exposure to the respective risks, explains the tolerance for such risks, includes the measures and strategies to mitigate the risk to the extent possible, and the tools and metrics to be used to regularly monitor progress towards stated goals.

7.3 Investment Policy

A formal comprehensive Investment Policy Statement that guides investments was recently approved by the Board. The comprehensive Statement establishes the framework governing investment of the Social Security Fund, including objectives, asset class structure, governance responsibilities, risk management standards, and reporting requirements.

Not included in the Investment Policy was a specific allocation to investments outside of Belize. As indicated in Section 2.4, 100% of investments are domiciled in Belize. To improve investment diversification, it is recommended that up to 20% of Fund assets be gradually invested outside of Belize.

7.4 Good Governance Guidelines

For pension systems that make promises well into the future, good governance practices at all levels are critical to the Fund being able to consistently deliver on its promises. For social security schemes, the International Social Security Association (ISSA) suggests that “good governance requires the following five principles:

- *Accountability* is the ability to hold legally responsible the officials who are in charge of the institution for managing the program prudently, efficiently and equitably.
- *Transparency* is the availability and accessibility of accurate, essential and timely information to stakeholders and in reference to the decision-making process, promotes honesty, integrity and competence, and discourages wrongdoing.
- *Predictability* refers to the consistent application of the law, policies, rules and regulations. Surprises and sudden changes in contribution rates, benefit entitlements or other features could undermine the credibility of the programme.
- *Participation* refers to the active education, engagement and effective involvement of stakeholders to ensure the protection of their interests.
- The principle of *dynamism* is defined as the element of positive change in governance. While the first four principles of governance may well be applied in the context of maintaining the status quo, dynamism refers to changing and improving by doing things more efficiently and equitably, and by responding to the evolving needs of insured persons.

It is recommended that the Board develop a Good Governance Guidelines manual that is localized for the SSB. This manual could include specific sections such as:

a) Powers of the Minister
b) Functions and duties of the Board
c) Terms of reference for the Chair, CEO, and Committees of the Board
d) Board Member orientation
e) Board Member code of conduct
f) Conflict of Interest
g) Disclosure of information

7.5 Legislative Review

The Social Security Act & Regulations need a comprehensive review with the possibility of a complete repeal and replacement. After almost forty-five years, many rules are no longer relevant, the wording of many sections of the legislation could be revised to improve clarity, and the overall governance framework of the SSB could be improved with a more modern approach. Such a review and revision will be a huge undertaking and should be conducted with clear objectives and by a multi-skilled team with clear deliverables and deadlines.

Statement of Actuarial Opinion

It is our opinion that for the projections included in report of the 2024 Actuarial Review of Belize Social Security Fund which are referenced in this 2025 Actuarial Review:

- the data on which the projections and analysis are based are sufficient and reliable;
- the assumptions used are, in the aggregate, reasonable and appropriate, and
- the methodology employed is appropriate and consistent with sound actuarial principles.

This report has been prepared in accordance with the Caribbean Actuarial Association Actuarial Practice Standard #3 for Social Security Programs.

TELUS Health

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July 30, 2026

References

SSB Annual Reports, Financial Statements, Statistical Abstracts, 1981 to 2025

Report of previous Actuarial Reviews and specific studies by the ILO and Consultores Actuariales

Belize: Staff Report for the 2025 Article IV Consultation, IMF

Socials Security Act & Regulations

ISSA Good Governance Guidelines

2022 Census of Population & Housing, Belize National Statistical Institute

Various reports and publications by the Statistical Institute of Belize

Appendix A Contribution & Benefit Provisions

The Social Security Board (SSB) began operations in June 1981. Following is a general description of the coverage, contributions and benefits provisions as of December 31st, 2025.

A.1 Benefits, Insured Persons & Contribution Rates

(a) Long-term contributory benefits: Retirement pension & grant, Invalidity pension & grant, Survivors' pension & grant and Funeral Grant.

(b) Long-term assistance: Non-contributory pension.

(c) Short-term benefits: Sickness benefit, Maternity allowance & grant

(d) Employment Injury benefits: Injury benefit, Constant Attendance Allowance, Medicare benefit, Disablement pension & grant, Employment Injury Death benefit, and Employment Injury Funeral benefit.

Employed, self-employed and voluntary insured persons aged 14 and over are covered for the above contingencies as follows:

- Employed persons: All contingencies.
- Self-employed persons: All contingencies.
- Voluntary contributors: Retirement benefit, Funeral grant and Survivors' benefits only.

Earnings used for determining contributions and benefits include basic wages, overtime, holiday pay, bonuses, allowances, and gratuities paid by the employer other than those paid once a year.

Weekly insurable earnings for calculating contributions are determined from wage bands as shown below.

Table A.1. Wage Bands & Contribution Rates, December 2025

Wage Band	Weekly Insurable Earnings	Rate of Contributions (%)		
		Employee	Employer	Total
Under $70.00	$55.00	1.88%	8.13%	10%
$70.00 - $109.99	$90.00	1.88%	8.13%	10%
$110.00 - $139.99	$130.00	1.88%	8.13%	10%
$140.00 - $179.99	$160.00	2.46%	7.54%	10%
$180.00 - $219.99	$200.00	2.97%	7.03%	10%
$220.00 - $259.99	$240.00	3.31%	6.69%	10%
$260.00 - $299.99	$280.00	3.55%	6.45%	10%
$300.00 - $339.99	$320.00	3.73%	6.27%	10%
$340.00 - $379.99	$360.00	3.88%	6.12%	10%
$380.00 - $419.99	$400.00	4.04%	5.96%	10%
$420.00 - $459.99	$440.00	4.19%	5.81%	10%
$460.00 - $499.99	$480.00	4.35%	5.65%	10%
$500.00 & Over	$520.00	4.50%	5.50%	10%

A.2 Summary of Benefits Provisions

A.2.1. LONG-TERM BENEFITS

(a) RETIREMENT PENSION

Eligibility Requirements: The applicant must be an insured person aged 60 or older. For ages 60-64, the insured must not be employed. The applicant must have a total of at least 500 paid and credited contributions with at least 150 paid contributions.

Amount Of Benefit: 30% of Average Weekly Insurable Earnings (AWIE) plus 2% for every 50 weeks between 500 and 750 plus 1% for every 50 weeks credited over 750. AWIE are calculated as the sum of insurable earnings in the best 3 years of contributions divided by 150.

Maximum Pension: 60% of AWIE.

Minimum Pension: $47 per week.

(b) RETIREMENT GRANT (one-time payment)

Contribution Requirement: Less than the contribution requirement for the Retirement pension (above) but at least 26 paid contributions.

Eligibility: Other than for the contribution requirement, the applicant must be eligible for Retirement Benefit.

Grant Amount: 6 times the average weekly insurable earnings of the insured person for each unit of 50 contributions paid OR, 2.5 times the sum of weekly insurable earnings (of which contributions are paid or credited) divided by the number of contributions for each unit of 50 contributions; whichever is greater

(c) INVALIDITY PENSION

Contribution Requirement:

- 150 paid contributions since 1981 AND one of either:
  - i. 250 paid contributions in the 5 years before invalidity commenced, OR
  - ii. 5 paid or credited contributions in the 13 weeks before the illness that led to invalidity.

