

Results of The Work and Priorities of Further Development

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Abstract in this manuscript the author will try to do research on the theme work and priorities of further development, improve legislation of work.

Key words pension's provision in Uzbekistan, work and priorities of further development, law of work.

Pension coverage envisaging implementation of the complex of measures of the economic, legal, social and organizational character aimed at the provision and maintenance of the living standard of incapacitated people and poor citizens is the important part of the system of social protection in Republic Uzbekistan.

Reformation of the pension system touching the interests of several generations during rather a long time takes a special place among the major transformations in the social policy of the state.

The need for social security has appeared simultaneously with the emergence of the human society, i.e irrespective of the economic development and political, a society needed, needs and will need to provide the economic and social support to the people who by virtue of different reasons cannot independently acquire means of subsistence: these are children and old people, as well as the people who lost their health owing to illnesses, mutilation, and etc.

In the primary society, the aged and disabled people were kept by virtue of custom.

The slaveowning society, naturally, did not show care of the old, sick and

disabled slaves; however it undertook certain obligations in relation to its free citizens: for example, in Ancient Greece, pensions were paid to the veterans of military service; in Ancient Rome they were getting land allotments in Ancient Rome it gave allotments.

In the feudal society, state pensions were provided for special merits; that time special forms of social support were emerging for those who could not work and had no facilities – the authorized poverty and the charity assuming arrangement of almshouses, houses of mercy and etc.

With the birth of capitalist manufacture, in the process of formation of the class of hired workers, there began to appear friendly societies rendering aid to those who lost employment because of illness or physical disability; they had the form of mutual-aid funds contributed by the employers and employees. Since the middle of the 19th century, the laws on the employer's responsibility for damaging health of the employees were adopted, and in the end of the 19th century, social security of hired workers starts to be implemented on the legal basis fixed by the state; it was introduced as the state social insurance

of the hired workers. Therefore, particularly, in Germany in the 90s years of the 19th century, there were adopted the first laws on the obligatory state insurance in case of illness, accidents, physical disability and old age.

The essence of the system of the state social insurance developed by the beginning of the 19th century in Western Europe and North America was in the fact that each person eligible to conditions specified in the law was subject to compulsory insurance; insurance contributions were paid not only by the hired workers, but also by businessmen; the coverage was provided on the rule of law basis that made the insurance system to be guaranteed; by means of the legal norms, the uniform conditions and sizes of coverage irrespective of the specificity of the industry sector in which the insured were working.

As for Uzbekistan, until 1917, the old-age insurance was not included into the sphere of interests of the state management bodies. Only separate kinds of professional activity (basically connected with public service) were provided with the special kinds of social allowances after citizen's termination of work because of the certain age.

In the 20s of the last century, the issue of the necessity of consideration of the old age as a separate kind of disability requiring pension provision was brought for discussion.

At that time, social security for the aged people was built only on the basis

of the account of the age, instead of the basis of the loss of workability and occurrence of physical disability.

However, already in 1924, pensions were provided to the teachers of higher educational institutions at the age of 65; and in 1928 – to the workers of the textile industry, in 1929 – to the workers of the leading branches of heavy industry and transport. In 1929, distinctive sizes of disability pension and the old-age pensions were determined, and there was established the order of pension payments to those who continued to work.

In 1932, provision of pensions covered the workers of all branches of national economy. Retirement ages were legislatively introduced: 55 - for women and 60 - for men.

The Constitution of 1936 fixed the general provision of old-age pensions for workers and employees, i.e. after achievement of certain age by them.

The following stage of development of the state system of pensions provision began in 1956 - with the adoption of the Law "On the State Pensions" that had adjusted the size of the old-age pension and cancelled payment of the old-age pension to the working pensioners simultaneously increasing the sizes of the appointed pensions.

In 1964, the Law "On the Pensions and Allowances to the Collective Farm Members" that since 1965 envisaged age retirement for the collective farmers: 65 - for men, and 60 – for women. Since 1968, the collective farmers have received the right to retire

at the same age as workers and employees.

Thus, by the middle of the 60s, the state system of general provision of the old-age pensions was built in the territory of the Uzbek yet Socialist Republic.

Further changes of the pension legislation were directed to a more active material stimulation of pensioner's employment.

