

Analytical Study of Work Accident Insurance at the Regional Agricultural Cooperation Fund of Boumerdès Province

دراسة تحليلية لتأمين على حوادث العمل على مستوى الصندوق الجهوي للتعاون الفلاحي لولاية بومرداس

Dr. Baya Saou¹

Akli Mohand Oulhadj University, Bouira - Algeria
b.saou@univ-bouira.dz

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Abstract:

Social insurance policies are among the most significant economic and social strategies developed by countries worldwide, both developed and developing, in the realm of protecting community members from various risks threatening their lives, whether in the workplace or outside. This study aims to highlight the importance of work accident insurance and the distinction between occupational injuries and work accidents. It explores the methods for calculating various compensations or losses and compensation for the different risks that workers are exposed to based on their basic wage, risk percentage, and corresponding reference points at the Regional Cooperative Fund of Boumerdès Province.

The study concludes that work accident insurance is a type of insurance that alleviates the burden of loss on individuals by distributing losses among several parties (the institution, social security, and the insurer), and also achieves a form of social stability for the worker.

Key words: Insurance, Accident Insurance, Compensations, Damage, Reference Points.

Abstract In Arabic

تعتبر التأمينات الاجتماعية من بين أهم السياسات الاقتصادية والاجتماعية التي اوجدتها مختلف بلدان العالم المتقدم منه والنامي— وذلك في مجال حماية افراد المجتمع من مخاطر متعددة تهدد حياتهم، في بيئة العمل او خارجها، وهذا من حيث استفادة هذه الفئة من مزا التأمين الاجتماعي، اذ يعتبر هذا الاخير حق شرعي لكل افراد المجتمع، فمن خلال هذه الدراسة نسعى الى ابراز اهمية التأمين عن حوادث العمل وكذا ابراز الفرق بين اصابة العمل وحوادث العمل، مع التعرف على كيفية حساب مختلف التعويضات او الخسائر، او التعويض على مختلف الاخطار التي يتعرض لها العامل انطلاقا من الاجر القاعدي له ونسبة الخطر وما يقابله من نقطة استدلالية وهذا على مستوى الصندوق التعاون الجهوي لولاية بومرداس، وقد توصلت الدراسة على أن التأمين عن حوادث العمل هو النوع من التأمين والذي يخفف عبء تحمل الخسارة على الأفراد من خلال توزيع الخسائر بين عدة اطراف (المؤسسة، الضمان الاجتماعي، والمؤمن)، وايضا تحقيق نوع ما الاستقرار الاجتماعي للعامل.

الكلمات المفتاحية: التأمين، التأمين على الحوادث، التعويضات، الضرر، النقطة الاستدلالية.

1. INTRODUCTION:

Work accidents represent a major human, social, and economic problem, as they are among the issues causing significant financial losses for both workers and employers. However, if we consider

¹ - Corresponding author: Dr. Baya Saou, e-mail: b.saou@univ-bouira.dz

the value of life and the aspects of human loss, we find that the situation represents not only a problem but a major tragedy.

Therefore, it is essential to study accidents by gathering accurate information about them and analyzing the consequences of their occurrence, whether those consequences are in the form of loss of lives, injuries, destruction of machinery, wastage of services, or simply the loss of workers' time and work disruption. This is to develop more effective and efficient work accident prevention and safety programs, especially concerning the worker's role, awareness, psychological, mental, and physical condition leading to their injury.

Thus, the insurance system plays a significant role in ensuring security for both the individual and the community, providing protection and safety. In Algeria, it is considered a significant gain for society as an effective tool for social protection against the risks that threaten the individual and ensures all their rights against the risks of being unable to work, whether due to work accidents or occupational diseases while performing their duties.

From this perspective, the following problem is posed:

- What procedures does the Regional Agricultural Cooperation Fund of Boumerdès Province follow for work accident insurance?

In an attempt to answer the posed question, we relied on the following hypotheses:

- Insurance itself is protection from risks.
- There are no procedures in place in case of a work accident.
- All working individuals are covered by work accident insurance.