Eligibility: The applicant is:

- Under the age of 60, and
- Incapable of work due to a specific disease or bodily or mental disablement which is likely to be permanent, and
- Must be sick for 26 consecutive weeks immediately before invalidity.

Amount of Benefit: Same as for Retirement pension except if less than 500 paid or credited contributions, 25% of average weekly insurable earnings.

Minimum Pension: $47.00 per week.

Maximum Pension: 60% of the average weekly insurable earnings.

Duration Of Benefit: Paid as long as insured person remains invalid.

(d) INVALIDITY GRANT (one-time payment)

Eligibility: An insured person who meets all of the qualifying conditions for Invalidity benefit except the contribution requirement.

Contribution Requirement: Paid if the contribution requirement for a pension is not met. Requires a minimum of 26 paid contributions.

Amount of Benefit: Same as for Retirement Grant.

Minimum Grant: $800 (one-time payment).

(e) SURVIVOR'S PENSION

Contribution Requirement: The deceased, at time of death, was receiving or had made enough contributions to qualify for an Invalidity or Retirement pension.

Eligibility:

Widow/Widower: Must have been married to the deceased for not less than three years or in a common-law relationship with the deceased for at least 5 years.

Children: Includes biological, stepchildren, or adopted children of the deceased under 18 years old, or up to 21 years if in full-time education.

Parents: Eligible only if there are no surviving widow/widower or children. Must be mainly maintained by the deceased and be 55 years or older.

Amount of Benefit: The proportion of Invalidity pension shown below:

- Widow or Widower: 66.67%
- Child: 25%
- Invalid Child: 40%
- Parent: 40%

If the maximum benefit (100%) is exceeded, each share is reduced accordingly.

Minimum Pension: $47.00 per week.

Duration Of Benefit:

- Widow under 50 at time of death, who was pregnant by the deceased or had the care of a minor: as long as she has the care of a minor.
- Widower under 50 at time of death and had the care of a minor: as long as he has the care of a minor.
- Widow or widower over 50 or incapable of self-support and was wholly dependent on the deceased: life pension or as long as so incapable.
- For dependent children, up to age 18, or 21 if attending full-time education.
- For an invalid child, for as long as invalidity continues.
- Pensions to widows and widowers shall cease upon remarriage.

(f) SURVIVOR'S GRANT (one-time payment)

Contribution Requirement: The deceased, at time of death, would have been entitled to an Invalidity or Retirement grant.

Amount of Benefit: The Retirement or Invalidity grant that the deceased would have been entitled to distributed among the survivors as per Survivors pension.

Minimum Grant: $800

(g) FUNERAL GRANT

Eligibility:

- Deceased Insured Contributor: Was entitled to or was in receipt of Sickness benefit or Maternity allowance OR had paid at least 50 contributions.
- Deceased Dependent (Spouse or Child): Insured must have made at least 150 contributions.
  - A dependent child must be unmarried and under 16 years, or under 21 years if in full-time education.

Amount of Benefit:

- Deceased Insured: $1,500
- Deceased Spouse: $1,000.
- Deceased Dependent Child: $500.

(h) NON-CONTRIBUTORY PENSION

Eligibility:

- Age: Females must be 65 years or older; males must be 67 years or older.
- Income: Must have no source of income or inadequate means of support.
- Citizenship: Must be a born or naturalized Belizean.
- Household: Only one person per household can receive the NCP.

Amount of Assistance: $100 per month.

A.2.2. SHORT-TERM BENEFITS

(a) SICKNESS BENEFIT

Contribution Requirements: Must be an insured member on the day of becoming sick and have at least 50 paid contributions with at least 5 paid contributions in the 13 weeks immediately before the illness.

Amount Of Benefit: 80% of average weekly insurable earnings for the first 156 days, and 60% of average weekly insurable earnings for the remaining 78 days.

Duration Of Benefit: From the first day of illness/incapacity and for a continuous period of sickness not exceeding 234 days.

(b) MATERNITY ALLOWANCE

Contribution Requirement: At least 50 paid weekly contributions and at least 25 contributions paid in respect of or credited to her of which not less than 20 are paid in the period of 39 consecutive contribution weeks immediately preceding the 7th week before the expected date of confinement, or in which occurs the day from which benefit is claimed, whichever is the later.

Amount Of Benefit: 80% of AWIE in the 39 weeks before maternity leave commences.

Minimum Benefit: $44.00 per week.

Maximum Benefit: $416.00 per week.

Duration Of Benefit: A maximum of 14 weeks of maternity benefit is paid. Up to 7 weeks may be paid before confinement. If unable to return to work due to complications arising from delivery, Sickness benefit may be paid after the 14 weeks of Maternity Allowance have been exhausted.

(c) MATERNITY GRANT

Contribution Requirement: At least 50 paid contributions or 25 paid contribution weeks in last 50 preceding the date of confinement. Where the mother fails to meet these requirements, the grant will be paid if her spouse meets the contribution requirement. Spouse includes a common law spouse. A man may only qualify one grant per calendar year.

Amount Of Grant: $300 per child.

A.2.3. EMPLOYMENT INJURY BENEFITS

(a) INJURY BENEFIT

Eligibility Requirements: Insured person incapable of work as a result of an accident arising out of insured employment, or as a result of an illness related to employment. There are no qualifying contribution requirements for Injury Benefits. The injury must be reported within 48 hours.

Waiting Period: None

Amount of Benefit: 80% of the average weekly insurable earnings of the insured person in the four weeks prior to the injury.

If the insured person continues to be under medical treatment after 156 days, a provisional disablement benefit is paid at a weekly rate of 60% of average weekly insurable earnings for up to 91 additional days.

Minimum Benefit: $44.00 weekly for the first 156 days, and $33.00 weekly for any remaining days.

Maximum Benefit: $416.00 weekly for the first 156 days, and $312.00 weekly for any remaining days.

(b) MEDICARE BENEFIT

Eligibility Requirements: Must have suffered an employment injury or work-related prescribed disease

Expenses Covered: The costs of medical treatment recommended by a doctor or medical board (e.g. therapy, surgery, artificial limbs, treatment abroad.)

(c) DEATH BENEFIT

Eligibility Requirements: Same as for Survivors Benefit.

Amount Of Benefit: 60% of the AWIE of the deceased in the 4 weeks prior to injury. Portions awarded same as for Survivors Benefit.

Minimum Pension: $47 per week.

Maximum Pension: $192 per week.

Duration: Same as for Survivors Benefit.

(d) DISABLEMENT PENSION/GRANT

Eligibility Requirements: Must have suffered an employment injury or work-related prescribed disease resulting in permanent disability.

Amount Of Benefit:

- Disability assessment less than 25%: One time grant of 260 times AWIE in 4 weeks before injury times the % of disability.
- Disability Assessment 25% or more: Pension of 60% of average weekly insurable earnings in 4 weeks before injury times the % of disability.
- Minimum Pension: $47 per week for as long as the disability continues.

(e) CONSTANT ATTENDANCE ALLOWANCE

Eligibility Requirements: Must be an insured person with 100% disability due to an employment injury or work-related prescribed disease.

Amount Of Benefit: 25% of the Disablement Pension.

Benefit Duration: Paid as long as so determined by a Medical Board or Medical Practitioner.

