

COALITION PROVISIONAL AUTHORITY ORDER NUMBER 30

REFORM OF SALARIES AND EMPLOYMENT CONDITIONS OF STATE EMPLOYEES

Pursuant to my authority as Administrator of the Coalition Provisional Authority (CPA), and under the laws and usages of war, and consistent with relevant U.N. Security Council resolutions, including Resolution 1483 (2003),

Understanding that the salaries of public workers under the former regime were paid through a complicated system largely composed of incentive pay that rewarded loyalty to the former regime over meritorious service,

Realizing that service in state agencies and state owned enterprises is important public service that requires appropriate compensation for efforts of workers to encourage the best qualified to choose public service,

Noting that salary and conditions of employment reform is essential to guarantee fairness within the public system to ensure that state employees receive appropriate compensation for their efforts, but also to provide incentives for meritorious service or sanctions for failure to perform appropriately,

Recognizing the need to establish a transparent system of compensation for those employed in public service,

I hereby promulgate the following:

Section 1 Definitions

“Base Salary” means base compensation for public employment exclusive of any Special Pay.

“Geographic Allowances” means any special payment made to a Public Service Employee as a result of the location the employee performs duties.

“Grade” means the position level specified for any public service position set forth in the Salary Table attached as Annex A.

“Public Service Employees” means all national government employees serving in any capacity in any national governmental agency or instrumentality including ministries, whether at the national, governorate or municipal level, and state-owned enterprises.

“Public Service Employees” does not include municipal or local employees appointed by Coalition Forces.

“Risk Allowances” means any special payment made to a Public Service Employee as result of the hazardous nature of their employment.

“Special Pay” means any special payment or incentive payment including family allowances, staff bonuses, university service allowance, scientific status allowances, qualification allowances, position allowances, vocational allowances, transportation allowances, geographic allowances, risk allowances, or any other legal compensation other than Base salary paid in connection with public service.

“Salary Table” means the table of payments of monthly salaries paid to Public Service Employees set forth in Annex A to this Order which shall be effective from 1 October 2003 until 30 September 2004.

Section 2

Purpose and Objectives

- 1) Salary reform for Public Service Employees is necessary to encourage the best qualified to choose careers in public service. A system of pay based upon complicated incentives lacks transparency and unfairly results in widely disparate levels of pay for the same work. The public sector salary system is reformed to foster transparency in payments and to regularize payments to ensure that individuals are compensated at comparable levels for comparable work across all areas of public service.
- 2) Reform of conditions of employment reform for Public Service Employees is also necessary to encourage the best qualified to choose careers in public service. The conditions of public service employment are reformed to enable the best qualified employees to rapidly advance to positions of greater responsibility, but also to allow for the removal of Public Service Employees who regularly fail to achieve the minimum standards expected of their Grade and position.

Section 3

Salary Reform

- 1) Effective 1 October 2003, all existing laws, regulations, orders, or other enactments establishing salaries, Special Pay, or other monetary incentives for Public Service Employees are hereby suspended. The CPA Director of Management and Budget, in coordination with the interim Minister of Finance, may grant limited exceptions to this suspension until 31 December 2003 for public agencies unable to implement this Order by the prescribed dates.

- 2) Effective 1 October 2003, all Public Service Employees shall be paid in accordance with the Salary Table except in cases where the CPA Director of Management and Budget has granted an exception to the implementation of this Order in accordance with Section 3(1) above or where the CPA Director of Management and Budget has authorized the public agency to implement the Salary Table prior to 1 October 2003.
- 3) As set forth in the Salary Table, the salary paid to an employee will be based upon the Grade of the employee as determined by the classification of the employee's position and the employee's employment Step as determined in part by the employee's length of service and in part by performance.
- 4) The CPA Director of Management and Budget may authorize the payment of Risk Allowances for particularly hazardous duties or Geographic Allowances. The only basis for approval of Geographic Allowances is a demonstrated history of an inability to fill the position at the authorized salary. Following the implementation of the salary reform provisions contained herein, all such Risk Allowances and Geographic Allowances must be approved by the CPA Director of Management and Budget.
- 5) No Base Salary of Public Service Employees for the same position will be reduced by the implementation of the salary provision of this Order. In the event a Public Service Employee's prior Base Salary for the same position is more than the amount specified in the Salary Table, the pre-existing salary of the Public Service Employee will continue to be paid. The Base Salary of such employees will not be increased until the Public Service Employee is entitled to increased compensation as defined by the Salary Table. This provision does not affect the removal of Special Pay or other incentives as detailed elsewhere in this Order.

Section 4

Implementation of Salary Reform

- 1) All Ministers, state owned enterprise Directors, or other heads of public agencies shall establish salary Grade classifications for existing positions within their agency in accordance with the guidelines issued by the Ministry of Finance.
- 2) All such salary Grade classifications will be submitted to the Ministry of Finance for review and approval prior to implementation. The Ministry of Finance may reject or revise the salary Grade classifications presented by other agencies. The salary Grade classifications of the Ministry of Finance shall be consistent with the guidelines issued by the Ministry of Finance.

