

## **The Pension and Social Security Law for Workers, as Amended**

Law document number – identification-:

39

Type of law:

Law

Issue date:

March 9, 1971

Publication date:

March 22, 1971

Status:

In effect

Summary:

Social security in this age is no longer a socialist or humanitarian requirement only but it became, in addition to that, a basic economic and developmental necessity that all developed countries - despite their diverse social and political orientation - endeavour to provide to all of the working citizens; after it became scientifically proved that economic prosperity and productive development increase in direct proportion to the progress of the level of their health, to the awareness and living standard of the working class and to the accretion of their contentment with the future and destiny of their families thereafter. That is why it was natural that social security gained the highest levels of care and interest.

In the name of the people,

And according to the second article of the Temporary Constitution and based on the President of the Republic's approval of the proposal of the Minister of Labour and Social Affairs, the Revolutionary Command Council decided in the session held on the nineteenth of March 1971 to ratify the following law:

### **First Chapter**

#### **Definitions**

Article-1- "Definition for Wages" was added after "subscription" to this article according to article (1) of the Law Amending Pension and Social Security Law Number 39 for 1971, numbered 155 issued in 1971, and was replaced by the following:

a- It is intended in this Law that the following words and phrases shall have the meanings indicated next to them:

Minister: Minister of Labour and Social Affairs

Ministry: Ministry of Labour and Social Affairs

Organization: Workers' Retirement and Social Pension Organization

Chairman: Chairman of the Organization's Board of Directors

Board: The Organization's Board of Directors

Director General: The Organization's Director General

The Insured: The worker covered by the provisions of this Law

Insured Service: Service covered by the provisions of this Law

Subscription: The amount to be paid by parties specified in the Law in return for any services, compensations, rewards or salaries provided by the Organization to the Insured person according to the Provisions of this Law

Wage: All of which comes under the meaning of a fixed wage in the Labour law when it has been established by transactions or customs to be paid permanently

Medical Committee: Committee of three medical physicians appointed by the Board to look into medical conditions or medical certificates which are presented to them according to the provisions of this Law. The Board may authorise the Official Medical Committee in agreement with the Ministry of Health

High Medical Committee: Committee of five medical physicians appointed by the Board, with headquarters in Baghdad, it may meet at any other place when necessary. It specialises in settling the decisions by Medical Committees that have been objected to.

Medical Expertise: Medical expertise which is set by this Law

Illness: Medical impairment preventing the person concerned from practicing his work and is not caused by a work injury and is determined by Medical Expertise

Occupational Illness: Impairment resulting from practicing certain occupation.

Work Accident: Infliction with an occupational illness or infliction with an incapacitated body part resulting from an accident that occurred during or because of work, and an accident that befalls the insured worker when directly going to work or directly returning from work are in effect considered to be the same as that. Occupational Illnesses, incapacitated body parts and the degree of disability caused by each of them are specified by tables annexed to this Law issued by the Minister according to the suggestion of the Board of Directors after obtaining opinion from the Ministry of Health. It is also determined by Medical Expertise in cases not listed in said tables.

Disability: Lack of ability to work completely or partially because of illness or work accidents.

Compensation: All of that is paid by the Organization to the Insured at the end of his Insured Service in case he is not eligible for a pension salary or in other cases indicated in the law.

Pension: The complete or partial pension salary which is paid by the Organization to the Insured or to his successor after him when his service terminates or he becomes disabled or deceased according to the terms of this Law.

b- Except where the definitions, terminology and texts whose meanings have been particularly specified in this Law, all other definitions, terminology and texts contained in Labour Law No. 151 for 1970 are considered complimentary to the provisions of this Law.

## **Second Chapter**

### **The Object and Comprehensiveness of the Law**

Article-2- This Law aims to ensure the health, safety and future life of all members of the working class in the Iraqi Republic, it also aims to prepare conditions and provide services

that help to develop the working class socially and vocationally to a better standard. The Law achieves said goals through the following main branches of Social Security:-

- a- First Branch: Health Assurance
- b- Second Branch: Work Accidents Assurance
- c- Third Branch: Pension Assurance
- d- Fourth Branch: Services Assurance

Article-3- This article was revoked according to article (1) of the Law Amending Pension and Social Security Law Number 39 for 1971 numbered 21 issued on 19-07-2007 and was replaced by the following:

The provisions of this Law will apply to workers covered by the provisions of Labour Law No. (71), for 1987.

Article-4- The provisions indicated in this Law shall represent the minimum limit of social security specified by it. And wherever there is a law, regulation or private contract that covers other social security branches, or contains better advantages than the assurance branches set in this Law, or in one of them, it is considered an acquired right for those benefiting from it and it cannot be revoked whether before or after this Law being issued.

### **Third Chapter**

#### **The Workers' Retirement and Social Pension Organization**

Article-5- The Workers' Retirement and Social Pension Organization is a public organization for public benefit; has a body corporate; enjoys complete legal capacity, legal and financial independence as set in this Law.

Article-6- The Minister shall supervise the business of the Organization, and this Law indicates the limits of this supervision and his terms of reference.

Article-7- The Organization is managed by:

- a-The Organization's Board of Directors
- b- A central Directorate General for the Organization
- c- Branch directorates and departments for the Organization in governorates as the need calls.

Article-8- Paragraph (1-A) of this article was amended by replacing the phrase (and two members appointed by the President of the Republic) with the phrase (and three members appointed by the President of the Republic) according to article (1) of the Law Amending Pension and Social Security Law Number 39 for 1971 numbered 66 issued on 16-06-1973

This article was revoked according to article (1) of the Law Amending Pension and Social Security Law Number 39 for 1971 numbered 32 issued on 05-03-1973 and was replaced with the following:

1-

a- The Board of Directors of the Organization is appointed by a resolution from the President of the Republic and suggested by the Minister comprising the Deputy Minister or whoever the Minister nominates as Chairman and the Organization's Director General as Secretary and representatives of the Ministries of Health, Finance, Labour and Social affairs, Planning

and two representatives of the workers nominated by the General Union of Workers' Trade Unions and three members appointed by the President of the Republic and three reserve members appointed by the Minister, all or some of whom shall replace absent members when there is no quorum for Board meetings and within the limit of completing this quorum only.

b- The Minister has the right to chair Board meetings.

2-

a- The membership term shall be two years from the commencement date, except for the Chairman and Secretary. The Minister can require Members to continue in their position until their substitutes are appointed or until they are reappointed.

b- It is allowed to reappoint a member whose membership term has terminated.

c- The member indicated in paragraph (a) above and the reserve member who is designated in his place can resign in a written request submitted to the Minister and his position shall become vacant after it is accepted.

d- A member is considered as having resigned if he does not attend Board meetings three consecutive sessions without an excuse accepted by the Board.

e- A member appointed to fill a vacated membership position before its term shall serve for the remainder of the term.

Article-9- Paragraph (H) of this article was amended according to article (1) of the Law Amending Pension and Social Security Law Number 39 for 1971 numbered 155 issued in 1971 and it became as follows:

The Organization's Board of Directors shall supervise all of its administrative, financial and technical activities, and shall particularly undertake:-

a- Mainstream planning for applying the provisions of this law to all workers covered by it across Iraq, according to the third article therein;

b- Act for the development of the Organization and its administrative, financial and technical regulations according to contemporary scientific methods, and prepare particularly for substitute electronic equipment to various manual works, especially in accounting, statistics and research, and to contract local Arab and foreign specialists and experts for the purposes mentioned.

c- Set general policy for the administration and investment of the Organization's property and revenues, according to the social and economic goals set in the Labour Law and this Law, within the limits of governmental general economic planning and development projects, and the supervise the good application of this policy in all parts of the Organization.

d- Endorse the Organization's annual budget, its developmental budgets, and the final accounts and amend approved budgets according to the provisions of this Law.

e- Ratify the Organization's cadres and amendments thereto.

f- Decide upon debts due to the Organization, and on sums of accumulated contributions in arrears and consequent additions, and determine the method of payment to the Organization.

g- Approve Contracts, engagements and financial commitments within the scope of the approved budget.

h- Grant allowances not exceeding 100% of the nominal salary to full-time employees in the Organization, who are specialist physicians, general practitioners, engineers, medical or technical assistants and whoever is at the same level of knowledge, expertise and specialty as those mentioned.

And grant allowances not exceeding 50% of the nominal salary to the Organization's staff, employees and workers who are assigned overtime work outside the official working hours. All allowances mentioned in this paragraph shall be exempt from the provisions of the Law for Allowances of Government Employees. It is also allowed to grant allowances to non-employees of the Organization who are assigned to a job or function, provided that assignment and allowance determination shall be approved by the Minister.

i- Propose regulations and issue directives for whatever is deemed necessary to clarify the provisions of this Law; facilitate its application; regulate, develop and raise the standards of work across all parts of the Organization.

j- Propose legal amendments deemed necessary to develop the Organization and improve the standards of its services in view of the results and expertise from this application.

k- Decide on objections to the Director General's decisions.

l- Study the topics proposed by the Minister, Director General or Union and issue the resolutions they deem appropriate, or merely express their opinion and proposals in that respect.

m- Form committees to study various affairs of the Organization, or to investigate its various administrative, technical and financial issues.

n- Prepare a comprehensive annual report about the Organization's work, submitted to the President of the Republic through the Minister, stating the outcome of the Organization's activities, its achievements, its mistakes and the obstacles faced, presenting their opinion on all of the forgoing and their proposals.

o- The Board of Directors may authorise its Chairman or the Director General with some of its terms of reference.

Article-10- This article was revoked according to article (2) of the Law Amending Pension and Social Security Law Number 39 for 1971 numbered 32 issued on 5/3/1973 and was replaced by the following:

The Board of Directors shall hold at least one meeting each month. The Minister, the General Union of Workers Trade Unions or two thirds of the Board members can request the Board to invite an extraordinary meeting if necessary.

Article-11- This article was revoked according to article (3) of the Law Amending Pension and Social Security Law Number 39 for 1971 numbered 32 issued on 5/3/1973 and was replaced by the following:

The quorum shall be achieved in Board meetings by the presence of the Chairman or Secretary in case the Chairman is absent, and half of the members. Resolutions,

recommendations and proposals shall be issued with an absolute majority, and when the votes are equal the Chairman shall have a casting vote.

Article-12- This article was revoked according to article (4) of the Law Amending Pension and Social Security Law Number 39 for 1971 numbered 32 issued on 5/3/1973 and was replaced by the following:

1- Board resolutions shall be sent to the Ministry before their implementation. If there shall be no objection to them within ten days from the notification date they shall be considered ratified and enforceable.

2- If the Ministry objects to any of the Board's resolutions, the resolution shall be presented to the Board again at the first meeting it shall hold.

3- A copy of the resolutions shall be sent to the General Union of Workers Trade Unions for information.

Article-13- This article was revoked according to article (5) of the Law Amending Pension and Social Security Law Number 39 for 1971 numbered 32 issued on 5/3/1973.

Article-14- Members of the Board of Directors shall be granted allowances decides by the Minister, proportionate to the actual efforts they exert in performing the missions assigned to them in this Law. Payment of allowances shall be at the end of each normal term to those who actually participated in the sessions and business of that term; they shall be exempt from the upper limit stipulated in the Law for the Allowances for Government Employees, provided they do not exceed 240 Dinars per annum for the member of the Permanent Bureau, and 180 Dinars for the remaining members. A Reserve Member shall receive the allowance of a Principal Member when he replaces him.

Article-15- Paragraph (K) of this article was Amended by adding the phrase (and others) according to article (1) of the Law Amending Pension and Social Security Law Number 39 for 1971 numbered 155 issued in 1971 appointing the Organization's Director General by a Presidential Decree based on the Minister's proposal. He shall be the administrative head of the Organization, responsible for enforcing the terms of Law in it, through the resolutions and guidance of the Board of Directors and its Chairman. The Organization's various administrative, financial and technical bodies shall be attached to the director General, and shall be accountable directly to him for their work functions. The director General shall particularly undertake to:

a- Manage the Organization's business according to the provisions of law, in the light of the Board of Directors' planning, the general policy prescribed by them and within the limits of their resolutions and guidance.

b- Issue the administrative directives necessary to ensure good performance of work in the Organization, propose plans to assist in developing its services and raise the level of investment.

c- Prepare the Organization's cadres, drafts for ordinary and developmental budgets and submitting them to the Board of Directors.

d- Submit the final account for the expired fiscal year to the Board of Directors, with detailed explanatory data for the investment, revenue and expenditure accounts.

e- Submit an annual report to the Board of Directors on the Organization's whole activities, its general financial status and the outcome of its investment.

f- Appoint and promote the Organization's staff, employees and workers; transfer, discipline and pension them off after approval by the Board of Directors.

g- The Director General may delegate some of his missions and terms of reference to some of the Organization's employees, provided this is done through his written authorisation. The employee shall be accountable directly to the Director General for he was authorised for, and also the director General will remain accountable to the Board of Directors for the delegated business.

