



RETIREMENT BENEFIT

Issued by
THE NATIONAL INSURANCE BOARD
NASSAU, NEW PROVIDENCE
COMMONWEALTH OF THE BAHAMAS
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TABLE OF CONTENTS

	Paragraph
Introduction	1
Who Can Qualify?	2 - 4
What Is Meant By Retirement?	5
Contribution Conditions	6
Benefit Rate	7
Sample Computation of Benefit Payment	8 - 10
How to Claim?	11
How Your Benefit Will Be Paid?	12 - 14
Right to Appeal to Appeal Tribunal In Case of Disallowance of Benefit Claims	15
Effect of Working Beyond Age 65 Years	16
Other Information	17 - 21
List of Other National Insurance Leaflets	22
Tables of Weekly and Monthly Rates of Retirement Benefit	23
List of National Insurance Board Local Offices	24

INTRODUCTION

1. The National Insurance Act, 1972, and The National Insurance (General Benefits and Assistance) Regulations, 1974, provide for a retirement benefit in the form of periodical payments to an insured person who has reached sixty-five years of age and retired from gainful occupation.

WHO CAN QUALIFY?

2. Retirement benefit, subject to the Regulations governing it, shall be payable for life to an insured person who has attained the age of sixty-five years and retired from an insurable occupation either as an employed, self-employed or voluntarily insured person.
3. Employed and voluntarily insured persons can claim retirement benefit on or after the 22nd August, 1977; self-employed persons can claim retirement benefit on or after 19th February, 1979. These are the earliest dates that insured persons can have actually paid the minimum of 150 contributions.
4. Age Credits will be awarded for retirement benefit to an insured person of or above age 35 on the appointed day (employed persons on 7th October, 1974, and self-employed persons on 5th April, 1976) at the rate of twenty-five contributions for each complete year of his age at the appointed day in excess of thirty-five years, subject to a maximum special credit of six hundred contributions, where one hundred and fifty contributions have actually been paid in the three years commencing with the appropriate appointed day.

WHAT IS MEANT BY RETIREMENT?

5. The giving up of paid work all together at or after the age of sixty-five is considered retirement. If after retirement an insured person who is in receipt of retirement benefit, subsequently re-enters the same or any other insurable occupation, he shall notify the Director, The National Insurance Board, immediately in writing and shall be disqualified from receiving retirement benefit until he again retires.

CONTRIBUTION CONDITIONS

6. In order to qualify for retirement benefit, a retired insured person must have:
 - (i) actually paid not less than one hundred and fifty contributions; and
 - (ii) in respect of whom or to whom not less than seven hundred and fifty contributions (including the one hundred and fifty at (i) above) have been paid or credited.

TABLE I

WEEKLY CONTRIBUTION RATES

Wage Group	Weekly Wage or Earnings	Total Weekly Contributions		
		Employed Persons	Self-Employed Persons	Voluntarily Insured Persons
1	Up to \$19.99	\$1.35	\$1.05	\$0.75
2	\$20 - \$39.99	\$2.65	\$2.05	\$1.50
3	\$40 - \$59.99	\$4.45	\$3.45	\$2.50
4	\$60 - \$79.99	\$6.20	\$4.80	\$3.45
5	\$80 - \$99.99	\$7.95	\$6.15	\$4.45
6	\$100 and over	\$9.75	\$7.55	\$5.45

BENEFIT RATES

7. For the insured person who meets the contribution conditions the rate of retirement benefit shall be thirty per centum of the insurable wage or earnings for the first seven hundred and fifty contributions and credits as a starting rate. Added to this will be one per centum of the insurable wage or earnings (see Table 2) for each additional fifty contributions and credits, provided that the retirement benefit shall not exceed a maximum of sixty per centum of the insurable wage or income.