As the socialist pension system was built on the principles of the state social insurance, it did not contain the complex of necessary economic attributes describing the obligatory provision of the traditional forms of pension insurance. At the same time, the given system had one important advantage - it provided absolutely all categories of citizens with the minimal subsistence level.

Therefore, the Soviet pension system developed and existing from the middle of the 60s till 1990, has received the definition of "the state pension coverage".

The Uzbek Republican Branch of the Pension Fund of the USSR was is formed following the Resolution #9 of the Cabinet of Ministers under the President of the Uzbek SSR dated 14 January 1991.

With a view of implementation of the state guarantees in the social security system and growth of supervision over correct and effective disposal of the means of social insurance according to the Resolution #391 of the Cabinet of Ministers and Council of Federation of the Trade

Unions of the Republic of Uzbekistan dated 4 August 1993 on the basis of the of the former Uzbek Republican Branch of the Pension Fund of the USSR was formed the Fund of Social Insurance under the Cabinet of Ministers of the Republic Uzbekistan by transferred to it the funds of social insurance from the system of the of the Council of Federation of Trade Unions of Uzbekistan aimed at the payments of the allowances of temporary disablement, maternity, on the birth of a baby and burial.

With a view of further perfection of the system of social protection of the population, increase of the responsibility of the social security bodies for completeness of the receipt of obligatory contributions for the provision of pensions and duly financing of pension payments and allowances on the state social insurance according to the Resolution #459 of the Cabinet of Ministers of the Republic of Uzbekistan dated 27 December 1996 on the basis of the Fund of Social Insurance under the Cabinet of Ministers of the Republic of Uzbekistan has been formed the Pension fund at the Ministry of Social Welfare of the Republic of Uzbekistan with the corresponding territorial branches and departments at the Ministry of Social Welfare of the Republic of Karakalpakstan and local bodies of social security.

With a view of perfection of structure of management in the system of provision of pensions and increase of the efficiency of the use of these funds

directed to the payment of pensions and allowances according to the Resolution #444 of the Cabinet of Ministers of the Republic of Uzbekistan dated 15 November 2000, the Pension Fund under the Ministry of Social Welfare of Republic Uzbekistan since 1 January 2001 was transformed into the extra-budgetary Pension Fund of the Republic of Uzbekistan. Thus maintenance of duly charge and payments of pensions, and also grants and financing of charges on payment of pensions, grants on the state social insurance have been assigned to the Ministry of Labour and Social Protection of the population of the Republic of Uzbekistan.

According to the Resolution #490 of the Government of the Republic of Uzbekistan dated 21 October 2004, the extra-budgetary Pension Fund of the Republic of Uzbekistan was transformed since 1 January 2005 into the extra-budgetary Pension Fund of the Republic of Uzbekistan under the Ministry of Finance of Republic Uzbekistan.

The Presidential Decree dated 30 December 2009 “On the Measures for Further Perfection of the System of Pensions Provision to Citizens” envisages the measures for further perfection of the organizational structure of the system of pension provision in the country, duly financing and full payments of pensions and social benefits from the the extra-budgetary Pension Fund, as well as strengthening of supervision over target disposal of the means directed

for the provision of pensions of the citizens of the Republic.

Along with this, it is established that since January 2010, appointment, financing, accounting and monitoring of pension payments, as well as social allowances, compensatory and other payments shall be carried out by the corresponding territorial units of the extra-budgetary Pension Fund under the Ministry of Finance of the Republic of Uzbekistan to which the structure and functions this sphere have been.

A newly-formed organizational structure of the extra-budgetary Pension Fund under the Ministry of Finance of the Republic of Uzbekistan consists of the central executive body, 14 territorial departments: in the Republic of Karakalpakstan, in the regions, in the city of Tashkent, as well as 196 district (city) departments with an aggregate number over 4 thousand workers.

The primary goals of the extra-budgetary Pension Fund are:

- arrangement of the state provision of pensions to citizens, purpose of pensions, social benefits, compensatory and other payments to citizens, provision of recalculation of pensions sizes and other payments;

- accumulation of the obligatory deductions, payments and other payments on the accounts of the Fund;

- Full financing and organization of payment of pensions and other payments, handling their accounting and reporting;

- Maintenance of strictly targeted

use of the means directed for the provision of pensions to the citizens.

The extra-budgetary Pension Fund was also vested with the task to organize the activity of the service of medical-labour expert commission.