Article-16- Paragraph (d) was added to this article according to article (1) of the Law Amending Pension and Social Security Law Number 39 for 1971, numbered 155 issued in 1971, and amended by article (6) of the Law Amending Pension and Social Security Law Number 39 for 1971, numbered 32 issued in 1973.

a- Special regulations shall be prepared for service in the Organization setting terms for appointing, promoting, awarding, transfer and pensioning off; they shall also define the methods of monitoring, accountability, penalty and dismissal from service. The provisions of said regulations shall take into account all rights acquired by the Organization's staff, employees and workers while this Law was being issued.

b- All of the Organization's staff, employees and workers and all of the staff, employees and workers of the Workers' Investments Organization who joined the Organization shall retain their acquired rights according to service and retirement and the grades and salaries they had before this Law was issued.

c- Service in the Organization shall be eligible for pension, and the provisions of the Law for the Pension Fund for Staff and Employees in Semi-Official Departments and Organizations shall remain in effect for the staff and employees mentioned in the previous paragraph (b).

d- While special regulations for service in the Organization are being prepared, the provisions of the Law for Civil Service shall apply to all members of the Organization. All procedures taken under the Law Amending the Pension and Social Security Law No. 155 for 1971 will be considered as revoked, including members of the revoked Workers' Investments Organization, as of the date of enforcing this Law.

Article-17-

a- All staff and employees of the Organization shall be subject to technical training courses in various specialties of social security, supervised and administered by the most qualified experts and specialists in the Organization, in collaboration with university professors and experts from the International Labour Organisation and others. Positive outcomes in passing these courses shall be among the most important conditions for promotion, reward and appreciation in the Organization.

b- The Organization shall put in place a special program for training a number of Union workers every year in all specialties and branches of assurance. Their number shall be determined in agreement between the Organization's management and the Union, and they shall be nominated by the Union. The Organization shall undertake payments to the workers during the period prescribed for their training, and it shall conduct a test for them at the end of the period and shall fix the passing grade for them.

c- The Organization may send overseas at its expense the excelling employees and Union members on courses of training or specialisation scholarship.

d- Union workers excelling in courses shall have first priority in appointment at the Organization, if they meet the other legal conditions required for appointment.

#### **Fourth Chapter**

##### **Financial Regulation**

Article-18- The Organization's budget shall be an independent budget within the government's financial policy, prepared by the Director General, ratified by the Board of Directors and submitted through the Minister to the legislative authority directly for ratification, according to the legal process for ratifying the government's general budget.

Article-19- The fiscal year starts on the first day of April every year, and expires on the thirty first of March of the following year.

Article-20- Paragraph (g) of this article was revoked according to the Law Amending the Law for the Pension and Social Security for Workers No 39 for 1971, numbered 669 issued in 1983, to read as follows:

The Organization's assets and revenues are comprised from the following sources;-

a- Movable and fixed assets owned by the Organization.

b- Revenue from the Organization's investment.

c- The balance of final settlement from the abolished Workers' Investments Organization according to the provisions of this Law.

d- End of service rewards, due to workers in departments and private businesses, for their period of service prior to the enforcement of this Law.

e- Subscriptions paid to the Organization according to this Law.

f- Revenue achieved for the Organization according to paragraph b / 1 of article 108 of this Law.

g- The Public Treasury's contribution to the Organization's revenues. The contribution is determined as allocated by the Ministry of Finance in the annual public budget, provided it shall not exceed 30% of the contributions paid to the Organization during the preceding year.

h- Various assets and revenues endowed or granted to the Organization, which the Board of Directors shall decide to accept.

i- Amounts of penalties charged by the Organization or ruled administratively or judicially in all social security disputes, according to the provisions of this Law; and interest from loans and subscriptions accumulated or in arrears.

j- Any other revenues due to the Organization according to the provisions of this Law, or other laws.

Article-21-

a- All assets of the Organization are public assets, not to be disposed of except for the purposes of this Law, within the limits of the principles and rules stipulated in it.



b- All financial procedures and dispositions in the Organization shall be subject to financial inspection, and auditing by the Supreme Audit Board.

c- The Organization's debts, and any amounts due to it by this Law shall be considered privileged debts, in the collection of which when appropriate the Law for Collecting Debts Due to the Government shall be applied.

d- The Organization's movable and fixed assets shall be exempted from income tax and fees and the Organization shall be excluded from the Law Regulating the Profits of Semi-Official Departments No. 83 for 1961.

#### Articla-22-

a- The Organization shall conduct at least every three years a general actuarial accounting test for its financial position, and submit a special report of the test result to the Minister showing the aspects of balance between the revenues from various assurance branches and the expenses of these branches, the Organization's general financial and investment position and the Organization's capacity to fulfil its commitments; expressing an opinion and forwarding proposals.

b- The Minister may request such a test at the time he designates if he deems that necessary, through the annual reports of the Board of Directors, the Inspector General and the Supreme Audit Board. The Minister may in this case name the actuarial expert or an actuarial expertise committee to conduct this test.

Article-23- Each of the Organization's assurance branches shall have its own assets, reserves ad special revenues, and shall have an independent account showing its branch budget, sums of its revenues and expenses and the last annual balance.

Article-24- The Organization's assets and revenues mentioned in article 20 of this Law shall be distributed to the four assurance branches according to the rates shown below:-

a- The assets and revenues shown in paragraphs a-b-c of article 20 of this Law as follows:-  
70% shall be allocated as general financial reserve for the pension assurance branch.  
10% shall be allocated as general financial reserve for each of the other three branches of assurance.

b- All revenues of paragraph d of article 20 of this Law shall be allocated to the pension assurance branch.

c- The subscription revenues shown in paragraph e of article 20 of this Law shall be allocated to the assurance branches for which these subscriptions shall be paid, according to article 27 of this Law.

d- The revenues shown in paragraphs f to j in article 20 of this Law shall be distributed to the four branches of assurance according to the same rates mentioned in paragraph (a) of this article.

e- The Organization shall retain a fixed cash reserve of for each of the assurance branches that cannot be disposed of except for addressing the contingent deficit that may occur in that branch's budget. The Board of Directors shall assess the amounts of said reserves once every three years in the light of the actuarial accounting test mentioned in article 22 of this Law, provided the amount of the branch's fixed cash reserve shall not exceed one fifth of its financial assets.

## **Fifth Chapter**

### **Subscriptions and their Method of Payment**

Article-25- As of the date of coverage of any workers' category under the provisions of this Law the subscriptions stipulated in this Law shall substitute the subscriptions that were determined in Law No 112 for 1969 as Amended, and replace the end of service reward which was in effect according to Labour Law No. 1 for 1958 as Amended and according to the private labour contracts in effect during the issue of the new Labour Law No. 151 for 1971.

Article-26-

a- Social Security subscriptions shall be computed on the basis of a fixed rate of actual wage received by the worker. The wage used to determine the subscription rate shall not, in all cases, be less than the minimum wage approved for the insured worker's vocation, if there is such, otherwise it shall not be less than the general minimum wage.

b- Subscriptions paid during one Gregorian year shall be based on wages paid in January of that year. Subscriptions for workers covered by this Law for the first time or who join a new insured service shall be paid based on the wage of the month when they were covered by assurance or during which they joined the service until the end of that Gregorian year, after which their subscriptions shall be paid as based on the wage of the following January.

c- Subscriptions shall be due for the whole of the first month in which the insured service begins and shall not be due for part of the month in which they terminate. If the worker's wage was not monthly, his subscriptions shall be computed on the basis of the total of wages he actually receive during a complete month, without prejudice to the provisions of paragraph a in the present article.

d- The Board of Directors may adjust the computation method mentioned in paragraph b of this article and decide to compute it on the basis of actual wages paid at the end of each month as long as such adjustment shall be in the Organization's interest.

e- Upon the proposal of the Director General the Board of Directors may set the method of wage computation in certain cases such as the wages of minors, trainees, workers who work for more than one employer, workers who are paid as per production, temporaries, seasonal workers and others. The Board may also set the method of subscription payment or collection in any of the mentioned cases.

Article-27- Paragraph (b) of the present article was revoked according to article (1) of the Law Amending the Pension and social Security Law for Workers No. 39 for 1971 numbered 155 issued in 1971 and was replaced by the following:

a- The rate of 5% shall be deducted from the insured worker's wage in return for his participation in the Organization, the whole of this rate shall enter in the pension assurance branch account and the worker shall be exempted from paying any subscription to the other assurance branches.

b- The subscription rates for departments and employers for their insured workers shall be set as follows:-

1- The rate of (12%) of wages from all departments and employers except employers excluded from provisions of articles one and two of Law No. (101) for 1964, as Amended.

This rate shall be distributed as follows: 1% to the health assurance branch, 3% to the work injuries assurance branch, and 9% to the pension assurance branch.

2- The rate of (25%) of wages to employers in the private and mixed sectors excluded from the provisions of the first and second articles of Law No. (101) for 1964, as Amended. This rate shall be distributed as follows: 3% to the health assurance branch, 3% to the work injuries branch, 15% to the pension assurance branch and 4% to the services assurance branch.

Article-28- Except for the pension branch subscription, the Board of Directors may exempt, after the Minister's approval, the relevant department based on its request from subscribing in the Organization for its workers in the other assurance branches or part of them, provided said department shall be committed to provide its workers with all the provisions and services of assurance that it was exempted from subscribing to, according to the stipulations of this Law, without charging the workers with anything in return for that.

Article-29- Subscriptions due for the month, whether deducted from the insured's wage or due on departments or employers, shall be considered due for payment on the first of the following month. Departments and employers, each according to what concerns them, shall be obligated to deduct the amount of subscription due for the worker from his wage monthly without any accumulation if the wage was monthly, otherwise 5% shall be deducted from every payment during the month without any accumulation. In case there is no instantaneous deduction, the relevant party shall be obligated to pay the subscription due for the worker for the month or part of the month that has not been deducted for.

Article-30- Paragraph (a) was revoked and paragraph (c) was added in this article according to an amendment resolution to the Law for Pensions and Social Security for Workers No. 39 for 1971 numbered 261 issued in 1975 and was replaced by the following:

a- Employers shall pay the subscriptions owed by them and by their workers on the dates stipulated in this Law or by the regulations and directives issued accordingly. In case of delay of payment on the required dates the employer shall be obligated to pay to the Organization a fine equivalent to 2% of the sum of subscriptions for each month in arrears.

b- If payment is delayed by one of the departments covered by the provisions of this Law and the delay was not justifiable legally, the officer responsible for the delay shall be held accountable and be subject to disciplinary sanction when appropriate.

c- Exemption in full or in part from the sanction mentioned in paragraph (a) of this article may be granted by a resolution of the Board and the Minister's approval if the reasons for the employer's delay in paying the subscriptions on legally required dates are due to cases of force majeure or emergency circumstances that prevent payment, provided there is goodwill and there is no fraud, forgery or manipulation.

Article-31- Paragraph (a) of this article was adjusted according to the Law Amending the Law for Pensions and Social Security for Workers No. 39 for 1971 numbered 155 issued in 1971 and was replaced by the following:

a- Excluding the case of military service, all departments and employers shall pay all subscriptions owed by them and by their workers for the complete periods of interruption of their secured workers from work when the work contract is suspended because of Union full-time work, Union delegation, illness, giving birth, detention under investigation or any other case stipulated by law. It shall not be allowed to claim from workers what has been

paid for their share of subscription according to the provisions of this paragraph, and said periods of interruptions shall be considered as secured service.

b- However, in cases where the law imposes that departments and employers shall pay the worker's wage for the period in which his work contract is suspended, the rate of 5% shall be deducted in return for the worker's subscription in the assurance, provided that the deducted amount in this case shall not exceed the worker's original subscription, and if it became less the relevant departments or employers shall compliment it.

c- The period of the worker's interruption from work for the purposes of military or reserve service shall be considered as secured service and shall be exempt from any subscription.

Article-32- Sums deducted by departments and employers from workers' wages in return for subscriptions legally owed by them shall be considered as deposits to be kept in a special account and shall not be disposed of for any purpose except the payment of the subscription that they were deducted for.

Article-33- Paragraph (a) of this article was adjusted according to article (1) the Law Amending the Law for Pensions and Social Security for Workers No. 39 for 1971 numbered 155 issued in 1971 and was replaced by the following:

a- Departments or employers who contract the execution of any job to a contractor shall notify the Organization of the contractor's name, his address, the nature of the job contracted to him and its costs at least three days before the job starts. The contractor shall be committed by the outcome of this notification on his own behalf and on behalf of the subcontractor he is in contract with, if applicable. The original contractor and the subcontractor shall be jointly and severally responsible for the fulfillment of the obligations stipulated in this law and in regulations and directives issued according to it.

b- All financial government departments directly attached to or independent of the Public Treasury shall not pay any dues to an employer or contractor unless he proves his Acquittance towards the Organization by an official document issued by it. This applies to the government ministries, official and semi-official organizations, and public sector organizations and facilities.