- 3) Based on the budget of the agency and the agreed upon salary Grade classifications, total annual salary budgets will be developed by each ministry, state owned enterprise, or other agency for approval by the Ministry of Finance. The Ministry of Finance may reject or revise the total annual salary budget presented by other agencies. The total annual salary budget of the Ministry of Finance shall be consistent with the guidelines issued by the Ministry of Finance. All ministries, state owned enterprises, or other agencies shall deliver the total annual salary budget to the Ministry of Finance no later than September 15 of each year.

Section 5

Impact of De-Baathification Removals

Public Service Employees who lost their civil service positions as a result of the implementation of CPA Order 1, De-Baathification of Iraqi Society, are not entitled to retirement benefits.

Section 6

Reform of Conditions of Public Employment

HIRING AND PROMOTION PRACTICES

- 1) No ministry, governorate or municipal administration, state owned enterprise, or any other governmental agency is required to employ any person solely as a result of the person's training or qualifications. All employment decisions will be based upon the needs of the agency.
- 2) Persons formerly employed by a state agency have no special entitlement to resume their employment. All employment decisions will be based on the needs of the agency. Prior employment with the agency may be a factor in deciding to rehire a former employee to fill a vacancy.
- 3) Persons from outside the agency may be hired to fill vacancies. Hiring decisions will be based on an individual's qualifications without regard to race, religion, tribal membership, gender, or regional origin. The best-qualified person will be hired for the position.
- 4) Duty assignments within an agency are at the discretion of agency heads; provided, however, except as required by exigencies of the work requirements, the majority of the duties of Public Service Employees will be tasks appropriate for their employment Grade.

- 5) Promotions of Public Service Employees will be based upon the employee's potential for service, ability to assume more complex duties or responsibilities, and ability to perform at the higher Grade. Longevity of service, without the consideration of other qualifications, shall be an inappropriate basis for promotion.
- 6) Public Service Employees may only be promoted in the event there is a vacancy in the next higher Grade. Promotions in Grade prior to the occurrence of a vacancy in that Grade are not authorized.

EMPLOYMENT CONDITIONS

- 7) All Public Service Employees are expected to report to work in accordance with the reasonable instructions of their agency. Public Service Employees who fail to report to work without the authorization of their senior supervisor within the agency have no entitlement to be paid for days they do not work. The managers of Public Service Employees may withhold one day's pay for each day in which the employee failed to report to work for a substantial portion of the work day. One day's pay shall be calculated by dividing the total monthly pay specified in Salary Table for the employee by the number of scheduled work days in the month.
- 8) Public Service Employees who fail to report to work for five consecutive days or ten days in a month, except as authorized by their senior supervisor or as a result of verifiable medical incapacitation, may be dismissed from their employment. No public notice shall be required. Supervisors shall make reasonable attempts to notify employees in person. If the Supervisor cannot, through reasonable attempts, locate the employee after ten days, notice can be delivered to the employee's last known address and shall be sufficient to terminate the employment. No proof of actual notice shall be required. Public Service Employees may appeal such a dismissal in accordance with the procedures specified in Section 7.
- 9) Senior agency officials may withhold Step increases in salary in the event the performance of the employee does not meet reasonable expectations of performance for the position held. Public Service Employees whose Step increases are withheld under this provision may appeal this determination to the Ministry of Finance or in accordance with the procedures specified in Section 7.
- 10) Managers and agency heads will exercise oversight and control over the implementation of this Order to ensure fairness within the system. Employees who fail to adhere to the rules set forth herein may fail to meet the reasonable expectations of performance described above and may be subject to disciplinary measures.

Section 7
Procedure to Address Complaints

Public Service Employees may seek redress for adverse managerial actions inconsistent with this Order under the procedures described in Civil Service Law (13) of 1991.

Section 8
Administrative Instructions

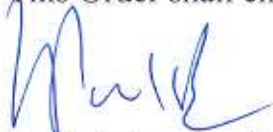
The CPA Director of Management and Budget or interim Minister of the Finance, with the concurrence of the CPA Director of Management and Budget, may issue such Administrative Instructions as are necessary to carry out the purposes of this Order.

Section 9
Inconsistent Legislation

Any portion of legislation inconsistent with any of the provisions of this Order is hereby suspended to the extent necessary to implement the provisions of this Order.

Section 10
Entry into Force

This Order shall enter into force on the date of signature.

 9/8/03

L. Paul Bremer, Administrator
Coalition Provisional Authority

**ORDER NUMBER 30
ANNEX A**

**REFORM OF SALARIES AND EMPLOYMENT CONDITIONS OF STATE
EMPLOYEES**

Salary Table

Monthly Salary Amounts in Thousands of Iraqi Dinars (000)

Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10
SUPER A	2250	2233	2316	2400	2483	2566	2650	2733	2817	3000
SUPER B	1500	1583	1666	1750	1833	1916	1999	2083	2166	2249
1	740	760	780	800	820	840	860	880	900	920
2	574	589	605	620	636	651	667	682	698	713
3	444	456	468	480	492	504	516	528	540	552
4	342	352	361	370	379	389	398	407	416	426
5	264	271	278	285	292	299	306	314	321	328
6	204	209	215	220	226	231	237	242	248	253
7	157	162	166	170	174	179	183	187	191	196
8	125	128	132	135	138	142	145	149	152	155
9	102	105	107	110	113	116	118	121	124	127
10	83	86	88	90	92	95	97	99	101	104
11	69	71	73	75	77	79	81	83	84	86