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 overseas 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 If the fund member makes a partial withdrawal at age 45 while employed, the remaining amount cannot be withdrawn until age 50.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.