A.2.4 Reciprocal Social Security Agreements

Belize is a signatory to the CARICOM Agreement on Social Security. By totalising contributions made in all CARICOM countries, persons who have insufficient contributions to qualify for a pension in one or more states, may receive pensions from all systems if the total number of contributions made exceeds the number required in that state. The pension payable would be the proportion that contributions made in that state bear to the total contributions made times the pension that would have been payable for the total number of contributions made. The Agreement covers Retirement/Old-age, Invalidity, Survivors, Disablement and Death benefits only.

The SSB also has a bilateral agreement with The Netherlands on the portability of benefits.

Appendix B Methodology, Data & Assumptions

The projections referenced in this report were drawn from the 2024 actuarial review. This appendix sets out the methodology, data and assumptions that correspond to the 2024 projections.

This actuarial review makes use of the comprehensive methodology developed at the Financial and Actuarial Service of the ILO (ILO FACTS) for reviewing the long-term actuarial and financial status of a national pension scheme. The review has been undertaken by modifying the generic version of the ILO modeling tools to fit the specific case of Belize and the Social Security Board. These modeling tools include a population model, an economic model, a labour force model, a wage model, a long-term benefits model and a short-term benefits model.

The actuarial valuation begins with a projection of Belize' future demographic and economic environment. Next, projection factors specifically related to the SSB are determined and used in combination with the demographic/economic framework to estimate future cash flows and reserves. Assumption selection takes into account both recent experience and future expectations, with emphasis placed on long-term trends rather than giving undue weight to recent experience. Projections have been made under three assumption sets for which the demographic and economic assumptions vary.

B.1 Modelling the Demographic & Economic Developments

The general Belize population has been projected beginning with totals obtained from the 2022 national census and by applying appropriate mortality, fertility and migration assumptions. For the Best Estimate scenario, the total fertility rate is assumed to decrease from 1.8 to 1.4. Table B.1 shows ultimate age-specific and total fertility rates for the three scenarios.

Table B.1. Age-Specific & Total Fertility Rates

Age Group	Fertility Rates 2022	Fertility Rates (2035+)		
		Optimistic	Best Estimate	Pessimistic
15 - 19	0.070	0.027	0.024	0.020
20 - 24	0.103	0.055	0.048	0.041
25 - 29	0.090	0.086	0.075	0.065
30 - 34	0.072	0.079	0.070	0.060
35 - 39	0.037	0.068	0.060	0.051
40 - 44	0.012	0.014	0.012	0.010
45 - 49	0.000	0.000	0.000	0.000
Total Fertility Rate	1.80	1.60	1.40	1.20

Mortality rates have been determined using United Nations life tables for Latin America. These rates have been adjusted to model closely the actual number of deaths in Belize. Improvements in life expectancy for the Best Estimate scenario have been assumed to follow the "slow" rate as established by the United Nations. Sample mortality rates for the Best Estimate scenario and the life expectancies at birth and at age 65 for sample years are provided in Table B.2.

Table B.2. Sample Mortality Rates & Life Expectancies

Age	Males			Females		
	2024	2054	2084	2024	2054	2084
0	0.0355	0.0251	0.0209	0.0298	0.0206	0.0167
5	0.0009	0.0006	0.0005	0.0008	0.0005	0.0004
15	0.0005	0.0003	0.0003	0.0003	0.0002	0.0002
25	0.0012	0.0008	0.0006	0.0006	0.0004	0.0003
35	0.0016	0.0011	0.0009	0.0011	0.0008	0.0006
45	0.0033	0.0024	0.0020	0.0023	0.0016	0.0013
55	0.0081	0.0062	0.0053	0.0050	0.0036	0.0030
65	0.0199	0.0159	0.0138	0.0136	0.0099	0.0082
75	0.0481	0.0401	0.0357	0.0355	0.0273	0.0234
85	0.1188	0.1045	0.0958	0.0955	0.0776	0.0684
95	0.2643	0.2449	0.2308	0.2122	0.1832	0.1669
Life Expectancy at:						
Birth	70.3	74.4	76.5	74.2	78.8	81.1
Age 65	15.6	16.9	17.9	17.5	19.6	20.9
Life Expectancy at Age 65 for Alternate Scenarios:						
Pessimistic	15.6	17.5	18.9	17.5	20.3	21.9
Optimistic	15.6	16.3	16.8	17.5	18.6	19.5

Net inward migration is assumed to increase over time as shown in Table B.3 below.

Table B.3. Net Migration

Age	2025			2050			2060		
	Opt.	Best Est.	Pess.	Opt.	Best Est.	Pess.	Opt.	Best Est.	Pess.
0 - 9	54	42	29	82	63	44	109	84	59
10 - 19	51	40	28	77	59	41	103	79	55
20 - 29	309	238	166	463	356	249	618	475	333
30 - 39	174	134	93	260	200	140	347	267	187
40 - 49	48	37	26	73	56	39	97	75	52
50 - 59	11	9	6	17	13	9	23	17	12
60 - 69	2	2	1	3	2	2	4	3	2
70+	-	-	-	-	-	-	-	-	-
All Ages	650	500	350	975	750	525	1,300	1,000	700

The projection of the labour force, i.e. the number of people available for work, is obtained by applying assumed labour force participation rates to the projected number of persons in the total population. Over the first 30 years age-specific labour force participation rates for both males and females for ages 55 and over are assumed to gradually approach the rates that in 2024 apply to persons five years younger. Further for females, labour force participation rates in 2054 are assumed to be 20% higher than in 2024. Table B.4 below shows the assumed age-specific labour force participation rates in 2024, 2039 and 2054 and onwards.

Table B.4. Age-Specific & Total Labour Force Participation Rates

Age	Males			Females		
	2024	2039	2054	2024	2039	2054
17	45%	45%	45%	24%	27%	29%
22	65%	65%	65%	45%	49%	53%
27	80%	80%	80%	56%	61%	66%
32	95%	95%	95%	60%	66%	71%
37	96%	96%	96%	61%	67%	72%
42	96%	96%	96%	61%	67%	72%
47	95%	95%	95%	59%	65%	70%
52	87%	89%	90%	51%	56%	60%
57	76%	82%	87%	39%	45%	50%
62	52%	64%	75%	24%	32%	38%
67	13%	33%	50%	6%	15%	23%

The projected real GDP divided by the projected labour productivity per worker gives the number of employed persons required to produce total output. Unemployment is then measured as the difference between the projected labour force and employment.

Estimates of increases in the total wages as well as the average wage earned are required. Annual average real wage increases are assumed equal to the assumed increase in labour productivity as it is expected that wages will almost adjust to efficiency levels over time. The inflation assumption affects nominal average wage increases. Actual projection assumptions for each scenario may be found in Table 5.1.

B.2 Projection of Social Security Income & Expenditure

This actuarial review addresses all Social Security Fund revenue and expenditure items. For Short-term and Employment Injury benefits, expenditure is projected as a percentage of insurable wages. Projections of pensions are performed following a year-by-year cohort methodology. For each year up to 2084, the number of contributors and pensioners, and the dollar value of contributions, benefits and administrative expenditure, is estimated.

Once the projections of the insured (covered) population, as described in the previous section, are complete, contribution income is then determined from the projected total insurable wages, the contribution rate and contribution density. Contribution density refers to the average number of weeks of contributions insured persons make during a year.

