

treatment of labour, including a post-revolution law that retained a class distinction that gravely damaged productivity levels, he stated in a bylined article carried by Baghdad newspapers on 31 March.

The president's article was prompted by questions from a Baghdad-based socialist ambassador about the government's recent decision to abolish the old labour law, he said. "All the workers of state departments and of the socialist sector are considered employees, and are equal in duties and rights," the Revolution Command Council decreed on 19 March.

Provisions in the new law will smooth the way for scientists and specialists to work on machines side-by-side with manual and semi-skilled workers, Saddam Hussain says. "The largest section of the Iraqi workforce is now part of the socialist sector and of its laws. There is no ideological justification to preserve the incongruity of having two different denominations — worker and civil servant — with differing psychological, social and financial ratings," he wrote.

Above all, the government's decision is intended to have a positive impact on production. Legislation aimed at building "a new society free from discrepancies" will help to concentrate "energies . . . to develop production, and achieve growth and economic returns."

Reclamation work goes local

Contracts for work in the irrigation sector have been won by **Iraqi Contracting Company for Land Reclamation (ICCLR)**. The state company, which is affiliated to the Irrigation Ministry, has also been given powers to enable it to compete with foreign and local contractors (MEED 21:2:87).

ICCLR has won four of six contracts awarded for irrigation, land drainage and reclamation work on the Tharthar-Tigris canal project. ICCLR has already started to build 60 kilometres of embankments, for completion in 1987. The company has also bid for land reclamation work on the Upper Khalis irrigation scheme.

ICCLR's status as an administratively and financially autonomous company was confirmed by Law 19, passed earlier in 1987. This superseded the 1981 law setting up the company. ICCLR's ID 25 million (\$80.6 million) capital has been fully paid up from allocations from the national development plan. The money is to be repaid in instalments equivalent to 25 per cent of ICCLR's annual profits. Company decisions made by the board of directors must still be agreed by the Irrigation Minister, although he can be overruled by a majority vote by the directors.

Insurance market stays healthy

The local insurance sector has managed to retain the confidence of the international

market, as well as a balance in its risk premium rating, despite the war, local insurance officials report.

Premium income in 1986 totalled ID 185 million (\$596 million) for general insurance, life insurance and reinsurance, **State Organisation for Insurance (SOI)** chairman Mustafa Rajab told the local press on 21 March. According to Rajab, the local premium income market is one of the three biggest in the Arab world — the others are Saudi Arabia and Algeria.

The three local firms — **National Insurance Company (NIC)**, **Iraqi Company for Life Insurance (ICLI)** and **Iraq Reinsurance Company (IRC)** — all increased profits and reserves last year, Rajab says.

By the end of 1986, the local insurance sector had invested ID 383 million (\$1,235 million) in real estate, share-holding equity, industrial and service companies, state bonds and bank deposits. The three firms own 11 high-rise blocks in five governorates; there are plans to build more.

Between 1982-86, NIC paid out ID 318 million (\$1,025 million) in compensation to victims of road accidents and their families, Rajab says. About 4,000 people are killed and 25,000 injured in road accidents every year.

Good contacts have been maintained with other countries, Rajab added. IRC has business relationships with 409 companies in 93 countries. The three local firms are also involved in pan-Arab schemes for reinsurance and transport, the war-risk insurance pool and a new Arab insurance company in Bahrain.

IN BRIEF

● The **State Contracting Company for Piling & Foundations** expects to complete work on 17 projects in 1987. They include spillways and drains at Rumaila, in Basra governorate, and contracts for the main outfall drain, and the Saba Nissan and Fashidiya water supply schemes. The company plans to produce 30,000 tons of ready-mixed concrete this year; it also intends to commission a factory to produce pre-stressed and pre-cast piles.

● India's **National Building Construction Corporation (NBCC)** has announced the sale for re-export of all its construction equipment. The machinery includes tower cranes, bulldozers, wheel loaders, batching plants, generators, hoists, forklifts, dumpers, road rollers and caravans. The equipment will be sold on an "as is, where is" basis. NBCC has been working on more than \$100 million worth of projects, including infrastructure for the rail line between Baghdad, Akashat and Al-Qaim, and hotels in Mosul and Dokan. Buyers will have to arrange to transport any purchases from NBCC's worksites to third countries within 15 days of the handover of re-export documents. Further details can be obtained from NBCC's Baghdad office, telephone 7196233/7197388, telex 212451 nbcc.ik.

● An additional ID 10,000 (\$32,260) fine will be levied on foreign companies with local branch offices that fail to produce their accounts within

six months of the end of their financial year. This is an amendment — Law 4 of 1987 — to income tax Law 113 of 1982.

● An economic, scientific and technical co-operation agreement — and associated financial protocol — signed with Czechoslovakia in November 1986 has been ratified by the Revolution Command Council (MEED 6:12:86).

● Careless drivers now face prison sentences of one to four months or fines of ID 100-300 (\$320-970), or both. They also face losing their driving licences for up to four months.

● A Turkish engineer reported to have been kidnapped by Patriotic Union of Kurdistan guerrillas in northern Iraq was released on 26 March. Ankara press reports say (MEED 28 2:87).

● Outstanding secondary school graduates will be eligible for monthly grants of ID 50 (\$160) throughout their higher education, provided they maintain their grades. Any students expelled from colleges must repay the grants.

JORDAN

Bids opened for Aqaba power station

Offers have been opened for all components of the second stage of the Aqaba thermal power station. The \$260 million project was designed by the US' **Charles T Main International**, on behalf of **Jordan Electricity Authority**. Comprising two 130-MW generators, the second stage will complement the two similar generators installed in the first phase (MEED 21:2:87; 24:1:87; 22:11:86).

Bids were requested for boiler and turbine islands, switchyard, civil works and for a turnkey alternative. Companies were asked to submit a base price for a dual coal/oil-fired system, including a coal-handling plant, plus a price for an oil-fired system with an option to modify it to burn coal.

Offers came in as follows:

□ **Boiler island:** lowest of 10 bidders was Japan's **Kawasaki Heavy Industries**, at \$91.2 million, with an alternative bid of \$69.1 million. The highest offer — \$219.9 million and \$147.7 million — was placed by **Deutsche Babcock and Borsig**, both of West Germany.

□ **Turbine island:** lowest of eight bidders was Japan's **C Itoh & Company**, with a base offer of 5.5 million million yen, \$27.8 million and JD 901,339 — which represents a total \$68.3 million. C Itoh also placed an optional bid of 5.5 million million yen, \$27.8 million and JD 904,038, amounting to a total \$68.8 million. Italy's **Franco Tosi Industriale** was high bidder with a base offer of \$116.7 million plus JD 3.4 million — a total \$126.7 million — and an option with a slightly lower dollar portion totalling \$125.8 million.

□ **Switchyard:** South Korea's **Hyundai**