

Fiji

Exchange rate: US\$1.00 equals
1.75 Fiji dollars (F\$).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1966 (national provident fund).

Current law: 1995 (national provident fund), with 1998, 1999, and 2001 amendments.

Type of program: Provident fund system.

Coverage

Employed workers aged 15 to 55, except members of equivalent private plans approved by the Fiji National Provident Fund Board.

Voluntary coverage for all benefits for domestic workers, the self-employed, students, and informal-sector workers. Voluntary coverage for death benefit for nonemployed persons aged 15 to 50. (Mandatory coverage is being extended gradually.)

Special systems for public employees and military and police personnel who began work before November 1971 and who have elected to continue under the Civil Service Act's old scheme.

Source of Funds

Insured person: 8% of wages; for death benefit, a single F\$17 contribution is deducted annually from each eligible member's provident fund account.

Self-employed person: 8% of earnings; for death benefit, a single F\$17 contribution is deducted annually from each eligible member's provident fund account.

Employer: 8% of payroll; additional voluntary contributions up to a maximum of 22% of the total payroll; 30% in certain cases.

Government: None.

The maximum annual total contributions for pension calculation purposes are 16% of earnings (F\$2,400 a year for voluntary contributors).

Qualifying Conditions

Old-age benefit: Age 55; at any age if leaving the country permanently.

Fund members with at least 10 years of contributions may elect to receive a monthly pension; a reduced pension may be paid for contributions of less than 10 years.

Disability benefit: Incapacity for work in covered employment. Medical certification is required. A medical board

appointed by the provident fund may request the scheme member to attend a medical examination.

The disabled fund member may elect to receive a lump sum or a monthly pension.

Survivor benefit: The death of the fund member before retirement age. If the surviving spouse is the only survivor, the spouse may elect to receive a lump sum or a monthly pension.

Death benefit: A lump sum is paid to named survivors.

Old-Age Benefits

A lump sum equal to total employee and employer contributions plus accumulated interest or, optionally, a monthly pension based on an annuity factor equal to 19% (for a single person) of employee and employer contributions (additional voluntary contributions are excluded) plus accumulated interest. A couple may elect to receive a monthly pension of 2/3 of the single person pension plus accumulated interest for as long as either spouse lives.

The annuity factor will be reduced by 1% each year until it reaches 15% (for a single person) for the financial year 2008/2009.

Drawdown payment: Workers who are members of the provident fund for at least 2 years and whose individual balance exceeds a prescribed minimum amount (F\$1,000) can withdraw 2/3 of the balance for housing costs. Workers can also make withdrawals equal to 1/3 of the balance for education assistance and medical assistance.

Permanent Disability Benefits

A lump sum equal to total employee and employer contributions plus accumulated interest or, optionally, a monthly pension based on an annuity factor equal to 19% (for a single person) of employee and employer contributions (additional voluntary contributions are excluded) plus accumulated interest. A couple may elect to receive a monthly pension of 2/3 of the pension for a single person plus accumulated interest for as long as either spouse lives.

The annuity factor will be reduced by 1% each year until it reaches 15% (for a single person) for the financial year 2008/2009.

Survivor Benefits

Survivor benefit: A lump sum equal to total employee and employer contributions plus accumulated interest is payable to named survivors. A monthly pension based on an annuity factor equal to 19% of employee and employer contributions (additional voluntary contributions are excluded) may be paid in lieu of the lump sum to a spouse.

The annuity factor will be reduced by 1% each year until it reaches 15% for the financial year 2008/2009.

Death benefit: A lump sum of F\$5,400.

Benefit adjustment: The death benefit is reviewed annually.

Administrative Organization

Fiji National Provident Fund Board (<http://www.fnpf.com.fj>) provides general supervision and enforces the law.

Permanent Secretary for Labor and Industrial Relations and Productivity (<http://www.fiji.gov.fj>) acts as chair of the Board.

Work Injury

Regulatory Framework

First and current law: 1965 (workmen's compensation), with amendments.

Type of program: Employer-liability system.

Coverage

Employed persons and apprentices.

Exclusions: Casual labor, family labor, armed forces personnel, and some public-sector employees and other workers designated by the government.

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: The insured must be totally incapacitated for work for at least 3 days.

Temporary Disability Benefits

66% of the insured's weekly earnings is payable after a 2-day waiting period for up to 260 weeks.

The maximum total benefit is F\$16,000. The benefit may be converted to a lump-sum payment in certain cases.

The assessed degree of disability is established according to the schedule in law and following examination by a doctor chosen by the employer. Periodic assessment of the degree of disability may be required.

Permanent Disability Benefits

A lump sum equal to 260 weeks' earnings, if totally disabled.

Constant-attendance supplement: Equal to 25% of the lump-sum payment, if totally disabled and in need of the constant help of another person.

Partial disability: A percentage of the full lump-sum benefit in proportion to the assessed degree of disability.

The assessed degree of disability is established according to the schedule in law and following examination by a doctor chosen by the employer. Periodic assessment of the degree of disability may be required.

Workers' Medical Benefits

Medical and hospital care, surgery, medicines, appliances, and transportation.

Survivor Benefits

A lump sum equal to 208 weeks of the deceased's earnings.

Eligible survivors are individuals who were fully or partially dependent on the insured. Survivor benefits may be split among all eligible survivors.

The minimum benefit is F\$9,000.

The maximum total benefit is F\$24,000.

Administrative Organization

Permanent Secretary for Labor and Industrial Relations (<http://www.fiji.gov.fj>) enforces work injury law.

Individual employers pay compensation directly to their own employees in most cases except for lump-sum payments and survivor benefits.

Local courts administer lump-sum payments and survivor benefits.

Disputes regarding the provision of medical benefits are settled by the courts.