

## Western Samoa

Exchange rate: US\$1.00 equals 2.31 tala.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First and current law:** 1972 (national provident fund), with 1972 and 1990 amendments.

**Type of program:** Provident fund and universal old-age pension system.

#### Coverage

**Provident fund:** Employed persons, including household workers.

Voluntary coverage for self-employed persons.

**Senior citizen benefit scheme:** Western Samoan citizens aged 65 or older residing in Western Samoa.

#### Source of Funds

##### Provident fund

*Insured person:* 5% of gross monthly earnings. (Additional voluntary contributions are permitted without limit.)

*Self-employed person:* Voluntary contributions only.

*Employer:* 5% of monthly payroll.

*Government:* None; contributes as an employer.

##### Senior citizen benefit scheme

*Insured person:* None.

*Self-employed person:* None.

*Employer:* None.

*Government:* The total cost.

#### Qualifying Conditions

##### Provident fund

*Old-age pension:* Age 55 and retired from covered employment; at any age if emigrating permanently or after 12 consecutive months of residence overseas. If covered employment continues after age 55, the fund member must continue to make contributions to the fund. If new employment begins after funds are withdrawn at age 55, the fund member must contribute for 12 months before withdrawing funds again.

Early withdrawal: Age 50 and unemployed for 5 or more years.

*Drawdown payment:* Must have a minimum balance of 500 tala.

*Disability pension:* Must be assessed with a total incapacity for work in covered employment. A general medical practitioner assesses the disability.

*Survivor pension:* Paid for the death of the fund member.

Eligible survivors include the spouse, children, and siblings.

*Death benefit:* Paid for the death of the fund member before age 55. The fund member must have been an active contributor at the time of death.

Eligible survivors include the spouse, children, and siblings.

**Senior citizen benefit scheme:** Age 65.

#### Old-Age Benefits

**Old-age pension (provident fund):** A fund member can choose from three benefit options: a monthly pension based on total insured person and employer contributions, plus interest; a monthly pension based on 75% of total insured person and employer contributions, plus interest, with the remaining 25% paid as a lump sum; or a lump sum equal to the full amount in their account taken at age 55.

*Interest rate adjustment:* The interest rate is adjusted every 3 years according to an actuarial review.

*Drawdown payment:* Up to 50% of the total insured person and employer contributions may be drawn down. The payment is repaid as a loan at an annual interest rate of 11%. If used for building a house, the loan must be at least 50,000 tala.

**Senior citizen benefit scheme:** 125 tala a month is paid. (Senior citizens also receive subsidized health care in public hospitals and free interisland travel on public seagoing vessels.)

*Benefit adjustment:* The senior citizen benefit is reviewed periodically by the government.

#### Permanent Disability Benefits

**Disability pension (provident fund):** A fund member can choose from three benefit options: a monthly pension based on total employee and employer contributions, plus interest; a monthly pension based on 75% of total employee and employer contributions, plus interest, with the remaining 25% paid as a lump sum; or a lump sum equal to the full amount in their account taken at age 55.

*Interest rate adjustment:* The interest rate is adjusted every 3 years according to an actuarial review.

#### Survivor Benefits

**Survivor pension (provident fund):** 50% of the deceased's monthly pension is split among named survivors according to proportions stated by the deceased.

**Death benefit (provident fund):** A lump sum of 5,000 tala is paid.

**Benefit adjustment:** The death benefit is adjusted according to the financial health of the fund.

### **Administrative Organization**

Samoa National Provident Fund (<http://www.npf.ws>), managed by a tripartite board, administers the scheme.

Senior Citizen Benefit Scheme Department of the Samoa National Provident Fund administers the senior citizen benefit scheme.

### **Sickness and Maternity**

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#### **Regulatory Framework**

No statutory cash benefits are provided. (Cash benefits for temporary and permanent disability are provided for nonwork-related injuries under Work Injury, below.)

Some medical services are provided free of charge to the population through government health centers.

Other hospital and medical services are provided under the senior citizen benefit scheme and the work injury program.

### **Work Injury**

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#### **Regulatory Framework**

**First law:** 1960.

**Current laws:** 1978 and 1989 (accident compensation), with 2003 amendment.

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

#### **Coverage**

Employed persons.

Exclusions: Self-employed persons.

The total population is covered under a separate scheme for nonwork-related injuries, including injuries resulting from an accident involving a motor vehicle or a boat traveling within Western Samoa.

#### **Source of Funds**

**Insured person:** None for work-related injuries; 1% of earnings for nonwork-related injuries.

**Self-employed person:** Not applicable.

**Employer:** 1% of payroll for work-related injuries.

**Government:** None.

An earmarked tax of 0.05 tala per gallon on motor fuel finances benefits for victims of motor vehicle and boat accidents.

### **Qualifying Conditions**

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

### **Temporary Disability Benefits**

70% of the insured's earnings is paid for up to 5 years after a 5-day waiting period; the benefit period may be extended. The benefit is paid for a temporary disability resulting from a work-related or a nonwork-related injury (including motor vehicle and boat accidents).

The maximum weekly benefit is 400 tala.

### **Permanent Disability Benefits**

**Permanent disability benefit:** If the assessed degree of disability is at least 80%, the weekly benefit is equal to 70% of the insured's last earnings multiplied by the assessed degree of disability. The benefit is paid until rehabilitation or death.

The maximum weekly benefit is 400 tala.

**Partial permanent disability:** If the assessed degree of permanent disability is less than 80% and the injured person returns to work before the period of entitlement to temporary disability benefit ceases, a lump sum is paid according to the assessed degree of disability, up to 8,000 tala.

### **Workers' Medical Benefits**

Benefits include reasonable medical expenses; 15,000 tala is provided for artificial limbs or treatment abroad.

### **Survivor Benefits**

**Survivor grant:** A lump sum of 20,000 tala is paid to dependents. For the death of a worker, a weekly payment of up to 200 tala is also paid for a maximum of 4 years.

**Funeral grant:** 2,000 tala is paid for a death caused by a work-related accident (or motor vehicle or boat accidents).

### **Administrative Organization**

Labor Department provides general supervision.

Accident Compensation Corporation administers the program.