In enforcing the provisions of this paragraph the directives issued by the Organization shall be followed.

Article-34-

a- All departments that employ workers covered by this Law shall pay them their salaries and wages according to independent lists, and shall pay to the Organization the monthly subscriptions owed by them based directly on these lists.

b- All employers who employ twenty workers or more shall pay wages to their workers according to orderly lists and shall pay monthly the subscriptions owed by them to the Organization according to paragraph a of this article.

c- As for employers who employ less than twenty workers, their wages shall be paid according to or without lists according to the Director General's directives.

## **Sixth Chapter Concerning Procedures**

Article-35- Paragraph (e) of this article was added according to article (1) of the Law Amending the Law for Pensions and Social Security for Workers No. 39 for 1971 numbered 155 issued in 1971 and became as follows:

a- All departments and employers shall ensure securing their workers covered by the provisions of this Law in the Organization and to pay on their behalf the total subscriptions stipulated by law at the dates and in the methods outlined by the Director General's directives.

b- The authorities mentioned in paragraph a of this article shall submit to the Organization, at the beginning of each year, a statement showing the department's name and location of its headquarters, or the name of the employer and the location of his project and his address; stating the number of insured workers, their names, their complete addresses, the amount of their wages, subscription sums owed by them, subscription sums owed by their employer. To this annual statement shall be attached additional monthly statements explaining every contingent adjustment to the information and occurrences that were previously submitted in the annual statement.

c- The mentioned statements and their amendments shall be utilised, after ratification by the Organization, in setting the rate of subscriptions owed by the submitting party. In case there is delay in submitting these statements, or delay from the date prescribed for their submittal, the Organization shall set subscriptions in the light of its own investigations, and continue to collect them on this basis, until the relevant party shall submit their data according to the provisions of this Law and these data are ratified by the Organization.

d- The authorities mentioned in paragraph (a) of this article shall organise special registers for enforcing this Law and shall keep the required documents and registers according to the directives issued by the Organization. It shall maintain for each insured worker with them a special file pertaining to his assurance affairs.

e- Data submitted to the Organization according to the provisions of this article shall be exempt from stamp duty.

Article-36- This article was revoked according to article (1) of the Law Amending the Law for Pensions and Social Security for Workers No. 39 for 1971 numbered 89 issued in 1979 and was replaced by the following:

1- If the worker's service terminates with the employer who registered him in the Organization and paid subscription for him, the employer shall continue to be responsible for paying the worker's subscriptions until the date on which the Organization is notified of the termination of his service with him.

2- Construction workers shall be excluded from the above paragraph 1 provisions.

Article-37-

a- Employers who employ fifty workers or more shall specify at least one employee for full-time organisation of social security affairs, procedures and registers.

b- Each employer shall hang in a prominent place of his headquarters the certificate issued by the Organization proving payment of social security subscriptions owed by him and his workers.

Article-38- Paragraph (b-2) of this article was revoked according to article (1) of the Law Amending the Law for Pensions and Social Security for Workers No. 39 for 1971 numbered 155 issued in 1971 and was replaced by the following:

a- The Organization shall provide the services incumbent on it and pay various dues stipulated in this Law to the eligible insured worker present inside Iraq according to procedures set by the Director General.

b- The Organization shall not pay dues to a person outside Iraq and shall cease payment of dues to a person proved to have departed Iraq except in one of the following cases:-

1- If the beneficiary is an Iraqi and has departed the country legally, after the Minister's approval of the departure and payment.

2- If the beneficiary is an Arab and has returned to his country after the termination of his insured service or was deceased and the beneficiaries after him do not reside in Iraq

3- If the beneficiary is a foreigner, the rule of reciprocity shall be applied to him or the provisions of International Labour agreements, whichever is better for the worker.

4- Payments of dues for all exceptional cases indicated previously shall proceed according to directives issued by the Board of Directors and ratified by the Minister.

c- If an insured worker is detained for any legal reason whatsoever, the Organization shall take his dues to him or his family according to the Director General's directives.

Article-39- The Organization shall issue an "Assurance ID" to every insured worker. The form of the ID, the information to be indicated in it and the method of handling it shall be set by a resolution from the Board of Directors. The "Assurance ID" shall be considered, in case the legal provisions therein are complete, a final document proving the insured worker's character, according to which he can request all of that owed to him by the provisions of this Law.

Article-40-

a- Each worker covered under the provisions of this Law shall obtain an "Assurance ID" through his employer and if the latter refuses or delays, the worker shall obtain it through his trade union where applicable or through the Union. If he could not do that, he shall contact the Organization's centre in his work area.

b- Each worker, after ensuring his registration at social security and obtaining the "Assurance ID", shall take care of his ID and inform the Organization of any changes that occur in his work according to the directives issued by the Organization.

c- If the worker did what was required from him in the previous two paragraphs of this article, the Organization shall be obligated to respond to his lawful requests and pay him all of what is due to him according to the provisions of this Law, even if the subscriptions had not been paid on his behalf. In this last case it shall revert to the party that failed to pay subscriptions on behalf of the worker on time and to apply to them the provisions of this law.

d- If the worker did not take the initiative to obtain the "Assurance ID" or if he obtained it and did not inform the Organization of the changes occurring on his work conditions, he may not request - in one of these two cases - unless all legal procedures are applied to him and all subscriptions are paid on his behalf for the period prior to his request. Only cases of injury and death shall be excluded from that.

Article-41- This article was amended so that the phrase (from the workers or their legal representative) was substituted by the phrase (from the workers, beneficiaries and their legal representatives) according to article (1) of the Law Amending the Law for Pensions and Social Security for Workers No. 39 for 1971 numbered 155 issued in 1971 and became as follows:

All requests, data, forms, certificates, receipts and various types of other documents presented to the Organization according to the provisions of this law by workers and beneficiaries or their legal representatives shall be exempt from any charges or stamps.

Article-42- Paragraph (a) of this article was amended according to article (1) of the Law Amending the Law for Pensions and Social Security for Workers No. 39 for 1971 numbered 158 issued in 1979 and became as follows:

a- The Director General or his nominee from the Organization's employees shall have all the powers of inspection stipulated in the twelfth chapter of Labour Law No. 151 for 1970 for the purposes of enforcing this law, provided that with each inspector or inspection committee one representative nominated by the general Union of Workers' trade unions shall participate. If he cannot participate for any reason the inspection mission shall be carried out without him.

b- The Inspection Division in the Ministry shall be responsible for monitoring the enforcement of the provisions of this Law directly, in addition to its powers set in Labour Law No. 1251 for 1970. In this respect it shall coordinate its work with the Organization. The Inspection Division mentioned shall provide the Director General with copies of its reports when they concern the enforcement of the provisions of this Law.

## **Seventh Chapter**

### **Health Assurance Branch**

Article-43- The worker's illness requiring sick leave shall be confirmed by a medical certificate issued by the private physician assigned by the worker's employer or one of the Organization's physicians, if the medical certificate was issued at the start of the illness and during its first eight days. If the medical certificate contains, in this case, granting the worker sick leave for no more than eight days the employer shall be obligated to pay him in full for the days of said leave. The worker may at the same time resort to the medical bodies endorsed by the Organization based on the Assurance ID and the medical certificate given to him in order to obtain the necessary treatment and medications needed free of charge. If this case is repeated for the same worker at one party, this party shall not be obligated to the worker with more than the wages of thirty days during one work year, what exceeds that shall be insured sick days, committed by the Organization according to the provisions of this Law, provided the medical certificates in this last case are issued by the medical body adopted by the Organization or authenticated by it.

Article-44-

a- Except for medical cases mentioned in article 43 of this Law, the worker's illness requiring more than eight days insured sick leave shall not be confirmed except by a medical certificate from one of the Organization's physicians or adopted by it.

b- If the worker is proved to be eligible for insured sick leave, the Organization shall notify the worker by a copy of the medical certificate and by copies of subsequent medical certificates to the worker's employer, who shall consider him on leave without pay from the

ninth day of his sick leave until the date of his recovery, or of confirming his disability or his death, without prejudice to the provisions of article 31 of this Law.

Article-45- Paragraph (a) of this article was amended according to article (1) of the Law Amending the Law for Pensions and Social Security for Workers No. 39 for 1971 numbered 155 issued in 1971 and was replaced by the following:

a- Taking into consideration the provisions of article 43 of this Law the Organization shall pay the sick insured worker, until he recovers or his disability is affirmed, sick leave compensation at the rate of 75% of the average wage for the last three months prior to his illness, or the average wage he received before his illness if his period of work was less than that, provided that this rate shall not be less than the minimum wage for the worker's vocation, and it shall at the same time provide the worker with all means and facilities of medical care and treatment.

b- Medical care and treatment are: Clinical examination at the clinic or home where appropriate, dispensing treatment, referral to specialists, staying in hospital or sanatorium, surgery, radiography, laboratory tests, rehabilitation services in case of disability, providing prosthetic and countervailing limbs and appliances, and everything required for the ill person's condition.

c- The Organization, from the date of enforcing this law, shall begin to establish and develop the Health Assurance Branch within a phased process ensuring the provision of all means for medical care and treatment at the standard stipulated in paragraph b of this article during a maximum period of three years. The mentioned process shall include the establishing hospitals, infirmaries and other health departments attached to the Organization and forming the medical framework necessary therein.

Article-46- Care and treatment for ill workers shall be according to the Organization's health regulations, at the place and by the methods set by the physicians adopted thereby. The ill worker shall follow during his illness the directives of the Organizations and the medical body supervising his treatment. The Organization shall not be obligated to provide any service or compensation in case the worker refused to follow instructions, unless he reverted to complying therewith.

Article-47- Paragraph (c) of this article was revoked according to the Law Amending the Law for Pensions and Social Security for Workers No. 39 for 1971 numbered 110 issued in 1977.

- Paragraph (b) of this article was amended according to article (1) of the Law Amending the Law for Pensions and Social Security for Workers No. 39 for 1971 numbered 155 issued in 1971 and became as follows:

a- If the ill worker recovers, the medical body supervising his treatment shall notify him thereof and set a date for him to rejoin his work, and the Organization shall inform his employer of this matter. The worker shall rejoin his work according to this notice at the risk of being deemed absent without legal cause in case he does not rejoin.

b- If the worker does not recover despite the lapse of six months in treatment, he shall be deemed disabled and the worker and his employer shall be notified thereof.

But if the worker recovers before the lapse of six months and the illness caused him a disability, he shall be notified of his recovery and the ratio of his disability and his employer shall be notified thereof. In both cases mentioned in this paragraph the work contract shall be considered expired from the date the worker was deemed disabled because he did not



recover, or from the date of his recovery and confirmation of his complete disability. But if disability was partial, the work contract shall continue with the admissibility of reducing wage at the ratio of the partial pension salary that will be determined for the worker by the Organization.

But if the disability ratio is less than that, reaching 35% or more of complete disability, his employer shall have the choice between terminating the contract and employing him while reducing his wage by the ratio of the pension salary determined for him by the Organization. Otherwise, the work contract validity shall continue as before.

c-

1- If the worker's illness is an intractable or malignant illness like cancer, leprosy, tuberculosis or other illnesses whose treatment takes long time, the medical body supervising his treatment in the Organization or adopted by it may grant him sick leaves for a maximum period of two years, if it assesses that he shall recover during that time. If he does not recover after the lapse of this period, he shall be deemed disabled. The illnesses intended in this paragraph shall be set by a table issued by the Ministry of Health.

2- In exception to the provisions of paragraph (a) of article (45) of this Law, compensation for sick leave equivalent to his full wage by which his last subscription was paid shall be paid in paragraph (c-1) above until he recovers or his disability is confirmed.

d- The Organization shall remain responsible for treatment of insured workers who are deemed disabled from work because of illness.

Article-48-

a- A pregnant woman who is covered by the provisions of this Law shall present herself to the medical body adopted by the Organization when her pregnancy is manifested. After that and until giving birth she shall abide by medical instructions given to her.

b- The mentioned medical body, in the light of periodically monitoring the pregnant woman's status, shall determine the prescribed date of giving birth and notify the concerned woman and her employer. The employer shall permit the pregnant woman to cease work to carry out her pregnancy and childbirth leave at least one full month prior to the prescribed date of giving birth according to article 80 of Labour Law.

c- A pregnant woman shall be considered on insured leave from the date she ceases work, her leave continues for at least six weeks after giving birth.

d- The medical authority adopted by the Organization may decide to extend the leave period mentioned in paragraphs b-c of this article in case of difficult childbirth, giving birth to more than one child or the appearance of complications or illnesses before or after delivery, provided the original leave period and the additional periods shall not exceed nine months from the date of cessation of work.

