

Kiribati

Exchange rate: US\$1.00 equals
1.32 Australian dollars (A\$).

Old Age, Disability, and Survivors

Regulatory Framework

First and current law: 1976 (provident fund), with amendments.

Type of program: Provident fund system.

Coverage

Employed persons aged 14 or older earning at least A\$10 a month, including employees in government service, public enterprises, cooperatives, and the private sector.

Voluntary coverage for former employees with at least 2 consecutive years of contributions who have not made any withdrawals.

Exclusions: Domestic servants.

Source of Funds

Insured person: 7.5% of gross wages.

The special death benefit is financed by deducting A\$5 a year from all employee accounts from which no withdrawals have ever been made.

Self-employed person: Not applicable.

Employer: 7.5% of payroll.

Government: None; contributes as an employer.

Qualifying Conditions

Old-age benefit: Age 50; at any age for a woman who marries and has never withdrawn payments from her account; at any age (men and women) if emigrating permanently.

Early withdrawal: Age 45 if retired permanently from employment or on providing evidence of the intention to retire permanently.

Disability benefit: Must be assessed with a physical or mental incapacity for work.

Survivor benefit: The deceased fund member had not withdrawn any part of the amount credited to his or her account.

Special death benefit: Paid for the death of a fund member.

Old-Age Benefits

A lump sum is paid equal to the total employee and employer contributions plus accumulated interest. (If the

fund member makes a partial withdrawal at age 45, the remaining amount cannot be withdrawn until age 50.)

The interest rate is 11% a year.

Interest rate adjustment: The interest rate is reviewed every 3 years by the National Provident Fund Board.

Loan scheme: Up to 70% of the member's account balance may be taken as a loan. In the event of default on the loan, the outstanding sum is payable from the account.

Permanent Disability Benefits

A lump sum is paid equal to total employee and employer contributions plus accumulated interest.

The interest rate is 9% a year.

Interest rate adjustment: The interest rate is reviewed every 3 years by the National Provident Fund Board.

Survivor Benefits

Survivor benefit: A lump sum is paid equal to total employee and employer contributions plus accumulated interest. The lump sum is paid to a named survivor.

The interest rate is 11% a year.

Interest rate adjustment: The interest rate is reviewed every 3 years by the National Provident Fund Board.

Special death benefit: The benefit is equal to 50% of the amount credited to the deceased member's fund at the time of death.

The maximum death benefit is A\$1,500.

Administrative Organization

Organized on a tripartite basis and consisting of two representatives each from government, employers, and employees, the National Provident Fund Board administers the program.

Work Injury

Regulatory Framework

First and current law: 1949 (workmen's compensation), with amendments.

Type of program: Employer-liability system, involving compulsory insurance with a private carrier.

Coverage

Employed persons earning A\$10,000 or less a year, including seamen employed on Kiribati ships.

Exclusions: Casual employees.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: The total cost.

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period. For occupational diseases, the incapacity or death must have occurred during employment or within 12 months after employment ended.

Temporary Disability Benefits

The benefit is equal to 100% of earnings for monthly earnings up to a maximum of A\$40; 75% of earnings for monthly earnings greater than A\$40 up to a maximum of A\$60; or 66.6% of earnings for monthly earnings greater than A\$60.

The benefit is payable after a 3-day waiting period.

The maximum benefit is A\$160 a month.

The total maximum benefit is equal to the lump sum payable for total or partial permanent disability.

Permanent Disability Benefits

Permanent disability grant: A lump sum is paid equal to 48 months' earnings.

The minimum grant is A\$500.

The maximum grant is A\$25,000.

Constant-attendance supplement: Equal to 25% of the permanent disability grant.

Partial disability: A percentage of the permanent disability grant is paid according to the assessed degree of disability and the schedule in law. The total payment must not exceed the full benefit payable under permanent total disability.

Workers' Medical Benefits

Medical and surgical care are provided.

Survivor Benefits

Survivor grant: A lump sum is paid equal to 48 months' earnings.

The minimum grant is A\$400.

The maximum grant is A\$25,000.

Funeral grant: Burial expenses of up to A\$30 are paid if there are no eligible survivors.

Administrative Organization

Ministry of Labor, Employment, and Cooperatives administers claims and calculates the benefits due.

Employers insure work injury liability with the Kiribati Insurance Corporation.