Benefit amounts are obtained through contingency factors based primarily on Fund experience and applied to the population entitled to benefits. The Investment rate of return is assumed constant in all years. SSB administrative expenses are modelled as a percentage of insurable earnings. Finally, the end-of-year reserve is the beginning-of-year reserve plus the net result of cash inflow and outflow.

B.3 Social Security Population Data and Assumptions

The data required for the valuation of the Social Security Fund is extensive. As of December 31st, 2024, required data includes the insured population by active and inactive status, the distribution of insurable wages among contributors, the distribution of paid and credited contributions and pensions in payment, all segregated by age and sex.

SSB-specific assumptions such as the incidence of invalidity, the distribution of retirement by age, density and collection of contributions, are determined with reference to the application of the Fund's provisions and historical experience.

Projecting investment income requires information of the existing assets at the valuation date and past performance of each class. Future expectations of changes in asset mix and expected rates of return on each asset type together allow for long-term rate of return expectations.

Details of Social Security specific input data and the key assumptions used in this report are provided in tables B.5 through B.9.

Table B.5. 2024 Active Insured Population, Earnings & Past Credits

Age	# of Active Insureds		Average Weekly Insurable Earnings		Average # of Years of Past Contributions	
	Male	Female	Male	Female	Male	Female
15 - 19	5,169	3,228	$277	$265	0.6	0.4
20 - 24	12,173	9,508	$326	$317	2.5	2.1
25 - 29	11,403	9,029	$367	$358	5.3	4.4
30 - 34	10,118	8,113	$387	$376	8.7	7.1
35 - 39	8,830	7,120	$400	$385	12.2	10.3
40 - 44	7,189	5,631	$403	$384	15.1	14.0
45 - 49	5,824	4,432	$400	$380	17.6	16.6
50 - 54	4,859	3,259	$396	$378	19.3	20.0
55 - 59	3,498	1,856	$373	$347	20.7	21.2
60 - 64	1,708	629	$360	$330	19.4	22.1
65+	1,267	318	$42	$59	20.3	23.5
All Ages	72,038	53,123	$363	$355	9.6	8.6

Table B.6. Pensioners in Payment - December 2024

Age	Retirement Pension		Invalidity Pension		Survivors Pension		Non-Con. Pension		Disablement & Death	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
0 - 4	-	-	-	-	71	-	-	-	1	-
5 - 9	-	-	-	-	249	-	-	-	2	-
10 - 14	-	-	-	-	537	-	-	-	2	-
15 - 19	-	-	-	-	591	-	-	-	-	-
20 - 24	-	-	1	-	34	8	-	-	1	-
25 - 29	-	-	2	2	10	23	-	-	6	1
30 - 34	-	-	4	-	11	61	-	-	21	8
35 - 39	-	-	14	10	22	77	-	-	30	23
40 - 44	-	-	28	16	13	105	-	-	52	49
45 - 49	-	-	35	34	6	99	-	-	91	68
50 - 54	-	-	96	54	4	144	-	-	128	87
55 - 59	-	-	106	95	6	221	-	-	101	122
60 - 64	2,242	1,690	74	61	5	280	-	-	78	105
65 - 69	2,282	1,312	46	43	8	329	8	32	51	97
70 - 74	1,369	816	11	5	2	285	14	37	20	42
75 - 79	750	373	1	-	4	219	37	88	14	28
80 - 84	316	169	-	-	3	142	66	145	16	13
85 - 89	147	92	-	-	2	103	81	129	4	1
90 - 94	40	32	-	-	3	27	43	84	3	2
95+	16	12	-	-	-	12	17	39	-	1
# of Pensioners	7,162	4,496	418	320	1,581	2,135	266	554	621	647
Avg Weekly Pension	$125	$125	$142	$136	$34	$75	$23	$23	$116	$109

The following table shows assumed density factors, or the average portion of the year for which contributions are made. These rates are assumed to remain constant for all years.

Table B.7. Density Of Contributions

Age	Males	Females
17	31%	29%
22	74%	70%
27	80%	82%
32	85%	86%
37	85%	89%
42	86%	91%
47	89%	92%
52	89%	93%
57	90%	95%
62	92%	94%

The following table shows the expected incidence rates of insured persons qualifying for Invalidity benefit which is assumed for all projection years.

Table B.8. Rates of Entry Into Invalidity

Age	Males	Females
17	-	-
22	0.032	-
27	0.104	0.049
32	0.448	0.206
37	0.343	0.401
42	0.581	0.962
47	1.214	1.289
52	1.936	2.517
57	5.085	3.667

Table B.9 shows the assumed probability of Survivor benefit claims, grouped by the age of the deceased.

Table B.9. Probability of a Deceased Having Eligible Survivors

Age	Males	Females
17	-	-
22	0.19	-
27	0.13	-
32	0.63	0.02
37	0.58	0.03
42	0.66	0.03
47	0.77	0.02
52	0.71	0.02
57	0.81	0.02
62	0.77	0.02
67	0.65	0.01
72	0.26	0.01
77	0.21	0.01
82	0.21	0.00
87	0.15	0.00

Appendix C Projection Results

Table C.1. Projected Belize Population, All Scenarios

Year	All Ages	0-15		16-64		65+		Age Depend. Ratio
2022	397,484	118,032	29.7%	256,927	64.6%	22,525	5.7%	0.09
				Best Estimate				
2024	406,537	121,750	29.9%	260,250	64.0%	24,537	6.0%	0.09
2034	444,585	96,693	21.7%	309,959	69.7%	37,933	8.5%	0.12
2044	474,377	85,642	18.1%	334,808	70.6%	53,927	11.4%	0.16
2054	493,916	82,041	16.6%	338,157	68.5%	73,718	14.9%	0.22
2064	499,766	72,220	14.5%	332,130	66.5%	95,416	19.1%	0.29
2074	492,990	65,592	13.3%	306,386	62.1%	121,012	24.5%	0.39
2084	473,853	61,885	13.1%	274,506	57.9%	137,462	29.0%	0.50
				Pessimistic				
2024	406,235	121,726	30.0%	259,971	64.0%	24,539	6.0%	0.09
2034	445,280	98,782	22.2%	308,412	69.3%	38,086	8.6%	0.12
2044	466,665	79,409	17.0%	332,691	71.3%	54,566	11.7%	0.16
2054	478,332	69,885	14.6%	333,214	69.7%	75,232	15.7%	0.23
2064	476,311	60,601	12.7%	317,732	66.7%	97,978	20.6%	0.31
2074	459,745	51,354	11.2%	283,761	61.7%	124,629	27.1%	0.44
2084	430,700	45,142	10.5%	242,815	56.4%	142,744	33.1%	0.59
				Optimistic				
2024	406,859	121,800	29.9%	260,526	64.0%	24,533	6.0%	0.09
2034	450,636	101,683	22.6%	311,341	69.1%	37,612	8.3%	0.12
2044	488,016	97,712	20.0%	337,719	69.2%	52,585	10.8%	0.16
2054	515,069	95,037	18.5%	349,342	67.8%	70,690	13.7%	0.20
2064	530,623	87,505	16.5%	352,493	66.4%	90,626	17.1%	0.26
2074	535,431	84,462	15.8%	336,606	62.9%	114,363	21.4%	0.34
2084	528,419	82,495	15.6%	316,824	60.0%	129,100	24.4%	0.41