The female worker, before and after childbirth and especially if she is befallen of one of the conditions mentioned in this paragraph, shall benefit from all provisions of medical care and treatment stipulated in article 45/b of this Law.

e- The female worker on leave because of pregnancy and childbirth shall be granted, as of the date of cessation of work until the expiry of her legal leave mentioned in paragraphs b-c of this article, compensation equivalent to her full wage for which the last subscription was paid for. But if the period of her leave exceeds that according to provisions of paragraph d of

this article, she shall be granted for the extra period compensation for sick leave as mentioned in article 45/a of this Law.

f- As of the enforcement date of this Law, the Organization shall start to set a special process for the Organization of maternity, obstetrics and paediatric hospitals to cover all the needs of the working class in Iraq within a period not exceeding five years.

Article-49- Anyone on sick or maternity leave shall not be allowed to practice any paid work or any other work conflicting with his health condition throughout the duration of his/her leave. In case a person on leave is in breach thereof, the Organization has the right - after warning him - to stop his compensation and all other services throughout the period of his non-compliance with the warning.

Article-50-

a- If the ill worker or the female worker ill after childbirth is deemed disabled because of not recovering despite the lapse of the upper limit of sick leave stipulated in the Law, he/she shall be granted pension salary due to illness according to the rules stipulated in article 68 of this Law.

b- If the illness, after complete recovery, results in a disability of 35% or more of complete disability, the person shall be granted pension salary due to partial illness on the basis of his/her partial disability ratio multiplied by the full pension salary due to illness.

c- The Organization and the worker disabled by illness or the worker deemed disabled may request repeating the medical examination every six months for the worker disabled by illness and every three months for the worker deemed disabled because of his non-recovery. The worker shall attend the appointment for the medical examination, and in case he does not, his salary shall be ceased until he attends and complies with the examination. If it is apparent after the examination that the disability ratio decreased below 35% of full disability, or the patient deemed disabled became able to work, the Organization shall cease payment of the salary in both cases.

But if it appears that the disability ratio increased, the pension salary due to partial illness shall be adjusted to the same ratio of increase in disability.

d- If the Organization confirmed that the ill worker who is deemed disabled is practicing an ordinary paid job, his salary shall be ceased.

e- In case the ill pensioner dies, his full pension salary due to illness shall be transferred to his successors. The pension salary due to partial illness shall cease completely at the death of its owner.

Article-51-

a- The Organization may contract the Ministry of Health to utilise its facilities, clinics, sanatoria and public hospitals in providing health services or some thereof which are undertaken by the Organization to enforce this Law

Such contracts shall set the minimum standards of health service provided to insured workers, the cost sums required from the Organization, taking into consideration in assessing service standards and costs the opportunities for free general treatment available for all citizens at the Ministry of Health's institutions.

b- The Organization may contract physicians, medical assistants and private hospitals until its health facilities are complete. The Organization may also contract Arab and foreign specialists where appropriate, upon the Minister's approval.

c- In cases of gross work injuries, when sufficient medical facilities are not available for their treatment and care in Iraq, the Organization may send the injured overseas at its expense, if the High Medical Committee so recommends.

Article -52- All hospitals and infirmaries owned by departments and employers and are dedicated for the treatment of workers shall be subject to the Organization's supervision. The competent authority shall ensure that such hospitals and infirmaries shall enforce all of the directives issued to them by the Organization in this respect. In case of non-compliance with medical directives, the Organization may seize the hospitals and infirmaries mentioned and manage them at the expense of its owners.

Article-53-

a- Medical expertise at the Organization shall be set in grades starting with the medical certificate issued by the physician adopted by the Organization or certified by him at first, then the medical committee's report and finally the High Medical Committee's resolution as stated in subsequent paragraphs.

b- The Organization, the ill worker or the worker's employer may object to the accuracy of any medical certificate or request to review it when appropriate according to directives issued by the Board of Directors.

c- The Medical committee shall look into the objection or request, provided that the physician who issued the certificate under objection shall not be a member of the committee. The mentioned committee's resolution shall be conclusive if passed unanimously, in which case appeal to the High Medical Committee shall not be allowed except by the Director General.

d- If the committee's resolution is by majority, the party that does not accept the outcome may appeal to the High Medical Committee. The resolution of this Committee shall be conclusive whether passed by majority or unanimity.

e- Either of the two committees mentioned in paragraphs c-d of this article may request - prior to issuing its resolution - to summon the ill worker to attend in before it for a new examination, for a radiology examination, for a laboratory test or others. The ill worker shall comply with such summons and arrive on the set time; in case he does not, the objection or request is dropped if he is the one applying for either of them, or they shall be deemed accurate and implemented if they were applied for by the Organization or the worker's employer, unless the worker shall revert to complying with the summons.

f- The party that does not agree to the committees' conclusive resolutions may impugn these resolutions at the relevant labour court within seven days of being notified of the committee's conclusive resolution. The court may rule that a fine, compensation and expenses be paid by the party whose impugnation appeared to be not right.

## **Eighth Chapter**

### **Work Injuries Branch**

Article-54- Departments and employers shall immediately take care of the worker befallen by a work injury during or due to work. Care is intended to mean everything the worker needs

immediately after being injured like medical first aid, contingent bandaging, means of resuscitation and others. These authorities shall be responsible - when the injury requires - to ensure transferring the injured worker to the nearest medical centre adopted by the Organization. It shall also be committed by the full wage of the injured until the end of the work day on which he was injured, or until the end of the day on which it transferred him to the Organization's medical centre. In all cases the mentioned authorities shall be responsible by civil law - and by penal code when appropriate - for all complications that befall the injured worker as a result of delaying his transfer to the medical centre or neglecting to aid him immediately after the injury.

Article-55-

a- The Organization shall be committed to the care and treatment of the injured as of being notified of the accident until his complete recovery or death.

b- Taking into account the provisions of articles 31 and 54 of this Law, the worker shall be considered, from the date of being injured until his complete recovery or the confirmation of his disability, on leave without wage.

c- The worker shall be granted injury leave compensation throughout the period of his treatment equal to his complete wage that the last subscription was paid for.

Article-56-

a- If the injury resulted in the worker's complete disability or caused his death, he or his successors - as the case may be - shall be allocated an pension salary due to injury based on 80% of the average wage in his last year of work, or during his work period if it is less than one year. In all cases the pension salary due to injury shall not be less than the ordinary pension salary due to the injured and not less than the minimum wage prescribed for his vocation.

b- If the injury causes the worker a disability ratio 35% of total disability or more, he shall be allocated a partial pension salary due to injury based on: the ratio of his partial disability multiplied by the full pension salary due to injury.

c- If the injury causes the worker a disability ratio 35% less than total disability, he shall be granted a compensation reward in one installment based on the balance resulting from: the ratio of his partial disability multiplied by an amount equal to the full pension salary due to injury for four years.

Article-57- If an injury is repeated to one worker, the following rules shall be followed:-

a- If the disability in his last injury, added to the ratio of the previous injury, does not reach 35% of complete disability he shall be granted a cash reward based on the disability ratio of his last injury according to the provisions of paragraph c of article 56 of this Law.

b- If the disability in his last injury, added to the ratio of the previous injury, reached 35% or more of complete disability he shall be granted pension salary due to injury according to the provisions of paragraphs a and b of article 56 of this Law, based on the total of disability ratios that befall him, without recovering from him the compensation rewards received for his previous injury.

Article-58- The injured worker shall not be eligible for compensation or reward in any of the following two cases:

a- If it is proved he had intentionally injured himself.

b- If the injury occurred because of shameless, intentional misconduct by the injured. Also to be ruled as such shall be the injury that befalls the worker while he is under the severe influence of alcohol or drugs; or if the injury occurs because of his blatant, intentional non-compliance with the regulations and directives for protective prevention that are announced at the work place; or because of his gross mistake; or because of his assaulting others.

Article-59- The Organization and the injured may request the repetition of medical examination once every six months during the first year after disability is confirmed., and once annually after the first year lapses. The status and eligibility of the disabled shall be adjusted in the light of the result of the new medical examination according to the provisions of this Law.

Article-60-

a- If the worker dies because of the injury, his successor shall be eligible to the full injury pension stipulated in paragraph (a) of article 56 of this Law.

b- If the fully disabled pensioner dies, his salary shall be transferred to his successor.

c- If the partially disabled pensioner dies, his successor shall be granted a compensation equal to the partial pension salary due to injury for four years, in case the successor is not eligible for death pension.

Article -61- The Organization shall continue to be responsible for enforcing the provisions of this chapter for a full year after the termination of the insured worker's service, if he shows symptoms from an occupational illness, whether the appearance of the occurred when he did not have work, or he was working at a vocation or industry that does not cause illness or if he was outside the scope of secured service.

Article-62- The Organization, departments and employers shall notify the police and Labour Inspection Division at the Ministry immediately of any work injury that occurs. The special labour inspection committee shall conduct an urgent investigation of the causes of injury, indicating its conditions, causes and all circumstances that accompanied it. If it appeared that the responsibility for the injury fell on the worker, on the employer or on a third party, it shall be clearly indicated in its report giving the documentation therein. The Organization shall apply the provisions of article 58 of this Law to the worker, or revert to the party that caused his injury if it appeared from the inspection report that one of these two procedures was required. In all cases the person causing the injury shall be obligated by the compensation decided by the court in favour of the Organization in the light of general rules, if it is proved that his action resulted from an unintentional mistake. But in case intention is proved, he shall be obligated by the compensation in favour of the Organization assessed by the court equal to all the financial burdens undertaken by the Organization due to the injury.

Article-63- The Organization shall cooperate with competent departments, trade unions and labour institutions for disseminating protective prevention awareness among workers, warning against occupational dangers, circulation of means preventing injuries, training to use them at work, and issuing necessary directives continually in order to meet these objectives and monitor enforcement thereof.

Article-64- All provisions of the Seventh Chapter of this Law, concerning health assurance, shall apply to cases of work injuries except where a special stipulation is mentioned in this Chapter concerning work injuries.

## **Ninth Chapter**

### **Pension Assurance Branch**

Article-65- Paragraph (c) of this article was amended by substituting the phrase “and the subscription paid on his behalf or owed by him prior to death” for the phrase “and the subscription paid on his behalf prior to death” according to article (1) of the Law Amending the Law for Pensions and Social Security for Workers No. 39 for 1971 numbered 155 issued in 1971.

The insured worker, at the termination of his service shall be eligible for a pension salary in one of the following cases:

a- If a man completed sixty years of his age, or if a woman completed fifty five years of her age and any of them had at least twenty years of insured service.

b- If a man had at least thirty years of insured service, or if a woman has at least twenty five years of insured service.

c- If he was deceased during the validity of the period of his insured service, his registration was confirmed in the Organization and the subscription paid on his behalf or owed by him prior to death, regardless of the period of his service or the sum of funds paid on his behalf.

Article-66- The successor shall be eligible for the deceased worker's salary according to the provisions of article 65 of this Law. The pension salary due according to either of the two cases stipulated in paragraphs a-b of article 65 of this Law shall also be transferred to the successor in case the pensioned worker was deceased.

Article-67- This article was revoked according to article (1) of the Fourth Law Amending the Pension and Social Security Law No. 39 for 1971 numbered 37 issued on 13/02/1975 and was replaced by the following:

1- In confirming the worker's age for the objectives of Labour Law No. 151 for 1970 as Amended and the Pension and Social Security Law No. 39 for 1971 one of the following documents shall be adopted:

a- The military service booklet

b- Records of the Ministry of Defence

c- Age confirming resolution acquiring peremptory grade issued by official or semi-official departments.

d- The first populace book submitted by the worker when or after being employed.

e- The Organization's records

f- Job contracts

g- Departments' records

2- Each department and employer shall issue a resolution confirming the worker's age according to paragraph 1 of this article, provided a copy shall be sent to the worker, to the relevant ministry to which this department is linked, to the Directorate General of Labour for employers for checking and authentication. Domestic workers, ipso jure domestic workers and casual workers are excluded from age confirmation.

3- The worker or anyone concerned may object to the confirmation resolution within fifteen days from the date of his notification of the same at a special committee comprised of a president of the grade of manager at least and two members set up by the relevant minister

or whom his nominee in each of the departments attached to him and the ministry headquarters, concerning resolutions issued by departments and ministries.

As for resolutions issued by employers the Minister shall set up the committee from the staff of the Directorate General of Labour.

4- The resolution of the committee mentioned in paragraph 3 of this article issued in lieu of objections shall be conclusive and without consideration for any other document even if it is based on a judicial verdict.

Article-68-

a- In all cases stipulated in article 65 of this Law the pension salary shall be computed on the basis of 2.5% of the retired worker's average monthly wage multiplied by the number of months of insured service and divided by twelve. A proportion of the last month's wage shall be deemed as a month and the proportion of the Dinar not exceeding half of a Dinar shall be approximated to half a Dinar and the proportion of a Dinar more than half a Dinar shall be approximated to a full dinar.

b- The average wage for the purposes of enforcing this Law shall be deemed the average monthly wage for the last three years of the insured worker's service or the average monthly wage for the insured service period if it is less than three years, unless otherwise stipulated in the Law.