It is appropriate in this study to clarify the main work axes, which are as follows:

- Theoretical framework for work accidents and social insurance.
- Identification card of the Regional Agricultural Cooperation Fund of Boumerdès Province.
- Organizational structure of the Regional Agricultural Cooperation Fund of Boumerdès Province.
- The activity field of the Regional Agricultural Cooperation Fund and its various objectives.
- Methods of estimating compensation for work accidents for workers at the Regional Agricultural Cooperation Fund of Boumerdès.

2. Theoretical Framework for Work Accidents and Social Insurance

The concept of work accidents has gained extreme importance among researchers and those interested in various scientific branches, including social and economic sciences. Social psychologists have analyzed the psychological, social, and organizational problems posed by accidents, seeing them as moments of dysfunction occurring during a task.

Through this section, we aim to define work accidents, their classifications, and the most important theories explaining the occurrence of work accidents and their causes.

2.1 Concept of Work Accidents

A work accident is considered the oldest form of occupational injuries in terms of legal appearance, followed by occupational disease, road accidents, etc. The nature of occupational injuries varies not only in nature but also in professional conditions, which are predominantly characterized by their professional nature, determining eligibility for compensations provided by work injury insurance.

2.1.1 Definition of Work Accidents:

There are several definitions of a work accident, including:

➤ Jurisprudential Definition:

From a jurisprudential perspective, a group of scholars has given significant attention and precise expression in defining a work accident. Focusing on the elements introduced by the Algerian legislator in its definition, we mention some of them:

Some define a work accident as: "An injury resulting from a sudden accident caused by an external force during work, or because of it, affecting the worker's body and causing harm." This definition limits the occurrence of a work accident to certain elements and specifies the consequence of the act, which is damage.

Others define a work accident as: "An incident or event that occurs unexpectedly or without anticipation, resulting in some harm to a person or damage to equipment and property, directly arising from the workplace due to a malfunction in machinery, devices, or individual misconduct."

Another definition is: "An accident that occurs during work and is caused by an external source, causing physical damage to the worker's body and happening suddenly." (Grand Guillot, 2006)

It is also defined as: "Any incident causing harm to the human body with an external origin characterized by an element of surprise, where 'harm to the human body' includes injuries, loss of faculties, and death..." (Helmy, 1972)

Some jurists prefer to follow legislation and define an accident by the presence of its constitutive elements:

- A. The occurrence of an incident causing loss.
- B. The loss appears in the worker's body.
- C. The existence of a causal link between the accident or injury.
- D. The injury is due to work.

➤ Conventional Definition:

The Algerian legislator defines a work accident as: "An accident resulting in physical injury caused by a sudden, unexpected reason within the framework of the employment relationship." (Law No. 83-13, 1983)

Among the laws defining work accidents, we find Law No. 83-18, amended and supplemented by Decree No. 96-19 related to work accidents and occupational diseases, establishing a unified system applicable to workers, whether employees or affiliated with employees, regardless of their activity sector, covering accidents that may occur during and because of work.

Below, we mention some conditions for work accidents defined in the Social Security Law:

- An accident resulting in physical injury caused by a sudden and external reason within the framework of the employment relationship is considered a work accident.
- An accident occurring during:
 - ❖ Performing a mission outside the institution of exceptional or permanent nature according to employer instructions.
 - ❖ Exercising an electoral mandate or in connection with its exercise.
 - ❖ Regularly pursuing studies outside working hours.
- An incident is also considered a work accident, even if the person involved is not socially insured, if the accident occurs during:
 - ❖ Sporting activities organized by the employing entity.
 - ❖ Engaging in dedicated work for the public good or to save a person in danger.

The injury or death occurring at the workplace or during its duration, or at a time distant from the accident occurrence, or during the treatment following the accident, are considered as work-related unless proven otherwise. (Order No. 95-07, 1995)

It is not permissible to bear the consequences of a pre-existing disease under this law if it is definitively proven that the accident did not cause, reveal, or exacerbate this disease.

The presumption of necessity for death due to work or the accident is void if the rights holder of the injured opposes the autopsy required by the social security body, unless they initiate proving the causal relationship between the accident and death.