Table C.2. Projected Cash Flows & Reserves - Best Estimate Scenario (millions of $'s)

Year	Inflows				Outflows				Surplus/ (Deficit)	Reserves	
	Contribution Income	Investment Income	Other Income	Total	Benefits	Admin. Expenses	Transfer to Funds	Total		End of Year	# of times current year's expenditure
2022	143.9	21.1	2.4	**167.3**	107.4	24.8	1.9	**134.1**	**33.2**	**629**	4.8
2023	166.0	26.1	2.2	**194.3**	115.3	26.1	2.3	**143.8**	**50.5**	**679**	4.8
2024	179.4	23.9	3.1	**206.5**	127.3	28.8	2.4	**158.5**	**48.0**	**727**	4.7
2025	191.3	18.5	2.9	**212.7**	134.8	28.7	2.3	**165.8**	**47.0**	**774**	4.7
2026	198.1	23.6	3.0	**224.7**	143.3	29.4	2.4	**175.1**	**49.6**	**824**	4.7
2027	225.4	29.2	3.4	**257.9**	172.1	33.1	2.7	**208.0**	**50.0**	**873**	4.2
2028	233.9	30.9	3.5	**268.3**	184.5	34.0	2.8	**221.3**	**47.0**	**921**	4.2
2029	243.0	32.4	3.6	**279.1**	197.7	35.0	2.9	**235.6**	**43.4**	**964**	4.1
2030	252.4	33.8	3.8	**290.0**	212.7	36.0	3.0	**251.7**	**38.3**	**1,002**	4.0
2031	262.2	35.0	3.9	**301.1**	228.9	37.0	3.1	**269.0**	**32.1**	**1,034**	3.8
2032	273.9	36.0	4.1	**314.0**	247.5	38.2	3.3	**289.0**	**25.0**	**1,059**	3.7
2033	286.3	36.7	4.3	**327.3**	267.1	39.5	3.4	**310.1**	**17.3**	**1,077**	3.5
2034	299.1	37.2	4.5	**340.8**	287.8	40.8	3.6	**332.2**	**8.6**	**1,085**	3.3
2039	365.3	33.8	5.5	**404.6**	407.1	47.1	4.4	**458.6**	**(54.1)**	**955**	2.1
2044	428.2	15.8	6.4	**450.4**	559.8	52.0	5.1	**617.0**	**(166.6)**	**374**	0.6
2049	479.3	0.0	7.2	**486.5**	753.1	54.6	5.8	**813.5**	**(327.0)**	**(941)**	(1.2)
2054	529.7	0.0	7.9	**537.7**	983.0	56.4	6.4	**1,045.7**	**(508.1)**	**(3,109)**	(3.0)
2064	662.8	0.0	9.9	**672.7**	1,640.4	60.6	8.0	**1,709.0**	**(1,036.2)**	**(10,836)**	(6.3)
2074	853.8	0.0	12.8	**866.6**	2,634.8	65.3	10.2	**2,710.4**	**(1,843.8)**	**(25,499)**	(9.4)
2084	1,097.3	0.0	16.5	**1,113.8**	3,614.1	67.5	13.2	**3,694.7**	**(2,580.9)**	**(48,239)**	(13.1)

Table C.3. Projected Benefit Expenditure - Best Estimate Scenario (millions of $'s)

Year	Pensions				Grants	Short-Term	Employment Injury	Admin. Expenses & Transfers	Expenditure as a % of Ins. Wages
	Retirement	Invalidity	Survivors	NCOAP					
2022	59.8	4.4	8.8	1.1	5.2	23.2	4.8	28.2	8.9%
2023	66.9	4.8	9.4	0.9	5.9	21.5	5.9	30.1	8.5%
2024	73.8	5.3	10.3	0.9	6.3	24.7	6.0	33.1	8.7%
2025	82.4	5.8	11.6	0.8	5.7	22.0	6.3	28.7	8.7%
2026	88.8	6.3	12.0	0.8	5.9	22.8	6.6	29.4	8.8%
2027	109.1	7.8	14.2	0.9	6.8	25.9	7.4	33.1	9.2%
2028	118.1	8.5	14.9	0.8	7.0	26.9	8.2	34.0	9.5%
2029	128.2	9.2	15.6	0.8	7.3	27.9	8.7	35.0	9.7%
2030	139.8	10.0	16.4	0.7	7.6	29.0	9.2	36.0	10.0%
2031	152.5	10.8	17.2	0.7	7.9	30.1	9.7	37.0	10.3%
2032	166.9	11.8	18.2	0.7	8.2	31.5	10.2	38.2	10.6%
2033	182.2	12.8	19.2	0.6	8.6	32.9	10.9	39.5	10.8%
2034	198.2	13.8	20.2	0.6	9.0	34.4	11.5	40.8	11.1%
2039	291.9	19.8	26.7	0.5	11.0	42.0	15.2	47.1	12.6%
2044	414.7	27.5	35.5	0.4	12.8	49.2	19.5	52.0	14.4%
2049	574.6	37.3	46.7	0.4	14.4	55.1	24.5	54.6	17.0%
2054	765.3	49.6	60.4	0.5	15.9	60.9	30.4	56.4	19.7%
2064	1,320.0	82.1	95.5	0.5	19.9	76.2	46.1	60.6	25.8%
2074	2,185.1	118.3	141.7	0.6	25.6	98.2	65.3	65.3	31.7%
2084	3,024.5	148.0	197.8	0.8	32.9	126.2	83.8	67.5	33.7%

Table C.4. Projected Contributors & Pensioners - Best Estimate Scenario

Year	# of Contributors	# of Pensioners					Total # of Pensioners	Ratio of Contributors to Pensioners
		Retirement	Invalidity	Survivors	Death & Disablement	NCOAP		
2022	116,129	9,832	645	3,443	726	1,051	**15,697**	**7.4**
2023	120,316	10,818	681	3,579	722	937	**16,737**	**7.2**
2024	125,512	11,658	738	3,716	722	820	**17,654**	**7.1**
2025	124,836	12,524	801	3,829	721	758	**18,633**	**6.7**
2026	127,331	13,309	864	3,902	766	712	**19,553**	**6.5**
2027	129,621	14,103	927	3,978	812	661	**20,481**	**6.3**
2028	131,820	14,986	992	4,048	859	615	**21,500**	**6.1**
2029	133,894	15,902	1,057	4,109	906	571	**22,545**	**5.9**
2030	135,967	16,877	1,122	4,173	952	531	**23,655**	**5.7**
2031	138,028	17,904	1,188	4,230	999	494	**24,813**	**5.6**
2032	140,072	18,961	1,253	4,286	1,045	460	**26,004**	**5.4**
2033	142,091	20,048	1,318	4,338	1,091	427	**27,222**	**5.2**
2034	144,081	21,156	1,383	4,386	1,137	397	**28,459**	**5.1**
2039	151,436	26,962	1,713	4,738	1,375	294	**35,082**	**4.3**
2044	153,122	33,306	2,050	5,291	1,628	243	**42,518**	**3.6**
2049	149,932	40,269	2,399	5,939	1,892	219	**50,718**	**3.0**
2054	145,638	47,008	2,763	6,594	2,168	208	**58,740**	**2.5**
2064	142,676	61,884	3,475	7,762	2,701	202	**76,024**	**1.9**
2074	144,523	78,580	3,890	8,676	3,023	201	**94,371**	**1.5**
2084	142,043	84,158	3,881	9,295	3,047	201	**100,582**	**1.4**

Note: The # of contributors after 2024 excludes those receiving Retirement benefit and contributing towards Employment Injury benefits only.