Article-69- This article was amended according to article (1) of the Law Amending the Pension and Social Security Law No. 39 for 1971 numbered 155 issued 1971 and was substituted by the following:

The general maximum limit of the full pension salary for various types of assurance branches in this Law, which shall not be exceeded in all cases, shall be deemed 100 Dinars per month; and every legal computation of the mentioned salary that exceeds this limit shall be reduced to it. The general minimum limit of the full pension salary for various types of assurance branches in this Law, which shall not be reduced in all cases, shall be considered eight Dinars per month; and every legal computation of the mentioned salary that is less than this limit shall be lifted up thereto. Also the general minimum limit of the partial pension salary shall be considered three Dinars per month in all cases.

Article-70- The following shall not be allowed while enforcing the provisions of this Law:-

a- Combining two full pension salaries, or a full pension salary with a partial pension salary of any kind, whether the salary came from one of the assurance branches of this Law or from other governmental pension laws. When the conditions of an insured worker make him eligible for more than one pension salary, he shall be granted the better pension salary only. In this last case he shall be excluded from the maximum limit pension salary stipulated in article 69 of this Law if his eligibility for the better pension salary shall be based on other than this Law.

b- Combining any full pension salary from the Organization with the service compensation reward from the Organization, unless particularly stipulated in law.

c- Sale, substitution or waiver to others of the salary. Every disposition of this sort or similar shall be rendered null and void. Various benefits of workers or their successors from the Organization shall enjoy the same legal protection of wages stipulated in article 51 of Labour Law for 1970.

Article-71- This article was revoked according to article (1) of the Law Amending the Pension and Social Security Law No. 39 for 1971 numbered 155 issued 1971 and was substituted by the following:

a- It is not allowed to combine at the same time the social security pension assurance with any other pension regulated by law. When the insured is covered by provisions of a special pension law, the provisions of this special law and no other shall be applied to him for pension purposes only.

b- The pension assurance period in the insured service may be transferred and deemed as pension service under any departmental or private pension regulation regulated by law. The contrary is also allowed.

c- The pension body - whether departmental or private - from which transfer takes place shall pay whatever is owed by the transferee in subscriptions or pension deductions for the whole relevant period to the pension body to which transfer is effected according to this body's law, provided the funds shall not exceed the balance of subscriptions or pension deductions collected to the account of the transferee with the body obligated to pay. But if it does exceed, the pension body from which transfer takes place shall not be committed to pay other than the equivalent of the balance and the transferee shall be obligated to settle the remainder to the pension body to which he is transferred.

d- The assurance organization, when the balance of pension assurance subscriptions are not sufficient to pay the pension deductions of the insured whose pension assurance was transferred from it, may pay on his behalf the deficit from his compensation for the end of service reward, if applicable; otherwise the provisions of the previous paragraph shall be applied.

e- In the cases of duality preceding the issue of this Law between pension assurance and any other special pension system regulated by another law, the insured will be credited with his pension service for the duality period only according to the special pension law to which he is subjected. The Organization shall retain the balance of his personal payments of subscriptions for pension assurance during the duality period.

Article-72- Paragraph (a) was revoked according to article (1) and paragraph (b) was revoked according to article (2) of the Law Amending the Pension and Social Security Law No. 39 for 1971 numbered 187 issued on 06/11/1980 and was substituted by the following:

The successor in this Law shall mean the following:-

a- The husband if he had no private income other than his employment wage or his pension salary.

b- The wife if she did not marry after the death of her insured husband and had no private income other than her employment wage or her pension salary. In the case of polygamy the wives shall be deemed as one person and shall divide the benefit equally among them.

c- Male children whose age was not above seventeen years, unless he is disabled from work, is pursuing his secondary education until age twenty or pursuing his college or higher education regularly and passing until age twenty seven; and female children except those who married or were above age seventeen, if they had a private income, ordinary work or employment.



d- The father if he was unable to work when the insured worker died and he depended on his support, and the mother if she had no private income and depended on her insured son's support.

e- Brothers less than sixteen years and depended on the insured worker's support; and unmarried sisters if they had no private income, no permanent paid job and no employment and depended on the insured worker's support.

#### Article-73-

a- When disability or inability to work is a condition for one of the successors to obtain benefit, the Organization shall confirm that before granting the salary, through medical expertise, according to the principles stipulated in this Law.

b- The private income mentioned in article 72 of this Law shall mean every income exceeding the general minimum limit of full pension salary mentioned in article 69 of this Law. If the private income was less than the mentioned limit, the beneficiary shall be granted the benefit he is eligible for to compliment this limit.

#### Article -74-

The pension salary shall be divided among beneficiary successors as follows:-

a- If all beneficiary successors were persons mentioned in paragraphs a-b-c of article 72 of this Law, the salary shall be distributed equally among them. The share of any of them whose benefit is terminated for any reason shall revert to the others, provided one beneficiary's share shall not exceed 60% of the original pension salary.

b- If all beneficiary successors are persons mentioned in paragraphs d-e of article 72 of this Law, the salary shall be distributed equally among them, provided one beneficiary's share shall not exceed 40% of the original pension salary.

c- If there were among the beneficiary successors individuals from the preceding two paragraphs of this article, the salary shall be distributed on the basis of two shares to each beneficiary from paragraph a of this article and one share to each beneficiary from paragraph b of this article.

If the benefit of any beneficiary from the individuals in the two mentioned paragraphs of this article is terminated for any reason, his full share shall revert to the beneficiaries from paragraph (a) of this article, provided the benefit for each one of them shall not exceed 60% of the original pension salary. If the funds exceed that, the excess shall revert to the beneficiaries in paragraph b of this article, provided the benefit for each one of them shall not exceed 40% of the original pension salary.

d- The maximum limit stipulated in preceding paragraphs shall take effect in the two cases of direct distribution or second distribution after reversion.

Article-75- The share of any beneficiary successor shall not be less than three Dinars, provided the total benefits distributed to successors shall not exceed the original pension salary. If it exceeds that, the minimum limit for the successor's benefit shall in all cases be at least two Dinars, regardless of the excess. The minimum limit shall be again raised to three dinars whenever the total distribution becomes less than the original pension salary and within this sum.

Article-76- Paragraph (b) of this article was added according to article (3) of the Law Amending Pension and Social Security Law No. 39 for 1971 numbered 187 issued on 06/11/1980:

a- The successor may combine more than one benefit, provided total benefits shall not exceed the general minimum limit of the full pension salary stipulated in article 69 of this Law. In case of excess, the equivalent amount of the excess mentioned shall be deducted from total benefits.

b- In exception to provisions in paragraph a of this article and provisions in article sixty nine of this Law each of the husband and wife may combine wage, employment salary or pension salary with their benefit from their father or mother without a maximum limit.

Article-77- All types of pensioned salaries for which the insured or their successors are eligible shall be paid according to provisions of this Law periodically and regularly according to directives issued by the Director General.

Article-78- Paragraph (e) was added according to article (1) of the Law Amending Pension and Social Security Law No. 39 for 1971 numbered 155 issued in 1971.

- The forepart of this article was revoked according to article (1) of the Law for Deletion of the Forepart of Article seventy eight of the Pension and Social Security Law No. 39 for 1971 as Amended and Substitution of a phrase in its place numbered 620 issued in 1984 and was replaced by the following:

If the worker's insured service terminated and he was not granted pension salary because of lacking the conditions of eligibility or because of his eligibility to full pension salary from other than the Organization, he shall be granted a lump sum cash compensation in one instalment representing end of service reward computed on the basis of his average monthly wage multiplied times the number of months of his service and divided by twelve. Partial month shall be considered a full month in one of the following cases:

a- If the man reached the age of sixty or the woman reached the age of fifty five according to article 33 of Labour Law.

b- If the female worker resigned from work because of her marriage or childbirth.

c- If the worker completely left the scope of Labour Law and this Law, like becoming a government employee or an employer or such.

d- If he intended to depart the country final and the Minister approved his departure.

e- The provisions of this article shall take effect as of the date of enforcing this Law. As for the reward to which the worker is eligible for his service preceding the enforcement of this Law, it shall be credited to him according to the legal provisions in effect during the period of eligibility.

Article-79-

a- The Organization shall undertake all necessary administrative and financial arrangements to pay the diverse pension salaries and end of service compensation to their insured beneficiaries during a period not exceeding thirty days from the date of the applicant's completion of legal documents required.

b- The Director General may decide to advance to the worker monthly out of his pension salary in cases when the salary payment is delayed for any reason.

## **Tenth Chapter**

### **Services Assurance Branch**

Article-80- This branch of the Organization shall replace the Workers' Investments Organization established by Law No 44 for 1967 according to provisions stipulated in this Law. The main functions of this branch shall be defined by two types of services:-

- a- Direct general social services
- b- Indirect general social services

First- Direct general social services

Article-81- The Organization shall undertake within the scope of these services the planning and implementation of general social service projects that benefit the whole of the working class in the Republic of Iraq. Foremost among these projects shall be establishing social centres; building hospitals, maternities, nurseries, kindergartens, hospices, vocation schools, libraries; cultural, art and athletic clubs; resorts for holidays, recovery from illness and entertainment and others; and providing all of these establishments with specialists, technical equipment and necessary modern scientific devices.

Article-82-

a- The Organization shall set a special investment budget, separate from its ordinary budget, for one or several years, to achieve the objectives mentioned in article 81 of this Law.

b- The special investment budget mentioned in paragraph (a) of this article shall be ratified through the method and procedures to which the Organization's general annual budget is subject.

c- The Board of Directors, after the Minister's approval, may start to execute these projects or some of them, determined in the investment budget through the technical cadres in the Organization, or in cooperation with technical cadres in other ministries by agreements concluded with these ministries, or through contracts conducted by local or international tender. Final awards of local tenders shall be attached to the Minister's approval and final awards of international tenders shall be contingent to the approval of the President of the Republic.

d- In the projects that are completed and placed in the service assigned to them the method of their management and utilisation of their services shall be set in directives issued by the Board of Directors and endorsed by the Minister.

First priority in benefitting from these projects shall be given to insured workers, to assurance pensioners of various types, to their spouses, children, parents and eligible successors

Second - Indirect general social services

Article-83-

a- The Organization shall undertake to share in financing the expansion projects of The Labour Organization for Operation, Training and Rehabilitation, Establishment B of Labour Law No.151 for 1970, where the special budget of the mentioned organization is unable to carry out financing. The sharing shall be focused especially on expansion projects concerned with constructing institutions, centres and factories for vocational training and rehabilitation and all branches thereof.

b- The Board of Directors may propose directly to the Labour Organization some projects. In such case the Organization shall undertake funding the whole of proposed projects.

c- The process of cooperation, sharing and funding mentioned in paragraphs a-b of this article shall be carried out in joint agreement between the two organizations as approved by the Minister.

#### Article-84-

a- The Organization shall encourage and assist financially all social services project that can benefit members of the working class, whether they were made by departments, the Union, trade unions, societies, cooperatives, employers or individuals . First priority in financial assistance shall go to social projects undertaken by the Ministry, projects of the Union, trade unions and workers' cooperatives.

b- Financial assistance mentioned in paragraph (a) of this article shall be carried out by a resolution from the Board of Directors approved by the Minister.

c- Every project that accepts financial assistance from the Organization shall be, ipso jure and within the limits of assistance received, subject to the Organization's monitoring and work inspection of expenditure and implementation. The provisions of this paragraph shall not apply to administration projects.

If the Organization finds out that assistance funds it paid were spent in other than the purposes allocated for them, were wasted or misused, the Organization shall in both cases mentioned revert to the body responsible for the project with a request for compensation for damages and to prosecute those responsible for waste or misuse if it finds reason to do so.

Article-85- Item (3) of this article was revoked according to article (1) of the Law Amending Pension and Social Security Law No. 39 for 1971, numbered 188 issued in 1981 and was substituted by the following:

a- Special trade union centres for social security shall be established at the Union's Office and at branch unions' offices in governorates, constituting links between the Organization and members of the working class, and these centres shall undertake to:

1- Pursue the enrolment of workers in the Organization and obtaining an "Assurance ID" for them.

2- Follow up insured workers' issues, inform the Organization of changes that occur to the conditions of their work, pursue departments or employers to pay subscriptions owed by them to the Organization on time, and assist the worker to obtain any service, compensation or salary due to him.

3- Grant insured workers financial assistance on occasions of rejoices such as feasts, weddings and childbirth, or in cases of grief such as the death or incurable illness of a family member or other. In the case of the death of an insured worker financial assistance for bereavement shall be granted to his family. The Board of Directors may issue directives specifying the sums of assistance funds and the controls governing such grants.

4- The Organization shall fund trade union social security centres within sums allocated in the annual ordinary of its budget service assurance branch to cover their administrative expenses and enabling them to pay for the financial assistance according to provisions of paragraph a of this article

b- The Organization shall distribute the financial assistance mentioned to trade union social security centres at the beginning of every financial year in one instalment or in periodic instalments according to the Minister's decision.