An incident that occurs during the commute to or from work is considered a work accident, regardless of the transportation means used, provided that the route has not been interrupted or deviated, unless due to usage, necessity, or an unforeseen event or force majeure. The guaranteed route in this manner is between the workplace and the place of residence or similar, such as the place the worker regularly visits for dining or family purposes.

2.1.2 The work accident must be reported by:

- The injured or their representative to the employer within 24 hours, except in cases of force majeure, excluding holidays.
- The employer, from the date of receiving news of the accident, to the social security body within 48 hours, excluding holidays.
- The social security body immediately to the labor inspector supervising the establishment or to the officer exercising authority under specific legislation.
- If the employer does not initiate the report, the injured or the labor inspectorate can report to the social security body within a period of 4 years from the day of the accident.

2.2 Work Accidents Eligible for Compensation:

A. An accident is considered a work accident if it occurs during:

- Performing a mission outside the establishment of an exceptional or permanent nature according to the employer's instructions.
- Exercising or on the occasion of exercising a political elective mandate or within the framework of a mass organization.
- Regularly pursuing studies outside working hours.

B. Also considered a work accident, even if the person concerned is not socially insured, is an accident that occurs during:

- Required activities and events organized by the party, mass organizations, or professional unions.
- Sporting activities organized within the framework of associations.
- Performing acts of charity for the public good or to save a person in danger.

C. Injury or death resulting from work, which occur either:

- At the workplace or during its duration.
- At a time distant from the occurrence of the accident.
- During the treatment following the accident.

D. An accident occurring on the normal route to or from work, or where the worker has not stopped, deviated, or strayed from the normal path, detailed as follows:

- Accident occurring on the way to work: This refers to the route taken to go to work or return home.
- The normal time for the route: The time period the worker typically takes to travel from home to work or back.
- The worker must not have stopped, lingered, or deviated from the normal route: Stopping on the way refers to the worker stopping for some reason on the normal route, lingering means heading to a place not on the same route, and deviating means leaving the normal route to take another that cannot objectively be considered the normal route to or from work.

E. The guaranteed route also includes the distance the worker travels from their workplace to the place they frequent for dining.

This could be a restaurant, canteens affiliated with institutions, or any other place, including public facilities. It is not feasible to require a worker who operates far from home (such as a construction worker or someone on a mission) to always dine in the same place.

2.3 Concept of Social Insurance

The definitions of insurance vary due to different perspectives and the various fields and categories, each highlighting a specific aspect. On one hand, it can be said that: "It is a system implemented by the state to provide a certain standard of living for some or all individuals, in exchange for individual contributions paid on behalf of the beneficiaries by them, their employers, and sometimes

the state, in cases of need such as illness, disability, old age, work injuries, childbirth, death, and other emergencies that expose individuals to need."

On the other hand, social insurances can be defined as services provided by a governmental body, the National Social Security Fund, intended to cover a specific risk or emergency within its legally defined competencies. These are financial benefits including family allowances, human nature risks such as insurance for sickness, death, disability, maternity, retirement, and occupational risks including work accidents and occupational diseases.

➤ **Concept of Insurance from a Legal Perspective:**

The Algerian legislator defined insurance in Article 619 of the Civil Code and Article 2 of Order 95-07 as follows: "A contract by which the insured or beneficiary, who stipulated insurance on their behalf, is entitled to a sum of money, a regular income, or any other financial compensation in the event of an accident or the realization of the risk specified in the contract, in return for a premium or any other financial payment made by the insured to the insurer." (Order No. 95-07, 1995)

➤ **Concept of Insurance from an Economic Perspective:**

Economically, insurance is defined as: "An act of organization and management that involves gathering a sufficient number of similar cases to reduce the degree of uncertainty to the desired level."

