

## Solomon Islands

Exchange rate: U.S.\$1.00 equals  
5.04 Solomon Islands dollars (SI\$).

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First and current law:** 1973, implemented in 1976.

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

#### Coverage

All employed workers aged 14 and older earning at least SI\$20 a month or working 6 days or more a month.

Unemployed and self-employed persons aged 16 to 35 may contribute voluntarily.

Special system for public employees.

#### Source of Funds

**Insured person:** 5% of wages; SI\$5 is deducted annually from the member's provident fund account to finance death benefits.

**Employer:** 7.5% of payroll.

**Government:** None.

#### Qualifying Conditions

**Old-age benefit:** Age 40 if permanently retired from covered employment; any age if emigrating permanently. Age 50, regardless of employment status.

**Drawdown payment:** Unemployed fund members may withdraw funds from their individual account after 3 months of continuous unemployment.

**Disability grant:** Permanent physical or mental incapacity to work.

**Survivor grant:** The death of the fund member before retirement.

#### Old-Age Benefits

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

**Drawdown payment:** The value of drawdown payments is dependent on the value of employee and employer contributions, plus accumulated interest, in the individual account and at the discretion of the individual fund member.

**Interest rate adjustment:** The rate of interest is set by the National Provident Fund Board at the end of each fiscal year.

#### Permanent Disability Benefits

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

**Interest rate adjustment:** The rate of interest is set by the National Provident Fund Board at the end of each fiscal year.

#### Survivor Benefits

A lump sum equal to total employee and employer contributions, plus accumulated interest. The benefit is payable to the deceased's named survivor.

**Interest rate adjustment:** The rate of interest is set by the National Provident Fund Board at the end of each fiscal year.

**Death benefit:** A lump sum of SI\$2,500.

#### Administrative Organization

National Provident Fund Board, an independent body comprising five members, administers the program.

### Work Injury

#### Regulatory Framework

**First and current laws:** 1952 and 1981 (workman's compensation).

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

#### Coverage

Employed persons, including public employees, earning SI\$4,000 a year or less; casual workers are covered under certain circumstances.

#### Source of Funds

**Insured person:** None.

**Employer:** Total cost.

**Government:** None.

#### Qualifying Conditions

**Work injury benefits:** There is no minimum qualifying period. All 3-day absences from work must be reported. Entitlement is based on an assessment of the injury and the resulting disability in accordance with the 1981 legislation.

#### Temporary Disability Benefits

50% to 100% of earnings, according to the insured's monthly wage and in accordance with the assessed degree of disability. The maximum benefit is SI\$160 a month.

Benefit is payable from the first day if the incapacity lasts for more than 3 days, until recovery, certification of permanent disability, or death.

### ***Permanent Disability Benefits***

A lump sum of 48 months' earnings.

The maximum lump sum is SI\$9,000.

Partial disability: A lump sum proportionate to the degree of incapacity, based on 48 months' earnings.

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

Medical care, medicines, and appliances.

### ***Survivor Benefits***

**Survivor benefit:** A lump sum of 36 months' earnings, less any permanent disability benefits paid to the deceased.

The maximum lump sum in cases where disability benefit has been paid is SI\$9,000.

The maximum lump sum for a fatal work injury is SI\$80,000.

The courts determine the level and apportionment of the survivor benefit among survivors.

**Funeral grant:** If there are no dependents, the grant covers reasonable burial expenses. Each case is treated separately, and receipts must be provided.

The maximum funeral grant is SI\$30.

### ***Administrative Organization***

Labor Division administers the program.

## ***Unemployment***

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### ***Regulatory Framework***

**First and current law:** 1981 (employment and labor).

Employers are required to pay a dismissal indemnity of 2 weeks' wages for each year of employment.

A statutory office assists the unemployed in seeking alternative employment by providing individual counseling and identifying suitable job vacancies.