## **Eleventh Chapter**

### **Concerning Disputes, Awards and Penalties**

Article-86- The right of viewing cases of social security, and all civil or criminal disputes arising from the application of this Law or its interpretation, shall revert to the labor judiciary.

Article-87- Paragraph (d) of this article was added according to article (1) of the Law of the Fifth Amendment to Pension and Social Security Law No.39 for 1971 numbered 66 issued on 14/4/1975:

a- No application on behalf of the insured worker by other than the worker himself shall be heard at the Organization or by the relevant trade union authority authorised by him and authenticated by the Ministry or the Union. The same rule applies when acting on behalf of the worker at labour judiciary, in whatever concerns assurance disputes, unless otherwise stipulated particularly by law.

b- Lawsuits in assurance disputes shall be instituted before labour courts by stakeholders, by the representative of general prosecution in labour judiciary or by the Director General or his nominee.

c- Any reconciliation conducted with the insured worker for compensation of a work injury in exclusion of the Organization or outside labour courts shall be considered null and void and its results shall not be upheld against the Organization.

d- In exception to provisions of paragraph a of this article the Organization and labour courts may accept the application of the spouse of the insured or one of his relatives up to the third degree acting on his behalf according to a power of attorney authenticated by the Ministry or the Union when he is suffering from a contagious or incurable illness.

Article-88- This article was revoked according to article (1) of the resolution for revoking article eighty eight of the Pension and Social Security Law No. 39 for 1971 numbered 442 issued on 01/01/1984 and was substituted by the following:

1- Each resolution issued by the Organization's chairman or his nominee shall be subject to impugnation within seven days of notification to the stakeholder before the Board of Directors and the Board's decision shall be conclusive.

2- Resolutions for consolidating service issued by the chairman of the Organization or his nominee shall be excluded from the provision of paragraph (1) of this article, and shall be subject to impugnation before the relevant labour court according to article (eighty nine) of this Law.

Article-89- The resolutions of the Board of Directors shall be subject to impugnation before the relevant labour court within fifteen days of notifying the stakeholder; unless stipulated to the contrary by this Law. The labour court that lays hold of the dispute may decide to stay execution until the result of the case is determined in return of a guarantee or without a guarantee.

Article-90- This article was revoked according to article (1) of the Law Amending Social Security Law No. 39 for 1971 numbered 22 issued in 1998 and was substituted by the following:

a- If the employer contested the resolution of the Director, his appeal shall not be accepted before the relevant labour court unless he pays a deposit of five thousand Dinars, which shall be returned to him if his appeal transpired to be right, otherwise it shall be recorded as revenue to the department treasury.

b- If the employer contested the resolution of the Board of Directors, his appeal shall not be accepted unless he pays a deposit assessed by the court according to the case conditions but not less than five thousand Dinars, and it shall be returned to him if his appeal transpired to be right, otherwise it shall be recorded as revenue to the department treasury.

c- The appellant who loses his impugnation before the Board of directors and wins it before the judiciary shall recover the two deposit sums stipulated in paragraphs a and b of this article.

Article-91- Excepting special provisions determined in this Chapter all legal provisions of labour cases shall apply to the provisions of assurance disputes.

Article-92-

a- The Organization shall allocate in its ordinary budget every year a special fund for rewards and medals of excellence in superior social services.

These rewards and medals shall be granted by Presidential Decrees issued based on the Minister's proposal and the resolution of the Board of Directors; shall be published in the official gazette; announced at the Organization, the Union and all trade unions and labour institutions for a full month at least. They shall be distributed to those deserving among:

1- The Organization's innovative and creative employees and staff, who achieved in their positions extraordinary accomplishments, or achieved important gains through their vigilance and diligence dedicated to the Organization.

2- Employees and staff of the Ministry; the Labour Organization for Operation, Training and Rehabilitation and the Labour Cultural Organization who provided original, excelling achievements in their specialties.

3- Trade union members working in trade union social security centres, who set remarkable precedence in the service of their worker colleagues in everything relevant to assurance affairs and other social service affairs.

4- Anyone nominated by the Board of Directors and approved by the Minister to obtain the reward or medal among public servants or individuals who provided major positive financial, technical or cultural contributions to public social service projects for the working class.

5- Whatever is granted in enforcement of provisions of this article shall be exempt from all taxes and charges stipulated in all laws operating in Iraq, and shall be excluded from the Law of Government Employees' Allowances.

Article-93- The worker who is proved by virtue of a conclusive court judgment to have deliberately given the Organization false certificates, statements or information or containing false occurrences for the purpose of receiving a claim that he does not deserve, or a claim above his eligibility or intended to mislead the Organization away from rights owed to others in any way; shall be expelled from the trade union family, and deprived of all his rights

stipulated in this Law, in addition to penalties imposed by other laws. The verdict issued to the worker according to provisions of this article shall be published in local journals, in worker's journals, at the Ministry, the Organization, at the Union and trade union offices for at least ten days.

Article-94- This article was amended according to article (1) of the resolution issued by the Economic Affairs Committee (amending penalty sums in the Pension and Social Security Law for Workers) No. 119 for 2002 and became as follows:

If the employer undertook to give or use false certificates, statements or information or containing false occurrences, while knowing that they were fraudulent or false he shall be penalized with the ultimate punishment prescribed in the Penal Code for such crimes, as well as being obligated to compensate the Organization with the equivalent of five times the damage he caused, and with a fine equivalent to five times the compensation, provided it shall not be less than fifty thousand Dinars.

Article-95- This article was amended according to article (1) of the resolution issued by the Economic Affairs Committee (amending penalty sums in the Pension and Social Security Law for Workers) No. 119 for 2002 and became as follows:

Anyone who poses in the persona of an insured worker, intending to obtain from the Organization any of the rights of the worker in whose persona he posed, shall be penalized with a jail term not less than six months and a fine not less than twenty five thousand Dinars.

Article-96- This article was amended according to article (1) of the resolution issued by the Economic Affairs Committee (amending penalty sums in the Pension and Social Security Law for Workers) No. 119 for 2002 and became as follows:

a- The employer who did not subscribe on behalf of his workers who are covered by the provisions of this Law or subscribes on behalf of a number less than the actual number of his workers who are covered shall be penalized with at least one month jail and a fine equivalent to five times the amount of subscriptions he owed for the period he omitted the subscriptions, provided it shall not be less than fifteen thousand Dinars for every worker on whose behalf he did not subscribe.

b- If it transpires that the employer was complicit in that with his workers or with some of them, the workers who are proved to be complicit shall be penalized by depriving them of their assurance rights for the period of complicity with their employer by being silent, in addition to the defamation penalty stipulated in article 93 of this Law.

Article-97- This article was amended according to article (1) of the resolution issued by the Economic Affairs Committee (amending penalty amounts in the Pension and Social Security Law for Workers) No. 119 for 2002 and became as follows:

Anyone who hinders the work of social security employees or labour inspectors while performing the duties of their function according to this Law shall be penalized with at least one month jail and a fine not less than twenty five thousand Dinars, without prejudice to more severe penalties stipulated in other laws.

Article-98- Paragraphs (a) and (b) of this article were revoked according to article (1) of the Law Amending Pension and Social Security Law for Workers No. 39 for 1971 numbered 155 issued in 1971 and substituted by the following:

a- Each physician who gives the insured worker a false medical certificate or issues a medical certificate in the interest of an insured worker without examining him visually shall be penalized with the penalties stipulated in articles (114) and (297) of the Penal Code.

b- The physician's sentence issued according to provisions of the previous paragraph shall not be enforced and no action shall be taken against him unless the sentence acquires conclusive degree.

c- Before any action is taken against the physician according to paragraph (a) of this article, the Organization shall notify the Association of Physicians of the incident and invite them to express their opinion if they want. The Association shall also have the right to delegate their representative to attend all stages of litigation before labour courts and to submit written memoranda about the lawsuit.

In case the physician was acquitted from the charge against him, the court shall grant him, according to his request or the request of the Association of Physicians a suitable moral or material compensation.

d- If the action mentioned in paragraph 1 of this article came from a physician employed by the Organization, in contract therewith, or adopted officially thereby, the penalty shall be doubled to him and he shall be expelled from the Organization and shall be completely deprived of any right or compensation.

#### Article-99-

a- The Labour Court may pass judgment, in any other violation to provisions of this Law, of jail not exceeding one year and a fine not exceeding five hundred Dinars, in addition to compensating the Organization for any damages sustained as a result of this violation.

b- The Labour Court shall have absolute authority to assess the circumstances of the violation and the rigor, mitigation or charges required.

c- The Labour Court may consolidate the violations attributed to a single employer - no matter how many- in one lawsuit. This paragraph shall take effect to all labour lawsuits.

### **Twelfth Chapter**

#### **First - Concerning the Settlement of Service Conditions Preceding the Enforcement of this Law**

Article-100- Paragraph (d) of this article was added according to article (1) of the Law Amending Pension and Social Security Law for Workers No. 39 for 1971, numbered 155 issued in 1971.

a- Provisions of Labour Law No. 1 for 1958 as Amended and provisions of Social Security Law No. 112 for 1969 as Amended shall be applied in settling the dues for insured service and uninsured service expiring before the issue of Labour Law No. 151 for 1970, taking into account the rights acquired under the two mentioned laws according to regulations and special work contracts in effect before the issue of Labour Law No. 151 for 1970.

b- Except for provisions of Labour Law No. 151 for 1970, which took effect from first January 1971, all legal provisions, regulations and contracts mentioned in paragraph a of this article shall continue to be enforced upon workers covered by those provisions until the provisions of this Law shall be applied to them, whether the date of application was stipulated in this Law or in Presidential Decrees issued according to article 3 thereof.



c- If the insured worker's service terminated after the issue of Labour Law No. 151 for 1970, the Organization shall settle his insured service dues according to provisions of this Law. Any agreement to the contrary shall be null and void. All departments and employers shall be obligated to pay the Organization all of the dues to the insured worker as reward compensation for the termination of his service after the mentioned date, according to provisions of this Law.

d- The period of uninsured service may be added for the purpose of pension assurance, provided the beneficiary shall pay the Organization the pension assurance subscriptions due for the insured period, or it shall be placed on account of the balance of his end of service reward, if applicable. The period of insured service that was previously settled for the insured may be added; provided he shall return the sum he received.

In both above cases, a resolution from the Board of Directors approved by the Minister may exempt the insured from paying due subscriptions or returning the amounts if he did not have a personal balance with the Organization and was needy.

Article-101- Provisions of this Law shall be applied from first April 1971 to all workers insured before the mentioned date. All these workers shall be credited with their insured services preceding first April 1971 as insured services for the purposes of this Law, after settling subscriptions for their previous services according to the following:-

a- The Organization shall deduct from the end of service reward compensation due to the worker that was paid to the Organization a sum equivalent to the wage of fourteen days for each year of insured service preceding the date of first April 1971, and add this deducted sum to the subscriptions paid for the insured service period mentioned according to provisions of Law 112 of 1969 as Amended. The total shall be deemed complete settlement for the overall subscriptions due according to provisions of this Law for the whole insured service period prior to first April 1971.

b- If the end of service reward compensation due to the worker and which was paid to the Organization was less than the provisions of paragraph (a) of this article, the sum of due compensation, no matter how much, shall be deemed sufficient and the difference shall not be claimed from the insured worker.

c- If the end of service reward compensation due to the worker and which was paid to the Organization is more than the provisions of paragraph a of this article, the whole of the excess shall be retained for the insured worker in the Organization's fund and shall be returned to him in one installment at the termination of his insured service, in addition to his other dues stipulated in this Law.

Article-102- If the worker's service, prior to his being covered by this Law was uninsured service and he was eligible for service reward compensation thereof according to labour laws, regulations and contracts in effect before the issue of Labour Law No. 151 for 1970, the compensation mentioned shall be paid to the Organization by the employers mandated thereby, for the period preceding the mentioned worker's subjection to the scope of this Law. The Organization shall retain compensation sums due to eligible workers and return them thereto in one installment at the termination of their service, in addition to their other dues stipulated in this Law.

Article-103-

a- All departments and employers covered by provisions of Law No. 1 for 1958 shall pay the Organization, before first April 1971 their dues for their workers' end of service reward compensation until thirty first March 1971, computed on the basis of the stipulations in effect before the issue of Labour Law No. 151 for 1970 whether according to law, regulations or special contracts, whichever is higher.

b- A detailed statement shall be attached with the payment, including the complete address of the department or employer, the address of the project, the names of eligible workers, the amount of compensation due to each of them and the overall amount being paid.

c- The date of 31 March 1971 shall be considered a virtual date for the end of service for the purposes of computing the end of service reward compensation for insured workers, without this consideration having any other legal effect.

Article-104-

a- If employers are late in paying amounts and submitting data stipulated in article 103 of this Law, they shall be subject, from first April 1971, to an interest rate of 7% of the sums owed by them. If the delay exceeds three months, the Organization shall assess the owed sums by its own means and shall begin collecting them according to the principles and procedures followed in collecting the Organization's dues and funds.

b- However, the Board of Directors may, after the Minister's approval, grant the relevant party an additional grace period if they so request, and if the Board finds that it is diligently ready to pay and prepare the data and that the delay was due to justified obstacles.