TABLE 2

INSURABLE WAGE

Wage Groups	Weekly Wage or Earnings	Insurable Wage or Earnings
1	Up to \$19.99	\$15
2	\$20 – \$39.99	\$30
3	\$40 – \$59.99	\$50
4	\$60 – \$79.99	\$70
5	\$80 – \$99.99	\$90
6	\$100 and over	\$110

SAMPLE COMPUTATION OF BENEFIT PAYMENT

8. If an insured person had a total of 850 contributions and credits at the time of retirement in wage group 4 (whether as an employed, self-employed or voluntarily insured person) the benefit would be calculated as follows: –

For the first 750 contributions and credits 30% of the insurable wage or earnings will be paid – in this case 30% of \$70, or \$21.00

Add to this 1% of the insurable wage or earnings for each additional fifty contributions and credits (100) or 2% of \$70 = \$1.40.

The final benefit payment would, therefore, be \$21.00 plus \$1.40, or \$22.40 per week as retirement benefit payment.

9. For insured persons who satisfy only minimum contribution conditions of having paid at least 150 contributions but who have less than 750 contributions and credits a reduced retirement benefit will be paid as follows: –

Total Contributions and Credits	Retirement Benefit Payable
150 – 249	15% of insurable wage or earnings
250 – 499	20% of insurable wage or earnings
500 – 749	25% of insurable wage or earnings

10. The benefit rate will be calculated from the insurable wage or earnings in the wage group (see Table in paragraph 7 above) with the greater or greatest number of contributions since the insured person's entry into insurance, with the exception of age credits. For additional information see Tables 3 and 4.

HOW TO CLAIM?

11. A claim for retirement benefit must be submitted to a Local Office of The National Insurance Board in writing within three months from the date on which the insured person becomes entitled to claim. Claims may be made in advance of retirement but will not take effect until the date of entitlement. If one delays in making a claim, one may lose benefits.

HOW YOUR BENEFIT WILL BE PAID?

12. The main method of payment will be by means of a cheque drawn on a local bank issued once per month. Payment will be made in arrear and the first cheque will be issued at the end of the month in which entitlement begins. Claimants will be able to collect their cheques at their Local Office or at a number of other designated pay stations.
13. Claimants in the Family Islands where banking facilities are not available will be paid in cash.
14. Other methods of paying retirement benefit may be introduced later if there is sufficient demand for them and suitable arrangements can be made.

RIGHT TO APPEAL TO APPEAL TRIBUNAL IN CASE OF DISALLOWANCE OF BENEFIT CLAIM

15. If there is dissatisfaction with the decision on a claim, provision is made for the opportunity of contesting it. The correct procedure in this respect will be explained in the notification sent to the claimant.

EFFECT OF WORKING BEYOND AGE 65 YEARS

16. If at age 65 years an insured person continues to work in an insurable occupation, or cancels his retirement by returning to work (see paragraph 5) he must continue paying National Insurance Contributions and will not be eligible for retirement benefit during the period of continued or resumed employment. These resumed contributions will count toward an increase in pension payments upon eventual retirement.

OTHER INFORMATION

17. The insured person who was receiving invalidity benefit prior to becoming eligible for retirement benefit will have invalidity benefit converted to retirement benefit automatically.
18. Any further information regarding retirement benefit can be obtained from any National Insurance Local Office where competent staff will be happy to assist.
19. A list of Local Offices is provided on the back of this leaflet.

20. It is an offence punishable by fine or imprisonment or both for any person knowingly to supply false information for the purpose of contributions under The National Insurance Act. It is also an offence for any person to deface or destroy a contribution card or remove a stamp from a card, or to buy or sell a stamp or card.
21. Any person who, for the purpose of obtaining any benefit under The National Insurance Act, whether for himself or for some other person, knowingly makes any false statement or false representation or produces or furnishes any document or information which he knows to be false, shall be liable to a fine not exceeding \$1,000 or to imprisonment for a term not exceeding six months, or both.

