

Brunei

Exchange rate: US\$1.00 =
1.25 Brunei dollars (B\$).

Old Age, Disability, and Survivors

Regulatory Framework

First and current laws: 1955 (old-age and disability pensions), 1992 (employees' trust fund), and 2009 (supplemental contributory pensions fund), implemented in 2010.

Type of program: Provident fund, supplementary individual account, and universal old-age and disability pension system.

Coverage

Provident fund: Public- and private-sector employees who are citizens or permanent residents of Brunei.

Exclusions: Self-employed persons.

Special systems for military and police personnel and prison wardens.

Supplementary pension: Public- and private-sector employees who are citizens or permanent residents of Brunei.

Voluntary coverage for self-employed persons.

Exclusions: Employees covered under the public service pension scheme.

Universal old-age and disability pension: All residents of Brunei.

Source of Funds

Insured person

Provident fund: 5% of monthly earnings. Additional voluntary contributions are possible.

There are no minimum or maximum earnings used to calculate contributions.

Supplementary pension: 3.5% of monthly earnings (3% for old age and 0.5% for survivors). The minimum contribution is B\$17.50. Additional voluntary contributions are possible.

There are no minimum earnings used to calculate contributions.

The maximum earnings used to calculate contributions are B\$2,800 a month.

Universal old-age and disability pension: None.

Self-employed person

Provident fund: Not applicable.

Supplementary pension: B\$17.50 a month.

Universal old-age and disability pension: None.

Employer

Provident fund: 5% of monthly payroll. Additional voluntary contributions are permitted.

There are no minimum or maximum earnings used to calculate contributions.

Supplementary pension: 3.5% of monthly payroll. The minimum contribution is B\$17.50.

There are no minimum earnings used to calculate contributions.

The maximum earnings used to calculate contributions are B\$2,800 a month.

Universal old-age pension: None.

Government

Provident fund: None.

Supplementary pension: Any deficit; supplements the employee contribution for employees earning less than B\$500 a month; B\$17.50 a month for self-employed persons.

The government pays B\$30 for each month the insured was a provident fund member before January 1, 2010, regardless of the insured's salary. If the insured was younger than age 25 when he or she joined the provident fund, the contribution is calculated from age 25.

Universal old-age and disability pension: The total cost.

Qualifying Conditions

Old-age benefit

Provident fund: Age 55.

Early withdrawal: Age 50; at any age if emigrating permanently

Housing withdrawal: Fund members with at least B\$40,000 in their individual account or who have been provident fund members.

Supplementary pension: Age 60 with at least 35 years of continuous contributions.

(The government pays retroactive contributions for those who joined the provident fund scheme before January 1, 2010.)

The supplementary pension may not be drawn down before retirement.

Universal old-age pension: Age 60 with at least 10 years of residence immediately before claiming the pension if born in Brunei; at least 30 years if born outside of Brunei.

Disability benefit

Provident fund: The fund member must be unable to work as the result of a physical or mental disability.

A medical board assesses the degree of disability.

Universal disability pension: Must be unable to work, have resided in Brunei in the 10 years immediately before the disability began, and receive suitable medical treatment and rehabilitation.

Survivor benefit (provident fund): Paid to the next of kin or named survivors.

Survivor pension (supplementary pension): Paid to a widow and children younger than age 21 if the insured had continuous contributions until death.

The widow's portion of the survivor pension ceases on remarriage and is paid to eligible orphans.

Old-Age Benefits

Old-age benefit

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

Early withdrawal: Fund members may draw down up to 25% of accumulated assets at age 50.

Housing withdrawal: The fund member may draw down up to 45% of accumulated assets only once before age 55.

Interest rate adjustment: Set by the board annually according to the financial health of the fund, interest rates on savings accounts, and inflation rates.

Supplementary pension: At least B\$150 a month is paid for up to 20 years.

If the insured does not meet the contribution requirements at retirement age, the account balance is paid as a lump sum.

Universal old-age pension: B\$250 a month is paid.

Benefit adjustment: The pension is adjusted on an ad hoc basis.

Permanent Disability Benefits

Disability benefit

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

Interest rate adjustment: Set by the board annually according to the financial health of the fund, interest rates on savings accounts, and inflation rates.

Universal disability pension: B\$250 a month is paid.

Benefit adjustment: The pension is adjusted on an ad hoc basis.

Survivor Benefits

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

Interest rate adjustment: Set by the board annually according to the financial health of the fund, interest rates on savings accounts, and inflation rates.

Survivor benefit (supplementary pension): If the deceased died before the normal retirement age, eligible survivors share a total of up to B\$400 a month for 15 years from the date of death.

If the deceased was aged 60 to 75, eligible survivors share a monthly amount based on the supplementary scheme account balance until the deceased would have been aged 75.

If the deceased was older than age 75, a lump sum of the supplementary scheme account balance is paid.

Administrative Organization

Employees' Trust Fund Department of the Ministry of Finance, under the supervision of the Employees' Trust Fund Board, administers contributions, benefits, and the investment of funds for the provident fund and the supplementary pension scheme.

Department of Community Development of the Ministry of Culture, Youth, and Sports (<http://www.japem.gov.bn>) administers the universal benefit program.

Sickness and Maternity

Regulatory Framework

The government provides all residents of Brunei with access to medical benefits, including outpatient and inpatient care provided by registered physicians and in approved hospitals.

Ministry of Health (<http://www.moh.gov.bn>) registers physicians and approves hospitals that provide services to residents.

Work Injury

Regulatory Framework

First and current law: 1957 (workmen's compensation).

Type of program: Employer-liability system.

Coverage

All employees who are citizens or permanent residents of Brunei.

Exclusions: Household workers, self-employed persons, security personnel, and home-based workers.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: Provides benefits directly to employees.

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

66.7% of the employee's average monthly earnings in the six months before the disability began is paid monthly after a four-day waiting period for up to five years. If the disability lasts more than 14 days, the benefit is paid retroactively for the first four days.

The maximum monthly benefit is B\$130.

Permanent Disability Benefits

Permanent disability benefit: A lump sum of 48 times the employee's average monthly earnings in the six months before the disability began is paid.

The maximum benefit is B\$9,600.

Constant-attendance supplement (total permanent disability): A lump sum of 25% of the total permanent disability benefit is paid if the insured requires the constant attendance of others to perform daily functions.

Partial disability: A lump sum of the total permanent disability benefit multiplied by the assessed degree of disability is paid, according to a schedule.

If temporary disability benefits are paid for more than six months before the determination of total or partial permanent disability, the amount of temporary disability benefits paid after the six-month period is deducted from the permanent disability benefit.

Workers' Medical Benefits

The employer pays for the examination and treatment of the insured by a registered physician and in approved hospitals.

Survivor Benefits

Survivor benefit: A lump sum of 36 times the insured's average monthly earnings in the last six months before death is paid.

The maximum benefit is B\$7,200.

Eligible survivors include the deceased's dependent family members, including the spouse, children, parents, and brothers and sisters.

If there are no eligible survivors, the employer must pay for the insured's funeral.

Administrative Organization

Workmen's Compensation, Health and Safety Section, of the Department of Labour (<http://www.labour.gov.bn>) enforces the law. The Department of Labour is part of the Ministry of Home Affairs.

Individual employers must pay compensation directly to employees or dependent survivors.

An arbitrator settles disputes regarding the determination and provision of benefits.