Article-105-

a- When the Organization receives the sums and data stipulated in article 103 of this Law, it shall provide its owner with a temporary receipt thereto and shall undertake to audit them thereafter. In this audit it may apply all procedural and technical means, open up records and hear the designated employer's statements and the statements of eligible workers and all what is considered necessary to confirm the accuracy of the accounts.

b- If the Organization's investigation resulted in the confirmation of the sums paid thereto and the accuracy of the data presented, the Director General shall decide to give the stakeholder a final receipt that shall be considered a clearance document in this respect.

c- If the Director General finds out that the paid amounts exceeded what was due, he shall call on the stakeholder to correct his data, return the difference to him and give them a final receipt of the last balance that shall be considered a clearance document in this respect.

d- If the Director General finds out that the paid amounts were less than what was due and that the information in the statements contained mistakes, deficiency or fraud, he shall return the statements to their owner and notify him of the obligation to correct them in the light of the Organization's investigation and of the obligation to pay the deficient amounts with a fine equivalent to 55% of the deficient sum for each month of delay after the first of April 1971. If the stakeholder complied with the Director General's decision and implemented what was requested of him within fifteen days at most from the date of his notification, the case shall be considered finished and the stakeholder shall be given the final receipt indicated in previous paragraphs of this article. If he did not comply, the Organization shall undertake to

implement the Director General's decision through legal process and refer the stakeholder to the Labour Court if his statements appeared to contain fraud or false information.

e- The employer may impugn the Director General's decision according to provisions of articles 88/90 of this Law. The appeal shall not stop enforcement unless the Board of Directors decides so. Also, the employer may impugn the Board of Director's decision according to provisions of articles 89/90 of this Law. The appeal shall not stop enforcement unless the Labour Court shall decide so.

f- If it became evident that the employer is right in his appeal, he shall be exempted from the fine mentioned in paragraph d of this article and the Court may rule to compensate him for the damages he sustained. If it became evident that the employer is not right in his appeal, the fine mentioned shall continue to apply until the date of collection, in addition to deposits, fines and compensations that the court rules in favour of the Organization.

Article-106- The differences in service reward compensation owed to categories of workers to whom this Law shall apply after first April 1971 for the period between 1-4-1971 and the date of applying this Law shall be paid by their employers according to the same rules and sums that the mentioned compensation was paid for the period prior to first April 1971.

### **Second - Concerning the Settlement of Elderly Insured Workers' Conditions**

Article-107- Paragraph (e) of this article was amended by adding the phrase (and it shall be transferred to the successor in the case of death) until its end according to article (1) of the Law Amending Pension and Social Security Law for workers No. 39 for 1971, numbered 155 issued in 1971.

In exception of provisions of article 65 of this Law, the Minister of Labour may, upon the proposal of the Union and the Board of Directors' approval, decide to grant a pension salary to elderly insured workers in one of the following cases:

a- If the insured worker reached the age of sixty five when this Law was enforced and had at least five years of insured service.

b- If the insured worker reached the age of sixty when this Law was enforced and had at least seven years of insured service.

c- If the insured worker reached the age of sixty during the first five years after this Law was enforced and had at least ten years of insured service.

d- In applying the provisions of this article to the female worker, it shall be taken into account to reduce the age by five years for her in each of the previous cases.

e- The pension salary in all cases mentioned in this article shall be computed according to provisions of article 68 of this Law and shall be transferred to the successor in case of death.

f- All Social Security rights that were determined and paid or that started to be paid prior to the issue of this Law shall be considered final, provided all beneficiaries shall benefit from the minimum limit of the pension salary stipulated in articles 96/75 of this Law.

### **Third- Concerning the Liquidation of the Workers' Investments Organization**

Article-108-

- Paragraph (3-a) of this article was added according to paragraph (1) of the Law Amending the Pension and Social Security for Workers Law No.39 for 1971, numbered 31 issued in 1979

- Paragraph (a) of this article was revoked according to article (2) of the Amendment Resolution to the Pension and Social Security Law No. 39 for 1971 numbered 261 issued in 1975:

a-

1- The Organization shall adopt, in collecting its (25%) share of the profits of companies and projects stipulated in paragraph b- of article one of Law No, (101) for 1964 amended by article (116/b) of this Law the accomplished or profits assessed by the Directorate General of Income Tax or its departments that acquired the final status, after reducing legal allowances. The Organization shall also adopt as preliminary basis in computing its share the reserve assessment of project profits conducted by the mentioned Directorate or its departments until these reserve assessments acquire final status, at which time the Organization shall review its share and conduct final settlements accordingly. As for the projects and companies that were not subject to tax or temporarily exempted therefrom and the assessments of which are not conducted by the Directorate General of Income Tax or its departments, they shall submit their budgets, statements or information that enable the Organization to accomplish its share.

2- Provisions of paragraph (1) of this article shall be enforced from the assessment year starting 1/4/1974.

3- If companies and projects mentioned in item 1 of this paragraph delayed paying the Organization's share of profits for more than seven months after the end of each fiscal year, they shall pay to the Organization interest rate of 7% seven percent; this interest rate shall apply from the date of enforcement of Law No. 39 for 1971, excluding therefrom the profits of social sector for 1972 and after and oil projects covered by Law No. 5 for 1965 for fiscal years 1971, taking into account provisions of Law 92 for 1976 concerning the dates for the method of paying shares to their owners according to the mentioned law; transactions settled after the issue of Law No. 39 for 1971 shall not be reviewed and before enforcing Law No. 92 for 1976.

b- The Organization shall distribute the rate of each 25% of company profits as follows:-

1- 4% of profits shall be allocated to the Organization's revenue mentioned in paragraph (f) of article 20 of this Law.

2- 6% of profits shall be allocated to fund the budget of the Labour Organization for Operation, Training and Rehabilitation established according to provisions of Labour Law No 151 for 1970.

3- 3% of profits shall be allocated to the General Union of Workers Trade unions.

4- 2% of profits shall be allocated to the Labour Cultural Organization established according to provisions of Law No. 162 for 1964.

Article-109-

a- As of the date of publishing this Law in the official gazette, the Workers Investments Organization established by Law No. 44 of 1967 shall be abolished and all cadres, funds and obligations of said Investments Organization shall be transferred to the Organization for Workers Pension and Social Security and shall be part of this Organization.

b- According to a resolution by the Minister upon the proposal of the Board of Directors a committee shall be formed to conduct a general financial assessment of the abolished Workers Investments Organization according to the last financial position on thirty first March 1971. The committee shall report on the result of the assessment and final account that shall be subject to financial inspection and audit by the Supreme Audit Board, and shall be conclusive after approval by the Minister and endorsement by the President of the Republic.

c- The Organization shall replace legally, as of the date of publishing this Law in the official gazette, the Workers Investments Organization in all rights and obligations before the judiciary, various departments and each stakeholder.

#### **Fourth - Concerning Regulation of Transitional Administration**

Article-110- The Organization's Board of Directors formed prior to the issue of this Law shall undertake all the powers stipulated in this Law until the new Board of Directors shall be formed.

Article-111-

a- Rates and rules stipulated in Law No. 112 for 1969 as Amended shall continue to be applied to social security subscriptions until first June 1971 for workers insured prior to the issue of this Law.

b- All legal tables, regulations, resolutions and directives issued according to provisions of Law No. 112 for 1969 as Amended and Law No. 44 for 1967 as Amended shall continue to be applied until the issue of their replacement or amendment according to the provisions of this Law.

Article-112-

a- A committee shall be formed, chaired by the Minister and with the Ministers of Finance and Industry and the Chairman of the organization's Board of Directors as members, to look into the liquidation and settlement of the debts owing to the organization by the Public Treasury and various departments resulting from the accumulation of delayed subscriptions or remaining from the government's contribution stipulated in Law No. 112 of 1969 as Amended for the period preceding first April 1971.

b- In exception of provisions of articles 104/105 of this Law the committee indicated in paragraph a of this article shall determine the rules and procedures that various departments are obligated to follow in payments to the organization of the sums due upon said departments for workers' compensation of end of service for the period preceding first April 1971.

c- The committee's resolutions shall be considered conclusive after being ratified by the President of the Republic and shall not be subject to any review.

## **Thirteenth Chapter**

### **General and Diverse Provisions**

#### Article-113-

a- Except for the rights resulting from end of service pension assurance, all subsidies, compensations, rewards and salaries and all obligations owed by the Organization to insured workers or their successors shall be permanently subject to the statute of limitations and no relevant request or lawsuit shall be heard if not requested during three consecutive years from the date they fall due. Any official notification submitted by the stakeholder or his legal representative shall be deemed interrupting the statute of limitations.

b- Rights owed by the Organization to other than insured workers and their successors shall be subject to the statute of limitations and any lawsuit concerning them shall not be heard unless it was requested within one year of its falling due. Any official notification submitted or directed by the stakeholder or his legal representative to the Organization shall be deemed interrupting the statute of limitations.

c- All of the rights and debts owed to the Organization shall be subject to the provisions of the general statute of limitations.

#### Article-114-

a- No statute of limitations shall be applicable to the end of service pension salary due to the pensioned worker or his successor as long as the beneficiary is alive.

b- However, the pension salary shall be effective from the date of eligibility if the relevant application was submitted within six months of the date of eligibility, otherwise the salary shall be due from the date of submitting the application.

Article-115- Any lawsuit objecting to the sum of the pension salary shall not be heard after one year of the salary coming into effect and the acceptance of the eligible person thereof without reservation or objection; however that shall not include requesting to review the salary according to the change in disability ratio.

#### Article-116-

a- Article one of Law No. 157 for 1967 shall be revoked.

b- Paragraph b of article one of Law No. 101 for 1964 shall be revoked and substituted by the following:

b- 25% shall be paid to the Organization for Worker's Pension and Social Security and its revenues shall be distributed according to provisions of article 108 of Law No. 39 for 1971.

#### Article-117-

a- Law No. 112 for 1969 and its amendments shall be revoked.

b- Law No. 44 for 1967 and its amendments shall be revoked.

Article-118- This Law shall be published in the official gazette and the ministers shall undertake the enforcement of its provisions.

Written in Baghdad on the eleventh day of Muharram 1391 corresponding to the ninth day of March 1971;

Ahmad Hasan AL Bakr, President of the Revolutionary Command Council

Published in AL Waqayi AL Iraqia issue 1976 on 22/3/1971

## RATIONALE

The Seventeenth of July Revolution, which sprang from the principles of the Baath Arab Socialist Party since the first day, was committed to move society to the socialist system as a main revolutionary target among its significant main revolutionary targets, namely Arab unity, freedom and socialism.

For the socialist system, in the revolution's logic and creed is the sole system that provides scientifically objective, sound conditions that actually enable the eradication of all forms of exploitation by one human being of his brother human being, and allows the achievement of social justice and equal opportunities among all citizens, and prepares the natural climate for popular, correct democratic life. No doubt, social security for the working class in society is the first profound manifestation of socialism, which embodies objectively the sponsorship by the state and all society of the health, safety and future life of the widest toiling grassroots, from whose arms and opinions spring all the wellbeing and wealth of society and all that it includes as civilization, creativity and values.

However, social security in this era is no longer only a socialist or human requirement, but it became in addition to that an economic, developmental basic imperative that all developed states – irrespective of their diverse social and political inclinations – strives to provide for all of their working citizens after it was scientifically proved that economic prosperity and productive development escalate in direct proportion to the rising standards of health, awareness, life of the working class and with the growing assurance about their future and the fate of their families thereafter.

Consequently, it is natural for the subject of social security to gain the highest degree of care and interest from the July Revolution since the first day.

The Revolution first issued Law No. 112 for 1969 transcending the social security legislated by Law No. 140 for 1964, which was not implemented practically until the first of April 1966. But the Revolution soon thereafter issued an important amendment to the law by issuing Law No. 89 for 1970 aiming to support ageing, toiling workers who spent their best youth years in serving their motherland and no longer had an opportunity at their age that allowed them to complete the conditions of legal eligibility to assurance, and it became their right after long hardship and trouble to find security and stability in their old age and to be assured about their families thereafter. The Revolution accomplished, by permitting the indicated law amendment, securing these old workers with pension in exchange of easy terms. But Law No. 112 for 1969 and the amending Law No.89 for 1970 were not but steps on the path, that did not express the Revolution's full ambition in this vital, revolutionary, grave field, particularly after the Temporary Constitution and the new Labour Law were issued and required to make social security accessible to all working citizens, in all cases of illness, injury, disability and ageing, which made the radical change in the social security system in Iraq after the Revolution not just a preliminary goal or a social, economic and developmental necessity, but an obligation which was made imperative by the Constitution and also stipulated by law.

