

## Bahamas

Exchange rate: US\$1.00 equals  
1.00 Bahamian dollar (B\$).

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First laws:** 1956 (old-age noncontributory pensions) and 1967 (public assistance for disability).

**Current law:** 1972 (national insurance), with 1999 amendment.

**Type of program:** Social insurance and social assistance system.

#### Coverage

**Social insurance:** Employed persons, self-employed persons, and the voluntarily insured.

**Social assistance:** Residents who do not qualify under the National Insurance Act.

#### Source of Funds

##### Social insurance

**Insured person:** 1.7% of earnings, if weekly insurable earnings are less than B\$60; 3.4% for earnings greater than B\$60. Voluntarily insured persons contribute 5% of weekly average wages or income, based on the insured's wages or income of the previous year before registration.

The maximum annual earnings for contribution and benefit purposes are B\$20,800.

The above mandatory contributions also finance cash sickness, maternity, and work injury benefits. The contributions of the voluntarily insured finance old-age, disability, and survivor pensions and funeral and maternity grants.

**Self-employed person:** 8.8% of earnings if also covered for work injury benefits; 6.8% of earnings if not covered for work injury benefits.

The maximum annual earnings for contribution and benefit purposes are B\$20,800.

The above contributions also finance cash sickness, maternity, and work injury benefits (except for certain categories of self-employed persons).

**Employer:** 7.1% of payroll for weekly insurable wages less than B\$60; 5.4% for wages greater than B\$60. (0.75% of the employer's contribution is earmarked for work injury benefits.)

The maximum annual earnings for contribution and benefit purposes are B\$20,800.

The above contributions also finance cash sickness, maternity, and work injury benefits.

**Government:** None.

##### Social assistance

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** Total cost of all income-tested allowances in force before October 1974.

#### Qualifying Conditions

##### Social insurance

**Retirement pension:** Age 65 with 150 weeks of paid contributions. Employees who were older than age 35 in 1974 (self-employed older than age 35 in 1976) receive a 25-week credit for each year that they were older than age 35, up to a maximum of 600 weeks, provided that contributions were paid for 150 weeks during the first 3 years that the program was in operation.

Entitlement ceases if the insured person earns B\$200 or more a week.

**Early pension:** An early pension is payable between ages 60 and 64.

**Deferred pension:** The pension can be deferred up to age 69.

Benefit is paid locally for insured persons who live abroad.

**Disability pension:** Younger than age 65 and permanently incapable of any work. Employees who were older than age 35 in 1974 (self-employed older than age 35 in 1976) receive a 25-week credit for each year that they were older than age 35, up to a maximum of 600 weeks, provided that contributions were paid for 150 weeks during the first 3 years that the program was in operation.

**Survivor pension:** The deceased was a pensioner or had made 150 contributions at the time of death.

Eligible survivors are a widow aged 40 or older who is incapable of gainful employment or is caring for a child eligible for survivor benefits. The pension is also payable to a dependent disabled widower with weekly income less than B\$46.15 and a dependent child younger than age 16 (age 21 if a student).

**Funeral grant:** Payable for the death of an insured person or the spouse of an insured person. The insured must have at least 50 paid contributions.

##### Social assistance

**Noncontributory old-age pension (income-tested):** For resident retired workers aged 65 or older who do not qualify under the National Insurance Act.

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*Disability assistance (income-tested):* For residents who are assessed as disabled and who do not qualify under the National Insurance Act.

*Survivor assistance (income-tested):* Payable if the deceased did not qualify under the National Insurance Act.

### Old-Age Benefits

#### Social insurance

*Retirement pension:* The pension is equal to 40% of the covered wage with 750 weeks of paid or credited contributions; 15% to 38% of the covered wage with between 150 and 749 weeks of paid or credited contributions. The pension is increased by 1% of the covered wage for each 50-week period of paid or credited contributions exceeding 750 weeks, up to a maximum of 60%.

The covered wage is based on average weekly earnings in the best 3 years in the 10 years before the contribution year in which the insured reaches age 65.

*Early pension:* The benefit is reduced by between 20% and 4%, depending on the age at which the pension is taken between ages 60 and 64.

*Deferred pension:* Calculated in the same way as the retirement pension, above.

The minimum pension is B\$53.07 a week.

#### Social assistance

*Noncontributory old-age pension (income-tested):* B\$46.15 a week.

### Permanent Disability Benefits

#### Social insurance

*Disability pension:* The pension is equal to 40% of the covered wage, according to wage class, with 750 weeks of paid or credited contributions; 15% to 38% of covered wage with between 150 and 749 weeks of paid or credited contributions. The pension is increased by 1% of the covered wage for each 50-week period of paid or credited contributions exceeding 750 weeks, up to a maximum of 60%.

The covered wage is based on average weekly earnings in the best 3 years in the 10 years before the contribution year in which the onset of disability occurs.

The maximum annual wage for benefit calculation purposes is B\$20,800.

The minimum pension is B\$53.07 a week.

#### Social assistance

*Disability assistance (income-tested):* B\$46.15 a week.

### Survivor Benefits

#### Social insurance

*Survivor pension:* 50% of the deceased's pension is payable to a widow aged 40 or older who is incapable of gainful employment or is caring for a child eligible for survivor benefits. The pension is also payable to a dependent disabled widower with weekly income less than B\$46.15.

*Other eligible survivors (in the absence of the above):* The full pension is awarded to a dependent mother older than age 40 or a disabled father with weekly income less than B\$46.15.

The minimum survivor pension is B\$53.07 a week.

