

Kiribati

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

Old Age, Disability, and Survivors

Regulatory Framework

First and current laws: 1976 (provident fund) and 2004 (universal pension).

Type of program: Universal and provident fund system.

Coverage

Universal old-age pension: Citizens of Kiribati.

Provident fund: Employed persons.

Voluntary coverage is available.

Exclusions: Expatriates working in Kiribati under certain types of contracts, household workers, prisoners, and patients in mental hospitals.

Source of Funds

Insured person

Universal old-age pension: None.

Provident fund: 7.5% of gross wages.

Additional voluntary contributions are possible.

The minimum monthly earnings used to calculate contributions are A\$10.

Self-employed person

Universal old-age pension: None.

Provident fund: At least A\$5 a month.

Employer

Universal old-age pension: None.

Provident fund: 7.5% of payroll.

The minimum monthly earnings used to calculate contributions are A\$10.

Government

Universal old-age pension: The total cost.

Provident fund: None; contributes as an employer.

Qualifying Conditions

Universal old-age pension: Age 65.

Old-age benefit (provident fund): Age 50; at any age if emigrating permanently or unemployed for at least six months.

Early withdrawal: Age 45 if retired permanently from employment or if evidence of the intention to do so is provided.

Partial withdrawal: Age 45 and employed.

Loan program: Fund members must present a viable business plan to the Ministry of Commerce.

Disability benefit (provident fund): Must be assessed with a physical or mental incapacity for work by two independent medical practitioners.

Survivor benefit (provident fund): Paid to a named survivor or, in the absence of a named survivor, to person(s) indicated by a court if the fund member dies before withdrawing all of his or her funds.

Funeral grant (provident fund): Paid when a fund member dies.

Old-Age Benefits

Universal old-age pension: A\$50 a month is paid to persons aged 65 to 69; A\$60 a month to persons aged 70 or older.

Old-age benefit (provident fund): A lump sum of total employee and employer contributions plus accrued interest minus prior withdrawals is paid.

Early withdrawal: A lump sum of total employee and employer contributions plus accrued interest minus prior withdrawals is paid.

Partial withdrawal: Multiple partial withdrawals of up to 50% of the fund member's account balance are possible. If the fund member makes a partial withdrawal at age 45, the remaining amount cannot be withdrawn until age 50.

The interest rate is 7% a year.

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

Loan program: Up to 50% of the fund member's account balance may be pledged against a loan from approved lending institutions for up to two years. In the event of loan default, fund members can apply for hardship withdrawals under certain conditions.

Permanent Disability Benefits

Disability benefit (provident fund): A lump sum of total employee and employer contributions plus accrued interest minus prior withdrawals is paid.

The interest rate is 7% a year.

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

Survivor Benefits

Survivor benefit (provident fund): A lump sum of total employee and employer contributions plus accrued interest minus prior withdrawals is paid.

The interest rate is 7% a year.

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

Funeral grant (provident fund): A lump sum of 50% of the balance in the deceased fund member's account 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

Ministry of Internal Affairs and Social Development administers the universal old-age pension.

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

Sickness and Maternity

Regulatory Framework

First and current law: 1977 (maternity).

Type of program: Employer-liability (cash maternity benefits) and universal (medical benefits) system.

Coverage

Cash sickness benefits: No statutory benefits are provided.

Cash maternity benefits: Employed persons.

Exclusions: Self-employed persons.

Medical benefits: Citizens of Kiribati.

Source of Funds

Insured person

Cash maternity benefits: None.

Medical benefits: None.

Self-employed person

Cash maternity benefits: Not applicable.

Medical benefits: None.

Employer

Cash maternity benefits: The total cost.

Medical benefits: None.

Government

Cash maternity benefits: None.

Medical benefits: The total cost.

Qualifying Conditions

Cash sickness benefits: No statutory benefits are provided.

Cash maternity benefits: (employer liability): Must be currently employed.

Medical benefits: There is no minimum qualifying period.

Sickness and Maternity Benefits

Sickness benefit: No statutory benefits are provided.

Maternity benefit (employer liability): 25% of the employee's monthly earnings is paid for 12 weeks, including up to six weeks before and at least six weeks after childbirth for up to two children.

Workers' Medical Benefits

Public hospitals and health facilities provide free public health care, including treatment abroad in certain circumstances. Benefits include preventive and primary care; hospitalization; medicine; rehabilitation; mental health, laboratory and medical imaging services; and dental care.

Dependents' Medical Benefits

Medical benefits for dependents are the same as those for the insured.

Administrative Organization

Cash maternity benefits: Ministry of Labour and Human Resource Development (<http://www.labour.gov.ki/>) provides general supervision.

Medical benefits: Ministry of Health and Medical Services (<http://www.health.gov.ki/>) provides general supervision.

Work Injury

Regulatory Framework

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

Type of program: Employer-liability system through 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

There is no minimum qualifying period. Accidents that occur while commuting to and from work are covered. 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; and 66.6% of monthly earnings greater than A\$60.

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

The maximum benefit is A\$160 a month.

The total maximum temporary benefit is the permanent disability lump sum the insured would be entitled to receive.

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.

Workers' Medical Benefits

Medical and surgical care is provided.

Survivor Benefits

Survivor grant: A lump sum of 48 months of the deceased's earnings is paid.

The minimum grant is A\$400.

The maximum grant is A\$25,000.

Funeral grant: A lump sum of up to A\$30 is paid.

Administrative Organization

Ministry of Labour and Human Resources Development (<http://www.labour.gov.ki/>) administers claims and calculates the benefits due.

Employers insure work injury liability with the Kiribati Insurance Corporation.