

## Kiribati

Exchange rate: US\$1.00 equals  
1.39 Australian dollars (A\$).

### Old Age, Disability, and Survivors

#### Regulatory Framework

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

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

#### Coverage

Employed persons aged 14 or older earning at least A\$10 a month, including employees in government service, public enterprises, cooperatives, and the private sector.

Voluntary coverage for former employees with at least 2 consecutive years of contributions who have not made any withdrawals.

Exclusions: Domestic servants.

#### Source of Funds

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

The special death benefit is financed by deducting A\$5 a year from all employee accounts from which no withdrawals have ever been made.

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

**Employer:** 7.5% of payroll.

**Government:** None; contributes as an employer on behalf of employees.

#### Qualifying Conditions

**Old-age benefit:** Age 50; at any age for a woman who marries and who has never withdrawn payments from her account; at any age (men and women) if emigrating permanently.

**Early withdrawal:** Age 45 if retired permanently from employment or on providing evidence of the intention to retire permanently.

**Disability benefit:** Physical or mental incapacity for work.

**Survivor benefit:** The deceased fund member had not withdrawn any part of the amount credited to his or her account.

**Special death benefit:** Payable for the death of a fund member.

#### Old-Age Benefits

A lump sum equal to the total employee and employer contributions plus accumulated interest. (If the fund member

makes a partial withdrawal at age 45, the remaining amount cannot be withdrawn until age 50.)

The interest rate is 11% a year.

**Interest rate adjustment:** The rate of interest is reviewed every 3 years by the National Provident Fund Board.

**Loan scheme:** Up to 70% of the member's account balance may be taken as a loan. In the event of default on the loan, the outstanding sum is payable from the account.

#### Permanent Disability Benefits

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

The interest rate is 9% a year.

**Interest rate adjustment:** The rate of interest is reviewed every 3 years by the National Provident Fund Board.

#### Survivor Benefits

**Survivor benefit:** A lump sum equal to total employee and employer contributions plus accumulated interest. The lump sum is payable to a named survivor.

The interest rate is 11% a year.

**Interest rate adjustment:** The rate of interest is reviewed every 3 years by the National Provident Fund Board.

**Special death benefit:** 50% of the amount credited to the deceased member's fund at the time of death.

The maximum death benefit is A\$1,500.

#### Administrative Organization

Organized on a tripartite basis and consisting of two representatives each from government, employers, and employees, the National Provident Fund Board administers the program.

### Work Injury

#### Regulatory Framework

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

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

#### Coverage

Employed persons earning A\$10,000 a year or less, including seamen employed on Kiribati ships.

Exclusion: Casual employees.

#### Source of Funds

**Insured person:** None.

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

**Employer:** Total cost.

**Government:** None.

### ***Qualifying Conditions***

**Work injury benefits:** There is no minimum qualifying period. For occupational diseases, incapacity or death must have occurred during employment or within 12 months after employment ended.

### ***Temporary Disability Benefits***

100% of earnings for monthly earnings up to a maximum of A\$40; 75% of earnings for monthly earnings greater than A\$40 up to a maximum of A\$60; or 66.6% of earnings for monthly earnings greater than A\$60.

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

The maximum benefit is A\$160 a month.

The total maximum benefit is equal to the lump sum payable for total or partial permanent disability.

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

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

The minimum grant is A\$500.

The maximum grant is A\$25,000.

Constant-attendance supplement: Equal to 25% of the permanent disability grant.

Partial disability: A percentage of the permanent disability grant in proportion to the assessed degree of disability, paid according to the schedule in law. The total payment must not exceed the full benefit payable under permanent total disability.

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

Medical and surgical care.

### ***Survivor Benefits***

**Survivor grant:** A lump sum equal to 48 months' earnings.

The minimum grant is A\$400.

The maximum grant is A\$25,000.

**Funeral grant:** Burial expenses of up to A\$30 are payable if there are no eligible survivors.

### ***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.