This Law came to meet the required radical change in the whole social security system and context. Some of the main features of this change are below:-

### First—Change in the System

A—The social security system, before this Law was issued, was based on dividing insured workers into five categories according to their wages. Unified lump sum subscriptions were collected from workers of each category, and they were paid unified lump sum pensions but the

salary rates paid to insured workers were vastly different between the first fifteen years phase of insured service and the following years.

The insured worker was not eligible for aged pension in all cases until age sixty if he had fifteen years insured service at least. If he was in the first category of workers, for example, he was eligible for a lump sum salary of six Dinars for this period of his service, but if his service reached thirty years his salary became 9.75 Dinars; i.e. while his service doubled his salary only improved by 60% approximately. If the worker was in the fifth category for example, his salary increased by only 40% when his service period doubled. Clearly, this method which separated the working class into categories and grades, and determined the salary on the basis of two halves of service the first of which is high and the second low was not just and generated discrimination and fragmentation factors in the heart of the working class and lead to the displacement of workers from the job field and production after completing the first half of service.

Therefore, this Law revoked the categories completely, and viewed all workers from the perspective of one class, without grades and degrees. Worker's subscription was determined at 5% of wage, regardless of the type and level of wage.

As for the subscriptions of departments and employers, the Law reversed the rule and divided the parties benefiting from the worker's effort into three groups. For the small and medium employers group their subscription was fixed at 12% of the wage; for the departments group their subscription was fixed at 15% of the wage; and for the big employers their subscription was fixed at 22% of the wage. The Law also struck out the principle of reducing the salary rate with the increase in the period and made the pension balanced and directly proportional to the worker's service. On this basis, if we apply the two previous examples in the light of this Law, we find that the worker who was eligible to a pension of 6 Dinars for 15 years of insured service shall be eligible to 12 Dinars when his service reaches 30 years. The worker who was eligible for a pension of 30 Dinars after 15 years of insured service shall be eligible to 60 Dinars when his service reaches 30 years, and so on. In all cases the Law prohibited the minimum full pension wage to fall below eight Dinars, and prevented it from rising beyond seventy five Dinars, as well as making the minimum limit for the salary of the eligible successor not less than three Dinars in most cases and absolutely not less than two Dinars.

B—The previous system adopted in collecting subscriptions was an extremely backward system whereby the Organization sold assurance stamps to those charged, who – under their responsibility solely – placed stamps on assurance books in their possession. Applying this system resulted in having no central subscription registers at the beginning, and as an outcome of not completing these registers until now subscriptions were delayed and accumulated gravely in some cases; which caused loss to the organization and losing much revenue and interest, as well as opening the way for manipulation and difficulties due to losing assurance books. This Law transcended this obsolete method and installed the collection system based on monthly cash payments regularly and directly to the Organization according to official wage lists as implemented in other developed social security systems and on the same rules of pension deductions in the state.

In order to regulate the methods of accounting, statistics and research at the Organization, enabling the performance of all of its services and functions with the required accuracy and maximum possible speed, the Law stipulated in article 8/b the development of the administrative, financial and technical regulation according to the most modern contemporary scientific methods, and particularly prepare to replace all types of manual work with electronic equipment

Second—The Change in Comprehensiveness and Subject



1—Iraq was the foremost country in the region to introduce the social security system, despite which this system in Iraq remained revolving within a closed scope since it was established in 1956 until today, despite the significant legal amendments to it. To clarify this particular point, it shall not be forgotten that the conditions of the working class, until this Law was issued, remained distributed into three categories: First- The category that was not covered by Labour Law No. 1 for 1958 and Social Security Law No. 112 for 1969, constituting the vast majority of the total working class in Iraq. This was a category that had no legal protection and not guaranteed of any type of compensation or assurance. Among its individuals, for example, were agricultural and manual workers, workers who worked at home or for relatives, domestic workers and similar, etc. Second- The category covered by Labour Law No. 1 for 1958 and not covered by Labour Law No, 112 for 1969, whose individuals work in projects with less than twenty workers, actually comprising a significant proportion of vocational and industrial workers. The individuals in this category did not have any protection or assurance more than financial compensation paid by their employer after the termination of their service for each year of service according to the period of service and the labour system in the project. Since most employers did not deposit sums due to their workers for the compensation mentioned in a special reserve account year after year; and since the nature of free enterprise, especially small business, is unstable and susceptible always to market fluctuations, monopolies and crises, the sole compensation for the worker for his old age and lifetime efforts was subjected to the employer's financial status when the worker's service terminates. Third: The category of workers who were protected by social security, now no more than one hundred and sixty thousand workers, while the number of toilers at factories, in the countryside and various fields of work in Iraq is more than three million, despite which the individuals in this particular category did not encounter in social security the meaning of social security, The aspects of their protection were distributed and limited to the compensation for end of service that they collected from their departments or employers according to the project system and period of service, to superfluous financial assistance or pension salaries not based on correct foundations that they collected from the Organization.

That is why the first goal of the attached Law was achieving social security that covers all individuals in the working class; and for assurance functions to be as whole public functions under the protection of the state and law. The third item of this Law therefore stipulated that provisions shall take effect from first of April 1971 for all workers covered by previous Social Security Law No. 112 for 1969 in one go and for its enforcement to applied in phases thereafter until it covers all individuals of the working class within a period of five years maximum, provided the transfer from one phase to a higher phase shall be by Republican decree. The Law in this range has absolutely surpassed all social security laws in all Arab and neighbouring countries, but perhaps surpassed similar laws in all third world countries, because it is rare for such laws to be free from exemptions for various sectors of the working class.

However, the Law did not stop its unifying approach of the working class at this limit, but made it incumbent upon the system to unify those described as servers of the state in the social security system in order to completely eradicate all artificial differences among individuals of the one working class. For, in the revolutionary socialist view, there are no differences between a server and a worker because all toiling citizens are workers, and the status of the citizen in this view is not measured by the type of his work, but measured by his loyalty and dedication to work only.

In the previous social security system there was no real subject that could be scientifically called social security except work injuries assurance and pension assurance. Assurance for illness, childbirth and services was not more than a system for limited temporary financial assistance for

which the beneficiary was only eligible within additional legal conditions not related to the illness itself, pregnancy or childbirth or service eligibility.

Although work injuries in the previous law took the form of social security for injuries, the Organization did not have a special means for the care and treatment of the injured. All that happened practically was that the injured undertook to care and treat him, while the Organization's role was limited to paying costs. Also, pension assurance itself was not based on correct principles, as indicated previously.

But the attached Law has finally moved the Organization from a status where it was similar to private insurance companies to the status of a public organization, after the subject of social security itself in the Iraqi Republic was turned around from a limited system to a public system.

At the level of ordinary illness afflicting the worker during his insured service, it became incumbent on the Organization to take care of the ill person from the ninth day of his illness until he recovers, becomes disabled or dies; disregarding absolutely the causes of illness and the sums of subscriptions paid for the insured worker, even if the illness befell him on the second day of his enrollment in insured service.

The meaning of the Organization taking care of the insured ill worker in this Law is that the Organization paying him throughout his sick leave a compensation equivalent to 75% of his wage, provided this compensation is not less than the prescribed minimum wage for his vocation, article – 45/a; and to provide him during his illness with all medical facilities and treatment which the Law described as clinical examination at the clinic or home where necessary; providing treatment and referral to specialists; stay at the hospital or sanatorium; surgery; radiology; laboratory examination; providing rehabilitation services in disability cases, providing prosthetic and countervailing limbs and appliances and everything required for the ill person's condition; article – 45/b.

If the worker does not recover within six consecutive months of care and treatment or if the illness results in disability or death, he or his successor – as the case may be – will be granted a pension salary according to provisions of article fifty of the Law.

As for the insured pregnant woman, the Law placed her under the protection of the Organization by way of natural care and treatment from the onset of pregnancy. The Law also enjoined her compensation for the period of pregnancy and childbirth, assessed at two and a half months, equivalent to her full wage for which the last subscription was paid.; as well as considering her on sick leave for a maximum period of nine months in case of difficult childbirth or giving birth to more than one child; or the onset of complications before or after childbirth. If she came under the risk of disability or death after childbirth, she is treated in the same way as the worker who becomes disabled or dies because of illness without any discrimination. The Law did not stipulate in exchange of this eligibility any conditions other than the female worker's enrolment in the Organization and enjoining her to present herself to the specialised medical authority at the onset of pregnancy; article – 48.

As for work injuries, in addition to all kinds of protection stipulated by this Law for the ill worker, the treatment of the injured worker is stipulated until full recovery or proof of disability or death, no matter how long the time. Throughout this period the worker is eligible for compensation equivalent to his full wage for which the last subscription was paid. In case his full disability is proved or his death, he or his successor is granted, as the case may be, a pension salary on the basis of 78% of his average salary during his last year of insured service, provided the salary is not less than the ordinary pension salary to which he is eligible and the minimum wage prescribed for his vocation. In case he is befallen with partial disability equal to 35% or more of

full disability he is granted a salary proportionate to his disability. If his disability is less than 35% he is granted lump sum compensation; articles 54 – 56. The Law allowed the Organization to send the injured worker overseas at its expense if it is not possible to provide medical facilities for his treatment in Iraq.

As for pension assurance, in addition to the forgoing in this respect, the Law gave up the principle of a flat pension salary; and replaced it with a pension salary based on a fixed rate of the wage of each year of insured service, the same as most developed social security systems and in the pension salaries of employees, the army and police in Iraq.

The Law determined the pension salary at 1/40 of the average monthly wage multiplied by the number of years of service. This means that each worker whose insured service reaches forty years obtains a pension salary equivalent to his complete salary regardless of his age. This computation basis for assessing the salary exceeds the rate in the computation basis stipulated in all the pension systems and laws that we indicated previously; article 68.

This Law also considered the insured service as pension service in the government and considered pension service as insured service. On this basis the Law allowed the transfer of such services when the person turns from being a worker to an employee or from an employee to a worker; article 71.

In case the worker's insured service terminates before he is eligible for pension salary, the Law stipulates that he is paid a compensation for end of service equivalent to one month full wage for each year of service, counting a part of year as a full year; article 78.

However, the new Law most significantly granted the worker who is suddenly deceased during his insured service a full pension salary without placing any condition for being eligible for such salary except that the deceased worker be enrolled in the Organization before his death and subsection paid on his behalf at least for one month.

The Law established the significant branch of services assurance to replace the Workers Investment Organization in order to unify public services for the working class and subject them to comprehensive central planning, ensuring the distribution of such services in balanced rates to all individuals of the working class across Iraq.

The most prominent innovation of the Law in this branch is to establish trade union assurance centres at the Union and branch unions in the governorates, to become control links between the Organization and workers, follow-up workers' assurance affairs, enrollment in the Organization, payment of their subscriptions on their behalf, assisting them to obtain their rights in services, compensation, rewards and salaries from the Organization. The Law also directly delegated to these centres the responsibility of paying financial assistance to workers with low wages in all cases whereby they are exposed to urgent financial burdens such as marriage, childbirth, feasts, death and illness and other.

No doubt, such powers given to unions will have strong effect in strengthening the links between various union devices and the working class in general if exercised well through impeccable public rules and controls.

Third—Change in Core and Content:-

In Iraq the Workers' Retirement and Social Pension Organization is no longer an administratively and financially independent organization, but became an organization for public benefit; article-5, which means it is for the benefit of the whole society. Thus the Law placed, through this development, the foundation stone towards a public system for social security in the state.

With this in mind, the measure for being eligible for service, compensation, reward or salary in this Law is no longer what the worker saved only while he was able to work but the first core basis became the actual need for social protection. The Law no longer asks the insured worker about what he paid in order to treat him and compensate his wage; and the Law no longer asks the pregnant female worker about her paid subscriptions in order to care for her; and the Law no longer asks successors about the extent of the contribution of their breadwinner to the Organization in order to grant them the salary; but the Organizations undertaking of all of these services based on deeming these services a social obligation before anything else. This is the basic core difference between the system of insurance companies and social security. These are some of the most prominent advantages of the Law. Still, the absolutely most salient aspect is making the working class, represented by its trade unions, a basic partner in the management and development of the Organization. There are two essential elements from the members of the Union in the Organization's Board of Directors, one of whom becomes, ipso jure member of the permanent Board office. Not only that, but the Law obligated the Board of Directors to forward a copy of all resolutions to the Union; also granting the latter the right to object to the Board's resolutions in the same manner the Minister is granted this right. These interim powers are but a step on the path to establishing a pure workers' directorship for public social security in the Iraqi Republic.

With issuing this Law, which complemented labour law No. 151 for 1970, the Revolution dropped its steel hammer upon the inhuman labour relations based on injustice, discrimination and exploitation, and started to demolish them practically so that it will establish in their place in the free, socialist revolutionary society worthy human relations based on brotherhood, equity, justice and social solidarity.

This is what drove the Revolution to issue the attached Law, as commitment to its Revolutionary principles and the provisions of the Constitution and law; in recognition of the sacred rights maintained in the custody of the revolution and the community for the struggling and valiant working class.