*Orphan's pension:* Each dependent child younger than age 16 (age 21 if a full-time student) receives 10% of the deceased's pension, up to a family maximum of 100%.

Full orphans receive B\$21.92 a week each; up to B\$25.50 a week each if older than age 12, a student, or disabled.

The minimum orphan's pension is B\$21.92 a week.

*Funeral grant:* A lump sum of B\$1,500 is payable to the person who pays for the funeral. If the funeral costs less than B\$1,500, the remaining balance is payable at the discretion of the National Insurance Board.

#### Social assistance

*Survivor assistance (income-tested):* Adults receive B\$46.15 a week; children receive B\$18.46 a week each.

### Administrative Organization

Ministry of Housing and National Insurance provides general supervision.

National Insurance Board (<http://www.nib-bahamas.com>) administers the program.

### Sickness and Maternity

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#### Regulatory Framework

**First and current law:** 1972 (national insurance), with 1999 amendment.

**Type of program:** Social insurance system. Cash benefits only.

#### Coverage

Employed and self-employed persons.

#### Source of Funds

**Insured person:** See source of funds under Old Age, Disability, and Survivors, above.

**Self-employed person:** See source of funds under Old Age, Disability, and Survivors, above.

**Employer:** See source of funds under Old Age, Disability, and Survivors, above.

**Government:** None.

### **Qualifying Conditions**

**Cash sickness benefits:** Must have 40 weeks of paid contributions with 26 weeks paid or credited contributions in the year immediately before the onset of incapacity, or in the last contribution year, or 13 weeks paid or credited contributions in the 26 weeks immediately before the onset of incapacity.

**Cash maternity benefits:** Must have 50 weeks of contributions since entry into the system with 26 weeks of paid or credited contributions in the last contribution year, or 26 weeks of contributions in the 40 weeks before benefit is due.

**Maternity grant:** Must have at least 50 paid contributions.

**Funeral benefit:** Payable for the death of an insured person or the spouse of an insured person. The insured must have at least 50 paid contributions.

### **Sickness and Maternity Benefits**

**Sickness benefit:** The benefit is equal to 60% of average weekly insurable earnings and is payable after a 3-day waiting period for up to 26 weeks (may be extended to 40 weeks in certain circumstances).

The minimum benefit is B\$53.07 a week.

**Sickness allowance (means-tested):** B\$46.15 a week is payable for an insured person who does not meet the qualifying conditions for sickness benefit.

**Maternity benefit:** The benefit is equal to 60% of average weekly insurable earnings. The benefit is payable for 13 weeks (may be extended to 15 weeks) beginning not earlier than 6 weeks before the expected date of childbirth.

The minimum benefit is B\$43.85 a week.

**Maternity grant:** A lump sum of B\$400 for each live birth.

**Funeral benefit:** A lump sum of B\$1,500.

### **Workers' Medical Benefits**

No statutory benefits are provided.

Public and private medical care is available at public hospitals and clinics. Government subsidizes the cost for public patients, children, the elderly, and indigent persons.

### **Dependents' Medical Benefits**

No statutory benefits are provided.

Public and private medical care is available at public hospitals and clinics. Government subsidizes the cost for public patients, children, the elderly, and indigent persons.

### **Administrative Organization**

Prime Minister's Office provides general supervision.

National Insurance Board (<http://www.nib-bahamas.com>) administers the program.

### **Work Injury**

#### **Regulatory Framework**

**First law:** 1943 (workmen's compensation).

**Current law:** 1972 (national insurance).

**Type of program:** Social insurance system.

#### **Coverage**

Employed persons and certain categories of the self-employed.

Exclusions: Family labor and certain categories of the self-employed.

#### **Source of Funds**

**Insured person:** None.

**Self-employed person:** Certain categories of the self-employed contribute 2% of the total 8.8% contribution made under Old Age, Disability, and Survivors, above.

**Employer:** Total cost for employees. (See source of funds under Old Age, Disability, and Survivors, above.)

**Government:** None.

#### **Qualifying Conditions**

**Work injury benefits:** There is no minimum qualifying period.

#### **Temporary Disability Benefits**

**Temporary disability pension:** The benefit is equal to 66.6% of average weekly covered earnings and is payable after a 3-day waiting period, for up to a maximum of 40 weeks.

The minimum benefit is B\$53.07 a week.

#### **Permanent Disability Benefits**

**Permanent disability pension:** The pension is equal to 66.6% of average weekly covered earnings, if the assessed degree of permanent disability is 100%.

The minimum benefit is B\$53.07 a week for total disability.

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Partial disability: The pension is proportionately reduced for an assessed degree of disability of 25% or more.

The minimum benefit for a partial disability is B\$36.92 a week.

Lump-sum grant: A lump sum of between B\$100 and B\$2,400 is also payable, depending on the assessed degree of disability.

### ***Workers' Medical Benefits***

Benefits include hospitalization, general and specialist care, medicines, and transportation.

### ***Survivor Benefits***

**Survivor pension:** The pension is equal to 50% of the insured's temporary disability pension.

**Orphan's pension:** Each dependent child younger than age 16 (age 21 if a full-time student) receives 10% of the insured's temporary disability pension, up to a family maximum of 100%.

**Industrial death benefit:** A lump sum equal to the monthly value of the survivor pension or orphan's pension.

**Industrial funeral benefit:** A lump sum of B\$1,500.

### ***Administrative Organization***

Ministry of Housing and National Insurance provides general supervision.

National Insurance Board (<http://www.nib-bahamas.com>) administers the program.