LIST OF OTHER NATIONAL INSURANCE LEAFLETS

22. The following are other leaflets published by the National Insurance Board:

Leaflet No.	
1	"What Workers Must Do."
2	"What Employers Must Do."
3	"The Bahamas National Insurance Scheme — How It Will Work."
4	"Information for Employed Persons."
5	"The Employer's Guide to The National Insurance Scheme."
6	"Effect on Existing Employer's Schemes."
7	"Direct Payment of Contributions With Certain Computer Printed Documents."
8	"Old Age Non-Contributory Pension and Assistance."
9	"Mariners, Stevedores, Share Fishermen."
10	"Sickness and Injury Benefits."
11	"Exchange of National Insurance Contribution Cards."
12	"Funeral Benefit."
13	"Maternity Benefit."
14	"Self-Employed Persons."
15	"Voluntarily Insured Persons."
17	"Invalidity Benefit."
18	"Survivor's Benefit."

TABLES OF WEEKLY/MONTHLY RATES OF RETIREMENT BENEFIT

23. TABLE 3

Table of Weekly Rates of Retirement Benefit

Insurable Wage		Insurable Wage Group					
		1 \$15	2 \$30	3 \$50	4 \$70	5 \$90	6 \$110
		Weekly Rates of Benefit					
Contribution Record	% of Insurable Wage	GP 1	GP 2	GP 3	GP 4	GP 5	GP 6
		\$ ¢	\$ ¢	\$ ¢	\$ ¢	\$ ¢	\$ ¢
150	15	2 25	4 50	7 50	10 50	13 50	16 50
250	20	3 —	6 —	10 —	14 —	18 —	22 —
500	25	3 75	7 50	12 50	17 50	22 50	27 50
750	30	4 50	9 —	15 —	21 —	27 —	33 —
800	31	4 65	9 30	15 50	21 70	27 90	34 10
850	32	4 80	9 60	16 00	22 40	28 80	35 20
900	33	4 95	9 90	16 50	23 10	29 70	36 30
950	34	5 10	10 20	17 00	23 80	30 60	37 40
1000	35	5 25	10 50	17 50	24 50	31 50	38 50

TABLE 4

Table of Monthly Rates of Retirement

Insurable Wage		Insurable Wage Group					
		1 \$15	2 \$30	3 \$50	4 \$70	5 \$90	6 \$110
		Monthly Rates of Benefit					
Contribution Record	% of Insurable Wage	GP 1	GP 2	GP 3	GP 4	GP 5	GP 6
		\$ ¢	\$ ¢	\$ ¢	\$ ¢	\$ ¢	\$ ¢
150	15	9 75	19 50	32 50	45 50	58 50	71 50
250	20	13 00	26 00	43 33	60 67	78 00	95 33
500	25	16 25	32 50	54 17	75 83	97 50	119 17
750	30	19 50	39 —	65 00	91 00	117 00	143 00
800	31	20 15	40 30	67 17	94 03	120 90	147 77
850	32	20 80	41 60	69 33	97 07	124 80	152 53
900	33	21 45	42 90	71 50	100 10	128 70	157 30
950	34	22 10	44 20	73 67	103 13	132 60	162 07
1000	35	22 75	45 50	75 83	106 17	136 50	166 83

THE NATIONAL INSURANCE BOARD LOCAL OFFICES

24.	
New Providence:	Nassau Farrington Road P. O. Box N-7508 Telephone: 2-2005-9
Grand Bahama:	Freeport Queen's Park P. O. Box F-2618 Telephone: 353-7222-3
Abaco:	Marsh Harbour
Andros & Berry Islands:	(a) Fresh Creek Telephone 8-2621 (b) Kemps Bay
Cat Island:	The Bight
Crooked Island: (Acklins & Long Cay)	Colonel Hill
Bimini:	Alice Town
Eleuthera:	Governor's Harbour Telephone: 2-2132
North Eleuthera:	Harbour Island Telephone: 3-2132
Exuma: (Ragged Island)	George Town Telephone: 6-2533
Inagua:	Matthew Town
Mayaguana:	Abraham's Bay
Long Island:	Deadman's Cay
San Salvador: (Rum Cay)	Cockburn Town