Table C.5. Projected Cash Flows & Reserves - Pessimistic Scenario (millions of $'s)

Year	Inflows				Outflows				Surplus/ (Deficit)	Reserves	
	Contribution Income	Investment Income	Other Income	Total	Benefits	Admin. Expenses	Transfer to Funds	Total		End of Year	# of times current year's expenditure
2022	143.9	21.1	2.4	**167.3**	107.4	24.8	1.9	**134.1**	**33.2**	**629**	4.8
2023	166.0	26.1	2.2	**194.3**	115.3	26.1	2.3	**143.8**	**50.5**	**679**	4.8
2024	179.4	23.9	3.1	**206.5**	127.3	28.8	2.4	**158.5**	**48.0**	**727**	4.7
2025	190.5	18.5	2.9	**211.9**	134.3	28.6	2.3	**165.2**	**46.7**	**774**	4.7
2026	192.4	19.6	2.9	**214.9**	142.5	29.3	2.4	**174.2**	**40.6**	**814**	4.7
2027	217.8	20.5	3.3	**241.6**	171.1	33.1	2.7	**206.9**	**34.7**	**849**	4.1
2028	224.9	21.3	3.4	**249.6**	183.2	34.1	2.8	**220.0**	**29.6**	**879**	4.0
2029	232.5	22.0	3.5	**258.0**	196.2	35.1	2.8	**234.2**	**23.8**	**902**	3.9
2030	240.3	22.5	3.6	**266.4**	210.9	36.2	2.9	**250.0**	**16.3**	**919**	3.7
2031	248.3	22.8	3.7	**274.8**	226.8	37.2	3.0	**267.1**	**7.7**	**926**	3.5
2032	257.7	22.9	3.9	**284.4**	244.6	38.5	3.2	**286.3**	**(1.9)**	**925**	3.2
2033	267.5	22.7	4.0	**294.2**	263.4	39.9	3.3	**306.5**	**(12.3)**	**912**	3.0
2034	277.6	22.2	4.2	**304.0**	283.0	41.2	3.4	**327.7**	**(23.7)**	**889**	2.7
2039	327.2	15.0	4.9	**347.1**	395.5	47.8	4.0	**447.3**	**(100.2)**	**555**	1.2
2044	369.3	0.0	5.5	**374.8**	537.0	52.9	4.5	**594.4**	**(219.6)**	**(288)**	(0.5)
2049	397.4	0.0	6.0	**403.3**	712.8	56.0	4.9	**773.6**	**(370.3)**	**(1,822)**	(2.4)
2054	423.9	0.0	6.4	**430.3**	917.1	58.6	5.2	**980.9**	**(550.6)**	**(4,206)**	(4.3)
2064	482.9	0.0	7.2	**490.2**	1,472.8	64.3	5.9	**1,543.0**	**(1,052.8)**	**(12,264)**	(7.9)
2074	569.0	0.0	8.5	**577.5**	2,257.6	72.9	7.0	**2,337.4**	**(1,759.9)**	**(26,599)**	(11.4)
2084	707.4	0.0	10.6	**718.0**	2,962.5	87.0	8.7	**3,058.1**	**(2,340.1)**	**(47,674)**	(15.6)

Table C.6. Projected Benefit Expenditure - Pessimistic Scenario (millions of $'s)

Year	Pensions				Grants	Short-Term	Employment Injury	Admin. Expenses & Transfers	Expenditure as a % of Ins. Wages
	Retirement	Invalidity	Survivors	NCOAP					
2022	59.8	4.4	8.8	1.1	5.2	23.2	4.8	28.2	8.9%
2023	66.9	4.8	9.4	0.9	5.9	21.5	5.9	30.1	8.5%
2024	73.8	5.3	10.3	0.9	6.3	24.7	6.0	33.1	8.7%
2025	82.1	5.8	11.6	0.8	5.7	21.9	6.3	28.6	8.7%
2026	88.3	6.3	12.0	0.8	5.9	22.6	6.6	29.3	9.1%
2027	108.6	7.8	14.2	0.9	6.7	25.6	7.3	33.1	9.5%
2028	117.6	8.5	14.9	0.8	6.9	26.4	8.1	34.1	9.8%
2029	127.7	9.2	15.6	0.8	7.1	27.3	8.5	35.1	10.1%
2030	139.3	10.0	16.3	0.7	7.4	28.2	9.0	36.2	10.4%
2031	152.0	10.8	17.1	0.7	7.6	29.1	9.5	37.2	10.8%
2032	166.1	11.7	18.0	0.7	7.9	30.2	10.0	38.5	11.1%
2033	181.0	12.6	19.0	0.6	8.2	31.4	10.6	39.9	11.5%
2034	196.7	13.6	19.9	0.6	8.5	32.6	11.2	41.2	11.8%
2039	287.2	19.3	25.8	0.5	10.0	38.4	14.4	47.8	13.7%
2044	404.0	26.3	33.6	0.5	11.3	43.3	18.0	52.9	16.1%
2049	553.3	34.9	43.2	0.5	12.2	46.6	22.1	56.0	19.5%
2054	726.9	45.5	54.6	0.5	13.0	49.7	26.8	58.6	23.1%
2064	1,207.3	72.5	82.1	0.6	14.8	56.7	38.9	64.3	31.9%
2074	1,904.8	100.1	115.4	0.7	17.4	66.8	52.4	72.9	41.1%
2084	2,522.1	119.3	151.3	0.9	21.7	83.0	64.2	87.0	43.2%

Table C.7. Projected Contributors & Pensioners - Pessimistic Scenario

Year	# of Contributors	# of Pensioners					Total # of Pensioners	Ratio of Contributors to Pensioners
		Retirement	Invalidity	Survivors	Death & Disablement	NCOAP		
2022	116,129	9,832	645	3,443	726	1,051	**15,697**	**7.4**
2023	120,316	10,818	681	3,579	722	937	**16,737**	**7.2**
2024	125,512	11,658	738	3,716	722	820	**17,654**	**7.1**
2025	124,298	12,482	801	3,829	721	758	**18,591**	**6.7**
2026	126,241	13,246	864	3,902	766	712	**19,490**	**6.5**
2027	127,961	14,043	927	3,976	812	662	**20,419**	**6.3**
2028	129,574	14,929	991	4,044	858	615	**21,436**	**6.0**
2029	131,046	15,847	1,056	4,102	904	571	**22,480**	**5.8**
2030	132,500	16,827	1,120	4,161	950	531	**23,589**	**5.6**
2031	133,927	17,860	1,184	4,212	996	495	**24,746**	**5.4**
2032	135,317	18,924	1,248	4,261	1,041	461	**25,935**	**5.2**
2033	136,665	20,020	1,312	4,305	1,086	428	**27,151**	**5.0**
2034	137,965	21,138	1,376	4,345	1,130	398	**28,387**	**4.9**
2039	141,695	27,024	1,695	4,638	1,358	295	**35,009**	**4.0**
2044	139,552	33,500	2,016	5,115	1,597	244	**42,472**	**3.3**
2049	132,983	40,631	2,342	5,691	1,843	220	**50,727**	**2.6**
2054	125,736	47,536	2,679	6,252	2,095	208	**58,771**	**2.1**
2064	114,438	62,265	3,344	7,200	2,586	202	**75,597**	**1.5**
2074	109,077	77,580	3,717	7,888	2,869	202	**92,256**	**1.2**
2084	110,030	81,641	3,677	8,168	2,855	202	**96,543**	**1.1**

Note: The # of contributors after 2024 excludes those receiving Retirement benefit and contributing towards Employment Injury benefits only.