With a view of further perfection of management and organization of the activity of the service of medical-labour expert commission, as well as strengthening of the medical-labour expert commissions with the highly skilled medical staff, there have been formed 108 main, interdistrict, district (city) MLECs.

Department of Supervision over Targeted Use of the extra-budgetary Pension Fund has been formed within the structure of the Main Auditing Department of the Ministry of Finance of the Republic of Uzbekistan.

PERFECTION OF THE LEGISLATION

From the first days of independence, having defined the increase of the well-being of the population as an overall objective of the accomplished reforms, the country leaders attach special attention and care to pensioners, improvement of conditions and qualities of their life on the basis of constantly improved mechanism of the pension system.

The Law of the Republic of Uzbekistan adopted in 1993 “On the State Provision of Pensions to Citizens” allowed considerable improvement of the system of provision of pensions, promoted protection of interests of the

pensioners and increase of their welfare, strengthening of the principle of social justice, enhancement of the motivation for highly paid productive work and has played its positive role in the implementation of the social and economic reforms in the country.

Alongside with this, from 2011 to 2015, a number of the changes directed to further perfection of the system of pension provision to the citizens have been brought in the enforced pension legislation.

So far, with a view of strengthening of the social justice rules and putting the pension legislation into conformity with the social and economic reforms carried out in the country, achievements of technical and technological progress, strengthening of dependence of pension sizes on the contribution of citizens into formation of assets of the Pension Fund, amendments and additions were introduced in the Law of the RUz “The State Provision of Pensions” to establish the minimum of the seniority needed for old-age pension assignment, categories of workers eligible for preferential provision of pensions, and some questions of pension provision to physical inability have been revised.

Consecutive realization of the principle of universality of pension provision and social orientation have been reflected in the changes and additions introduced in the above-stated Law enforced since 6 January 2015. Following these changes, the uniform size of the burial allowance in the amount of quadruple minimal wages

instead of the operating two-multiple size paid pension has been established for all categories of citizens. Except for that, the term of payment of the incurred but undemanded pensions has been lately reconsidered.

As a whole, there have been drafted and approved in the established order over 50 regulatory and legal documents aiming at the consistent implementation of the creation of the integrity of pension provision and social orientation ensuring social protection and assistance to the population of the country.

Accomplishment of the above-stated transformations allowed considerably improve financing and payment of pensions and social benefits.

Therefore, according to the Decrees of the President of the Republic of Uzbekistan, the sizes of pensions and social benefits have been raised by 1.12 times since 1 September 1st and by 1.1 times since 15 December 2014; on the whole for the last year, this brought up the increase in the sizes of payments by 1.232 times.

In the Republic of Uzbekistan, besides the state pensions and social benefits, there is envisaged the financial defined contributions directed to the increase of pensioner's welfare.

The elements of non-state pension fund for the first time appeared in our country in connection with the adoption in 2004 of the Law "On the Financial Defined Contributions to Citizens", that is an additional acknowledgement of the social importance of the reforms

implemented by the country. By the rules of financial defined contributions from 1 January 2005, monthly 1 percent of the wages of the working citizens is withdrawn to the individual memory pension accounts (INPS) with the respective reduction of the individual income tax incurred according to the legislation on the incomes of the physical entities to be entered into the budget.

While analyzing the system of pension's provision in Uzbekistan, it is necessary to stop on a no less important today element of this system - the control and supervision over correctness of charging and payments of various kinds of pensions. The greater role here is attached to the technical modernization of the Pension Fund. One of the basic priority directions is the creation of the automated information system allowing generating a reliably secured uniform centralized database of the receivers of pensions and allowances; with its help, it is possible in due time provide the users with the authentic, full and actual information, raise the overall performance of the entire system of the Fund, and strengthen the control over the target expenditure of Fund's assets reducing the role of the human factor in the assignment and payment of pensions. Thus, the program complex "Pension" was developed and launched throughout the Republic already in 2012.

Certainly, it is impossible to underestimate the measures undertaken

by the state for the complex implementation of the launched reforms, especially in the social area. And, it is expected that with a view of further development of the system of pension provision in the country, it is necessary to continue acting in the following basic directions:

1. To introduce citizen's system of

tracking contributions paid by the employers to the system of the state pension provision: it will make the citizens consider the state pension only as a part of the complex strategy of care about their own future, and will push them to concrete actions when they precisely define what awaits them after retirement..