

## Kiribati

Exchange rate: US\$1.00 =  
1.17 Australian dollars (A\$).

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First and current law:** 1976 (provident fund).

**Type of program:** Provident fund system.

#### Coverage

Employed persons aged 14 or older earning at least A\$10 a month.

Voluntary coverage for persons without mandatory coverage.

Exclusions: Expatriates working in Kiribati under an over-seas contract.

#### Source of Funds

**Insured person:** 7.5% of gross wages.

Additional voluntary contributions are possible.

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

**Employer:** 7.5% of payroll.

**Government:** None; contributes as an employer.

#### Qualifying Conditions

**Old-age benefit:** Age 50 (men and women); at any age if emigrating permanently.

Early withdrawal: Age 45 if retired permanently from employment or if evidence of the intention to do so is provided; partial withdrawals are permitted at age 45 while employed.

**Disability benefit:** Must be assessed with a physical or mental incapacity for work by two independent doctors or medical practitioners.

**Survivor benefit:** Paid to a named survivor; or, in the absence of named survivors, to the person(s) indicated by a court.

**Funeral grant:** Paid for the death of a fund member.

#### Old-Age Benefits

**Old-age benefit:** A lump sum of total employee and employer contributions plus accumulated interest is paid. Multiple partial withdrawals are permitted. If the fund member makes a partial withdrawal at age 45 while employed, the remaining amount cannot be withdrawn until age 50.

The interest rate is 6% a year.

**Interest rate adjustment:** The National Provident Fund Board reviews the interest rate annually.

**Loan scheme:** Up to 70% of the member's account balance may be pledged against a loan from approved lending institutions. In the event of loan default, the outstanding sum is paid from the account if under court order.

#### Permanent Disability Benefits

**Disability benefit:** A lump sum of total employee and employer contributions plus accumulated interest is paid.

The interest rate is 6% a year.

**Interest rate adjustment:** The National Provident Fund Board reviews the interest rate annually.

#### Survivor Benefits

**Survivor benefit:** A lump sum of total employee and employer contributions plus accumulated interest is paid.

The interest rate is 6% a year.

**Interest rate adjustment:** The National Provident Fund Board reviews the interest rate annually.

**Funeral grant:** 50% of the amount credited to the deceased member's fund at the time of death or A\$1,500, whichever is lower, is paid to eligible survivors before the final distribution of the survivor benefit.

#### Administrative Organization

The National Provident Fund Board administers the program and consists of two representatives each from government, employer organizations, and employee organizations.

### Work Injury

#### Regulatory Framework

**First and current law:** 1949 (workmen's compensation).

**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 and self-employed persons.

#### 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 100% of monthly earnings up to A\$40; 75% of monthly earnings greater than A\$40 up to A\$60; 66.6% of monthly earnings greater than A\$60.

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

The maximum benefit is A\$160 a month.

The total maximum temporary benefit is equal to the lump sum the insured would be eligible to receive for a total or partial permanent disability.

### **Permanent Disability Benefits**

**Permanent disability grant:** A lump sum of 48 months of earnings is paid.

The minimum grant is A\$500.

The maximum grant is A\$25,000.

Constant-attendance supplement: 25% of the permanent disability grant is paid if the insured requires the constant attendance of others to perform daily functions.

Partial disability: A percentage of the permanent disability grant is paid according to the assessed degree of disability and a schedule in law. The total maximum benefit is the amount the insured would be eligible to receive for a total permanent disability.

### **Workers' Medical Benefits**

Medical and surgical care is provided.

### **Survivor Benefits**

**Survivor grant:** A lump sum is paid of 48 months of 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.

### **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.