Table C.8. Projected Cash Flows & Reserves - Optimistic Scenario (millions of $'s)

Year	Inflows				Outflows					Reserves	
	Contribution Income	Investment Income	Other Income	Total	Benefits	Admin. Expenses	Transfer to Funds	Total	Surplus/ (Deficit)	End of Year	# of times current year's expenditure
2022	143.9	21.1	2.4	**167.3**	107.4	24.8	1.9	**134.1**	**33.2**	**629**	4.8
2023	166.0	26.1	2.2	**194.3**	115.3	26.1	2.3	**143.8**	**50.5**	**679**	4.8
2024	179.4	23.9	3.1	**206.5**	127.3	28.8	2.4	**158.5**	**48.0**	**727**	4.7
2025	192.1	18.5	2.9	**213.6**	134.6	28.8	2.3	**165.7**	**47.8**	**775**	4.7
2026	203.9	27.7	3.1	**234.6**	143.1	29.5	2.4	**175.0**	**59.6**	**834**	4.8
2027	233.1	38.2	3.5	**274.8**	172.1	33.1	2.7	**208.0**	**66.8**	**901**	4.3
2028	243.2	41.1	3.6	**288.0**	184.7	34.0	2.9	**221.5**	**66.5**	**968**	4.4
2029	253.9	44.0	3.8	**301.7**	198.2	34.8	3.0	**236.0**	**65.7**	**1,033**	4.4
2030	265.0	46.9	4.0	**315.9**	213.4	35.7	3.1	**252.3**	**63.6**	**1,097**	4.3
2031	276.6	49.6	4.1	**330.4**	229.9	36.6	3.3	**269.8**	**60.6**	**1,158**	4.3
2032	290.9	52.2	4.4	**347.5**	249.3	37.8	3.4	**290.5**	**57.0**	**1,215**	4.2
2033	306.2	54.6	4.6	**365.4**	269.8	39.0	3.6	**312.4**	**53.0**	**1,268**	4.1
2034	322.1	56.9	4.8	**383.8**	291.4	40.3	3.8	**335.5**	**48.3**	**1,316**	3.9
2039	407.4	63.7	6.1	**477.2**	417.4	45.9	4.8	**468.2**	**9.1**	**1,452**	3.1
2044	494.9	57.5	7.4	**559.8**	580.8	49.7	5.8	**636.3**	**(76.5)**	**1,267**	2.0
2049	575.3	24.2	8.6	**608.2**	790.2	50.8	6.8	**847.7**	**(239.5)**	**429**	0.5
2054	663.5	0.0	10.0	**673.5**	1,044.6	50.4	7.8	**1,102.9**	**(429.4)**	**(1,364)**	(1.2)
2064	903.0	0.0	13.5	**916.5**	1,803.9	46.5	10.6	**1,861.0**	**(944.5)**	**(8,197)**	(4.4)
2074	1,215.9	0.0	18.2	**1,234.2**	3,011.7	32.8	14.3	**3,058.8**	**(1,824.7)**	**(22,225)**	(7.3)
2084	1,624.4	0.0	24.4	**1,648.7**	4,375.9	4.0	19.1	**4,399.0**	**(2,750.3)**	**(45,789)**	(10.4)

Table C.9. Projected Benefit Expenditure - Optimistic Scenario (millions of $'s)

Year	Pensions				Grants	Short-Term	Employment Injury	Admin. Expenses & Transfers	Expenditure as a % of Ins. Wages
	Retirement	Invalidity	Survivors	NCOAP					
2022	59.8	4.4	8.8	1.1	5.2	23.2	4.8	28.2	8.9%
2023	66.9	4.8	9.4	0.9	5.9	21.5	5.9	30.1	8.5%
2024	73.8	5.3	10.3	0.9	6.3	24.7	6.0	33.1	8.7%
2025	82.1	5.8	11.6	0.8	5.8	22.1	6.3	28.8	8.6%
2026	88.3	6.3	12.0	0.8	6.0	23.0	6.7	29.5	8.6%
2027	108.6	7.9	14.2	0.9	6.9	26.3	7.5	33.1	8.9%
2028	117.6	8.5	14.9	0.8	7.2	27.4	8.3	34.0	9.1%
2029	127.7	9.2	15.6	0.8	7.5	28.6	8.8	34.8	9.3%
2030	139.3	10.0	16.4	0.7	7.8	29.9	9.3	35.7	9.5%
2031	151.9	10.9	17.2	0.7	8.1	31.2	9.9	36.6	9.8%
2032	166.6	11.9	18.3	0.7	8.6	32.8	10.5	37.8	10.0%
2033	182.2	12.9	19.4	0.6	9.0	34.5	11.2	39.0	10.2%
2034	198.6	13.9	20.5	0.6	9.5	36.3	11.9	40.3	10.4%
2039	294.8	20.3	27.9	0.5	12.0	45.9	16.1	45.9	11.5%
2044	422.1	28.7	38.1	0.4	14.6	55.8	21.1	49.7	12.9%
2049	589.7	39.5	51.7	0.5	16.9	64.9	27.1	50.8	14.7%
2054	793.5	53.3	68.6	0.5	19.5	74.8	34.4	50.4	16.6%
2064	1,415.3	91.1	114.1	0.6	26.6	101.8	54.4	46.5	20.6%
2074	2,443.5	136.0	178.8	0.7	35.8	137.1	79.8	32.8	25.2%
2084	3,589.8	181.5	264.6	0.9	47.8	183.1	108.2	4.0	27.1%

