

## Brunei

Exchange rate: US\$1.00 equals  
1.69 Brunei dollars (B\$).

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First and current laws:** 1955 (old-age and disability pensions), with 1984 (universal pension system) amendment; and 1992 (employees' trust fund).

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

#### Coverage

**Provident fund:** All employees up to age 55 who are citizens or permanent residents in Brunei, including government civil servants who began service on or after January 1, 1993. (Civil servants who began service before January 1, 1993, are covered by the government pension scheme.)

Voluntary coverage for the self-employed and persons aged 55 or older.

Exclusions: Foreign workers.

Special systems for armed forces personnel, police force personnel, and prison wardens.

**Universal old-age and disability pension:** Residents.

#### Source of Funds

##### Insured person

**Provident fund:** 5% of monthly salary if the monthly salary exceeds B\$80. (Additional voluntary contributions are permitted with prior notification given to the employer.)

There are no minimum or maximum earnings levels for contribution purposes.

**Universal old-age and disability pension:** None.

##### Self-employed person

**Provident fund:** The level of any voluntary contributions is optional.

There are no minimum or maximum earnings levels for contribution purposes.

**Universal old-age and disability pension:** None.

##### Employer

**Provident fund:** 5% of monthly payroll. (Additional voluntary contributions on behalf of employees are permitted.)

There are no minimum or maximum earnings levels for contribution purposes.

**Universal old-age pension:** None.

#### Government

**Provident fund:** None.

**Universal old-age and disability pension:** Total cost.

#### Qualifying Conditions

##### Old-age benefit

**Provident fund:** Age 55. Retirement is not necessary.

Early withdrawal: Age 50.

**Drawdown payment:** Fund members with at least B\$40,000 in their individual account or who have been provident fund members for at least 10 years can draw down funds from their account for building or purchasing a house for their personal residence.

A lump sum is payable to members of any age if emigrating permanently from the country.

**Universal old-age pension:** Age 60 and resident. For persons born in Brunei, 10 years of residence immediately before claiming the pension; for persons born outside Brunei, 30 years of residence immediately before claiming the pension.

##### Disability benefit

**Provident fund:** The fund member must be totally physically or mentally unable to work. The degree of disability is assessed by the Medical Board.

**Universal disability pension:** Unable to work and 10 years of residence immediately preceding the onset of disability. Must participate in suitable medical treatment and rehabilitation.

**Survivor benefit (provident fund):** Paid to the next of kin or named survivors.

#### Old-Age Benefits

##### Old-age benefit

**Old-age benefit (provident fund):** A lump sum equal to the total employee and employer contributions plus compound interest.

Early withdrawal: Fund members may draw down 25% of accumulated assets.

**Drawdown payment:** The fund member may draw down up to 45% of accumulated assets in the individual account only once before age 55 for building or purchasing a house.

**Interest rate adjustment:** Set by the government annually according to the financial health of the fund, bank saving rates, and inflation rates. The current rate is 3.1%.

**Universal old-age pension:** A flat-rate amount.

**Benefit adjustment:** The pension is adjusted on an ad hoc basis.

## Permanent Disability Benefits

### Disability benefit

*Disability benefit (provident fund):* A lump sum equal to the total employee and employer contributions plus compound interest.

Interest rate adjustment: Set by the government annually according to the financial health of the fund, bank saving rates, and inflation rates. The current rate is 3.1%.

*Universal disability pension:* A flat-rate amount.

Benefit adjustment: The pension is adjusted on an ad hoc basis.

### Survivor Benefits

**Survivor benefit (provident fund):** A lump sum equal to total employee and employer contributions plus compound interest.

Interest rate adjustment: Set by the government annually according to the financial health of the fund, bank saving rates, and inflation rates. The current rate is 3.1%.

### Administrative Organization

Under the supervision of the Employees' Trust Fund Board, the Employees' Trust Fund Department of the Ministry of Finance is responsible for the administration of contributions and benefits and the investment of funds.

Department of Community Development of the Ministry of Culture, Youth, and Sports (<http://www.belia-sukan.gov.bn>) administers the universal benefit program.

### Sickness and Maternity

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#### Regulatory Framework

The government provides all residents with access to medical benefits, including outpatient and inpatient care provided by registered physicians and, upon referral by the physician, by approved hospitals. The Ministry of Health (<http://www.moh.gov.bn>) registers physicians and approves hospitals to provide services to residents.

### Work Injury

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#### Regulatory Framework

**First and current law:** 1957 (workmen's compensation), with 1984 amendment.

**Type of program:** Employer-liability system.

### Coverage

All employees who are citizens or permanent residents in Brunei, including government civil servants.

Exclusions: Domestic servants, home workers, and security personnel.

There is no voluntary coverage.

### Source of Funds

**Insured person:** None.

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

**Employer:** Total cost, met through the direct provision of benefits.

**Government:** None.

### Qualifying Conditions

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

### Temporary Disability Benefits

A monthly benefit equal to 2/3 of the employee's average monthly earnings in the 6 months before the onset of disability.

The maximum benefit is B\$130 a month.

The benefit is payable after a 4-day waiting period for up to 5 years. If the disability lasts more than 14 days, the benefit is paid retroactively for the first 4 days.

### Permanent Disability Benefits

A lump sum of 48 times the employee's average monthly earnings in the 6 months before the onset of disability.

The maximum benefit is B\$9,600.

Constant attendance supplement (total permanent disability): A lump sum of 25% of the permanent total disability benefit if constant help for daily living is required.

Partial disability: A lump sum equal to the permanent total disability benefit times the assessed percentage of disability, according to a schedule.

If temporary disability benefits were paid for a period exceeding 6 months before the determination of total or partial permanent disability, the temporary disability benefits paid after the duration of 6 months are deducted from the permanent disability benefit.

### Workers' Medical Benefits

The employer must pay for examination and treatment by a registered physician and, upon referral by the physician, in approved hospitals.

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### **Survivor Benefits**

A lump sum of 36 times the employee's average monthly earnings in the last 6 months before death.

The maximum benefit is B\$7,200.

Eligible survivors are dependent members of the deceased's family (including the spouse, children, parents, and brothers and sisters).

If there are no dependent survivors, the employer must pay for the deceased's funeral.

### **Administrative Organization**

Workmen's Compensation, Health and Safety Section, of the Department of Labor (<http://www.labour.gov.bn>) enforces work injury law. The Department of Labor is part of the Ministry of Home Affairs.

Individual employers must pay compensation directly to employees or dependent survivors.

An arbitrator settles disputes regarding the determination and provision of benefits.