

Law No. 19 of Year 2000

**Law No. 19 of Year 2000**  
**On National Labor Support and Encouraging**  
**them to work in Non-Governmental Bodies**

- After reviewing the Constitution ; and
- Decree No. 3 of Year 1955 , related to Kuwait Income Tax , amended by law No. 8 of 1967 ;
- Amiri Decree No. 10 of 1960 , presenting the Civil Service Commission Law and thereafter the amending laws ;
- Law No. 15 of Year 1960 for enacting Commercial Companies Laws and the amending laws thereof ;
- Law No. 37 of 1964 , related to public tenders and amending laws thereof ;
- Law No. 38 of 1964 , related to employment in the private sector and amending laws thereof ;
- Law No. 28 of 1969 , related to employment in the Oil Sector and amending laws thereof ;
- Law No. 32 of 1969 , related to the regulations of commercial shops licenses amended by law no.12 of 1994 ;
- Law No. 15 of 1979 , related to Civil Service and amending laws thereof ;
- Law No. 105 of 1980 , related to State-Owned Properties System amended by law no. 8 of 1988 ;
- Law No. 14 of 1992 , related to granting increase in Social Allowance , Pensions , and general subsidies ;

- Law No.79 of 1995 , related to the financial fees and charges in exchange for the use of public services and facilities and amending law thereof ;
- Law No.56 of 1996, related to enacting the Law of Industry;
- Decree issued on 4 April 1979 , related to Civil Service System and the amendments thereof ;
- Decree issued on 14 August 1983 , related to regulating Kuwait Stock Exchange;
- National Assembly approved the following law that we have authenticated and issued;

### **Article (1)**

The terminology used indicates the corresponding entity ;

- 1- **The Council** : the Civil Service Council.
- 2- **Government Authorities** : State Ministries ,Departments and Bodies with attached or independent budgets.
- 3- **Non-Governmental Bodies** : any body that is not considered as governmental according to the above-mentioned clause .

### **Article (2)**

The text of Article (5) Clause (9) of Law Decree No. 15 of 1979 is to be replaced with the following text :

**“ Reviewing all man power and civil service related issues to be delegated to the Council of Ministers “ .**

The following clauses shall be added to the above mentioned Article :

10. To set the policies for employing national manpower in different agencies and follow-up the implementation of such policies in a manner that insures equality and equal opportunities for all citizen .

11. To set systems for encouraging non-governmental sectors to employ national manpower and decide on the appropriate motivation themes attracting national manpower to work in such bodies in a manner that guarantees the coordination of manpower's benefits and rights in all bodies .

12. To undertake measures and procedures leading to coordination between the outputs of education and training establishments , and the employment opportunities available within the different entities .

13. To set a system for appointing supervisors from the Civil Service Commission for the employment affairs in the State Ministries , Departments , and the attached authorities .

14. To propose policies related to adjusting the structure of manpower in a manner leading to the implementation of plans for replacing expatriate manpower with national manpower to the extent possible .

### **Article (3)**

The government shall pay social allowance and children allowance to all citizens who are craftsmen and vocational workers working in all agencies . The Council of Ministers shall issue regulatory rules for such allowance based on the

propositions of the Council . These regulations will set the value and conditions for each of the two above mentioned allowance and the professions , craftsmanship , businesses and bodies that are entitled to such allowance as well as the period during which the government will continue to pay such allowances provided that children's allowance is set at K.D. 50 for each of the first five children .

This , however, is to be applied without violating the vested rights of government employees hired prior to the issuance of Law regarding their entitlement to social allowance and children's allowances .

#### **Article (4)**

Every unemployed Kuwaiti citizen shall be given a financial allowance . The Council is to set the rules and amounts for such allowances .

#### **Article (5)**

The government shall participate in the development of the national manpower in non-government by contributing a percentage of the cost of training national manpower . The Council is to set the rules for this contribution .

### **Article (6)**

In exception to the rules of Law No.37 of 1964 indicated above , and as of the day of issuing this Law , direct contracting and awarding tenders at the government authorities , including military and oil sectors , will hereby only be granted to vendor committed to hiring the percentage of national manpower as established by the Council of Ministers .