Table C.10. Projected Contributors & Pensioners - Optimistic Scenario

Year	# of Contributors	# of Pensioners					Total # of Pensioners	Ratio of Contributors to Pensioners
		Retirement	Invalidity	Survivors	Death & Disablement	NCOAP		
2022	116,129	9,832	645	3,443	726	1,051	**15,697**	**7.4**
2023	120,316	10,818	681	3,579	722	937	**16,737**	**7.2**
2024	125,512	11,658	738	3,716	722	820	**17,654**	**7.1**
2025	125,373	12,480	801	3,829	721	757	**18,589**	**6.7**
2026	128,424	13,244	864	3,902	766	711	**19,487**	**6.6**
2027	131,293	14,039	928	3,978	813	660	**20,417**	**6.4**
2028	134,092	14,922	993	4,049	860	613	**21,437**	**6.3**
2029	136,788	15,836	1,059	4,113	907	569	**22,483**	**6.1**
2030	139,504	16,806	1,125	4,182	954	529	**23,594**	**5.9**
2031	142,232	17,826	1,190	4,246	1,001	492	**24,754**	**5.7**
2032	144,966	18,873	1,256	4,311	1,049	458	**25,947**	**5.6**
2033	147,700	19,947	1,322	4,375	1,096	425	**27,165**	**5.4**
2034	150,431	21,039	1,389	4,437	1,143	395	**28,403**	**5.3**
2039	161,773	26,718	1,725	4,880	1,390	292	**35,005**	**4.6**
2044	167,678	32,826	2,072	5,562	1,655	242	**42,357**	**4.0**
2049	168,894	39,423	2,431	6,370	1,935	218	**50,377**	**3.4**
2054	169,435	45,742	2,807	7,173	2,225	207	**58,154**	**2.9**
2064	175,955	60,402	3,547	8,607	2,790	201	**75,547**	**2.3**
2074	175,469	78,059	3,994	9,886	3,151	201	**95,291**	**1.8**
2084	167,513	85,127	4,021	10,806	3,213	201	**103,367**	**1.6**

Note: The # of contributors after 2024 excludes those receiving Retirement benefit and contributing towards Employment Injury benefits only.

Appendix D “Core” SSF Income, Expenditure & Reserves, 2023 – 2025

Millions of $’s

	2023	2024	2025
Income			
Contributions	166.00	179.44	191.17
Investment	26.10	23.95	21.60
Other	2.21	3.10	3.46
Total Income	**194.31**	**206.48**	**216.23**
Expenditure			
Benefits			
Sickness Benefit	15.39	18.32	15.17
Maternity Allowance	5.24	5.59	5.71
Maternity Grant	0.83	0.78	0.78
Retirement Benefit	69.67	76.49	84.62
Invalidity Benefit	5.25	5.74	6.65
Survivor's Benefit	10.35	11.57	12.30
Funeral Benefit	1.73	1.95	1.71
Non-Contributory Pension	0.94	0.86	0.77
Disablement Pension	1.84	1.90	1.92
Death Pension	0.58	0.59	0.59
Disablement Grant	0.62	0.58	0.54
Employment Injury	2.89	2.95	3.15
Funeral Grant (Emp. Inj.)	0.01	0.00	0.00
Total Benefit Expenditure	**115.34**	**127.33**	**133.93**
Administrative Expenditure	27.69	30.13	28.79
Total Expenditure	143.03	157.46	162.71
Excess of Income over Expenditure	**51.28**	**49.02**	**53.52**
Transfers to Other Funds	(2.33)	(2.39)	(2.62)
Reserves at End of Year	**679.01**	**726.97**	**777.87**

Totals may be off due to rounding

For Death & Disablement pension, only actual pension payments are shown above.

Appendix E Benefit Branch Experience & Analysis

E.1 Short-term Benefit Experience, 2023 – 2025

Following is experience for 2023 to 2025 for each benefit allocated to the Short-term benefits branch.

Table E.1. STB Branch Expenditure as % of Insurable Wages, 2023 - 2025

Benefit Type	**2023**	**2024**	**2025**
Sickness Benefit	0.93%	1.02%	0.79%
Maternity Benefit	0.32%	0.31%	0.30%
Maternity Grant	0.05%	0.04%	0.04%
All Benefits & Grants	1.29%	1.38%	1.13%
Admin. Expenses	0.31%	0.32%	0.30%
Total Branch Expenditure	**1.60%**	**1.70%**	**1.43%**

Table E.2. Sickness & Maternity Benefit Experience, 2023 – 2025

Year Ended	Sickness Benefit			Maternity Allowance		
	# Claims Awarded per 1,000 Insureds	Average Benefit Duration (days)	Average Weekly Benefit	# Claims Awarded per 1,000 Insureds	Average Benefit Duration (days)	Average Weekly Benefit
2023	312	9.8	$252	12	96	$226
2024	355	8.6	$288	11	96	$252
2025	318	8.0	$279	11	97	$247

Table E.3. Maternity Grant Experience, 2023 – 2025

Year Ended	**# Births**	**# Grants Awarded**
2023	6,336	2,739
2024	5,802	2,599
2025	6,005	2,600

E.2 Long-term Benefit Experience, 2023 – 2025

Following is experience for 2023 to 2025 for each benefit allocated to the Long-term benefits branch.

Table E.4. Long-term Benefits Branch Expenditure as % of Insurable Wages, 2023-2025

Benefit	2023	2024	2025
Retirement Benefit	4.20%	4.26%	4.43%
Invalidity Benefit	0.32%	0.32%	0.35%
Survivors' Benefit	0.62%	0.65%	0.64%
Funeral Benefit	0.10%	0.11%	0.09%
Old-age Non-contribution Pension	0.06%	0.05%	0.04%
All Benefits	**5.30%**	**5.38%**	**5.55%**
Administrative Expenses	1.10%	1.10%	1.05%
Total Branch Expenditure	**6.40%**	**6.48%**	**6.59%**

Table E.5. Pensions In Payment, Awarded & Terminated, 2024- 2025

Pension	Paid in Dec. 2024	Awarded 2025	Terminated 2025	# Paid in Dec. 2025	Avg. Weekly Pension	
					Dec 2024	Dec. 2025
Retirement	11,658	1,174	(460)	12,372	$125	$196
Invalidity	738	98	(44)	792	$140	$148
Survivors	3,716	495	(402)	3,809	$58	$76
Non-Con. Pension	820	40	(112)	748	$23	$23

Table E.6. Funeral Grant Experience, 2023 – 2025

Year Ended	# Deaths	# Grants Awarded
2023	2,297	1,221
2024	2,327	1,330
2025	1,965	1,227

Table E.7. Other Grant Awards, 2023 – 2025

Grant	2023	2024	2025
Retirement	792	773	442
Invalidity	33	22	22
Survivors	130	150	136

E.3 Employment Injury Benefit Experience, 2023 – 2025

Following is experience for 2023 to 2025 for each benefit allocated to the Employment Injury benefits branch.

Table E.8. EIB Branch Expenditure as % of Insurable Wages, 2023 - 2025

Benefit Type	2023	2024	2025
Disablement Benefit	0.11%	0.11%	0.10%
Death Benefit	0.04%	0.03%	0.03%
Disablement Grant	0.04%	0.03%	0.03%
Injury Benefit	0.17%	0.16%	0.16%
All Benefits & Grants	**0.36%**	**0.32%**	**0.32%**
Admin. Expenses	0.14%	0.15%	0.16%
Total Branch Expenditure	**0.40%**	**0.47%**	**0.49%**

Table E.9. Injury Benefit Experience, 2023 – 2025

Year Ended	# Claims Awarded per 1,000 Insureds	Average Benefit Duration (days)	Average Weekly Benefit
2023	10	33	$416
2024	11	30	$440
2025	10	40	$435

Table E.10. Employment Injury Benefit Pensions In Payment, Awarded & Terminated, 2024- 2025

Benefit Type	Paid in Dec. 2024	Awarded 2025	Terminated 2025	# Paid in Dec. 2025	Avg. Weekly Pension	
					Dec 2024	Dec. 2025
Disablement	530	17	(27)	520	$65	$66
Death	192	2	(22)	172	$63	$66