### **Article (7)**

Among the criteria to qualify for property or financial support awarded by the government to non-governmental bodies , these bodies are to be committed to hiring the percentage of national manpower as established by the Council of Ministers . To benefit from the provisions stated in Articles 16, 17, and 18 of Law Decree No.105 of 1980 , the number of Kuwaitis employed by the beneficiary must correspond to the percentage established by the Council of Ministries .

### **Article (8)**

THE Council of Ministers shall specify the percentage of national manpower to be committed to by every beneficiary of Government privileges such as land or any other form of property or funds for the purpose of practicing a profession , an industry , a trading , vocational or agricultural business . Entities not committed to the pre-established percentage are subject to additional fees according to the content of Article (9) of this Law .

## **Article (9)**

The Council of Ministers shall specify the percentage of national manpower to be employed by non-governmental bodies in the different professions and jobs . Agencies not committing to such percentages are subject to an additional annual fee for every work permit granted to every non-Kuwaiti employee requested by the agency in excess to the allowed percentage of non-Kuwaiti labor in such professions and jobs .

The Council of Ministers as proposed by the Council , shall set the rules and regulations for this process . these rules and regulations are to specify the non-governmental bodies and job categories to which the rules of this Article are applicable as well as the percentage of national manpower to be abided by , the amount of the applicable fees , and the collection methods of such fees . The Council of Ministers is to reconsider the percentage and fees applicable in the case of non-commitment by non-governmental bodies to the percentages established by the Council of Ministers .

## **Article (10 )**

Employment is government authorities and companies with government ownership exceeding half of its capital is subject to an announcement in two Dailies . The announcement must indicate the title of the vacant job and the hiring conditions . Acceptance to fill the announced position is to be announced in the official gazette . The Council of Ministers is to decide on the jobs that are not subject to the provisions of this Article .

## **Article (11)**

Bodies that are subject to the provisions of Articles (3,5,6,7,8,9 ) of this Law shall submit an annual statement to the Civil Service Commission indicating the number of employees and their percentage to the total number of employees employed by the body . This percentage is to be compared to the percentages of Kuwaiti employees for each of the three preceding years . Such data are to be included in the audited annual budget for the agency .

The Civil Service Commission is entitled to require information relating to the application of the provisions of this Law from any government or non-government body .

## **Article (12)**

To secure the necessary resources for the application of the Articles of this Law :

- 1- A tax at the rate of 2.5% of the annual net profit shall be imposed on the Kuwaiti companies listed in the Kuwait Stock Exchange Market .
- 2- The Council of Ministers may apply additional fees and tariffs on the issuance , and renewal , of vocational , industrial , and commercial licenses and work permits for expatriate labor to the extent that eliminates competition with the national manpower . This is an exception to the provisions of Law No. 70 for 1995 indicated above .

This is in addition to the funds allocated for this purpose in the State's Public Budget .

### **Article (13)**

All revenues and expenditures resulting from the implementation of the provisions of this Law shall be included in the budgets of the State Ministries and Departments .

### **Article (14)**

Submission of incorrect information for the purpose of illegitimately enjoying the privileges indicated by this Law is hereby subject to punishment of imprisonment not exceeding one year and a fine not exceeding one thousand Dinars , or either . In all situations , the Court of Law is to demand the return of all funds granted illegitimately .

Submission of incorrect information for the purpose of evasion from paying the Tax indicated in Article (12) is hereby subject to punishment of imprisonment not exceeding three years and a fine not exceeding five thousand Dinars , or either .

### **Article (15)**

As of the first day of the month following the day this Law takes effect , all non-governmental bodies employing labor with accordance to Law No.38 for 1964 and Law No.28 for 1969 indicated above shall pay the dues of all expatriate labor employed by the agency through payments made to their personal accounts at local banks .Copies of statements sent to the bank shall be sent to the Ministry of Social Affairs and Labor . The Council of Ministers based on the proposition of the Minister of Finance , shall decide the basis of special treatment of such accounts in terms of related banking expenses and commissions .