➤ **Concept of Insurance Among Insurance Professionals:**

Insurance is also defined as: "A system primarily aimed at protecting individuals and entities from material losses arising from the realization of potential risks that could occur in the future and cause measurable material losses, with no involvement of the individuals or entities in their occurrence." Most references indicate that this definition of insurance is comprehensive because it describes the process by which one party, the insured, in return for paying a premium, receives a commitment from the other party, the insurer. This commitment involves the insurer taking on the task of gathering a group of risks and performing a settlement between them according to statistical laws. (Maâraj et al., 2013)

In conclusion, insurance is an operation conducted by insurance companies aimed at protecting individuals and institutions from potential risks due to natural disasters, theft, or accidents. The insurer undertakes to compensate the insured upon the realization of the risk.

3. Identification Card of the Regional Agricultural Cooperation Fund of Boumerdès Province

Before defining the Regional Agricultural Cooperation Fund, it is necessary to mention the definition of the National Agricultural Cooperation Fund:

The National Agricultural Cooperation Fund was established in 1972 by Order No. 72-64 dated December 2, 1972, which ordered the integration of:

➤ **The Central Reinsurance Fund for Agricultural Cooperatives established in 1907 (CCRMA),**

➤ The Central Fund for Social Agricultural Cooperation established in 1949 (CCMSA), The Agricultural Cooperation and Retirement Fund established in 1958 (CMRA), Then, these funds were merged into a single fund, the National Agricultural Cooperation Fund, headquartered in Algiers at Victor Hugo.

From 1972 to 1995, the National Agricultural Cooperation Fund's missions were limited to economic insurances and social insurances. After the issuance of Executive Decree 95-97 on April 1, 1995, the fund's activities expanded to banking operations and specialized further in the agricultural sector.

3.1 Definition of the Regional Agricultural Cooperation Fund of Boumerdès Province

The Regional Agricultural Cooperation Fund of Boumerdès Province, based on Article 3 of Executive Decree 95-97, is defined as mutual funds that are civil companies of people with a mutual character and variable capital, not aiming for profit.

Therefore, the Regional Agricultural Cooperation Fund of Boumerdès Province operates to provide cooperation among farmers as well as in the field of insuring equipment, tractors, trucks, cars, which applies to all funds. It is noteworthy that the fund was separated from the bank, with the fund working in the field of providing agricultural cooperation, while the bank handles deposits and loans in the agriculture sector. Based on what the bank offers to the farmer, the fund insures what is granted to the farmer by the bank.

Thus, the headquarters of the Regional Agricultural Cooperation Fund of Boumerdès Province is located in Boudouaou, Boumerdès Province, which is considered one of the most important funds at the national level.

This is due to the agricultural character of Boumerdès Province, which stands out in the agricultural sector for its features that allow it to excel in many agricultural productions, contributing to raising the level of national production with a total agricultural area estimated at 98,864 hectares, and an agricultural area suitable for cultivation estimated at 65,010 hectares, including 12,200 hectares of irrigated land. This has made the region rich in various agricultural products, primarily grains, fodder, vineyards, potatoes, citrus, olives, honey, and animal products from cattle breeding, livestock breeding, and poultry farming.

The Regional Fund was opened in 1985 and includes a commercial network consisting of local offices distributed across the provinces of Boumerdès and Algiers, found in Reghaïa, Rouïba, Ouled Moussa, Boumerdès, Tizirt, Bordj Menaiel, Nassiriya, and Dellys.

The management of the Regional Fund is overseen by a board of directors composed of five members elected by the members of the General Assembly, consisting of 150 farmer delegates participating in the fund's capital. It is managed by a regional director appointed by the General Manager of the National Agricultural Cooperation Fund.

3.2 Some Offices of the Fund, Code, Address:

- ❖ **01 Local Office** - Rouiba: 170 EPLF District, opposite Coca Cola Rouiba, Algiers Province.
- ❖ **02 Local Office** - Reghaïa: 385, El Noor Real Estate Cooperative, Plot No. 12, Reghaïa.
- ❖ **03 Local Office** - Ouled Moussa: 496, Abdelaziz El Kebir District, Ouled Moussa, Boumerdès.

- ❖ **04 Local Office** - Boumerdès: 350, 800 Housing Unit, Timzrit Hotel, Boumerdès Province.
- ❖ **05 Local Office** - Tizirt: 357, 210 Housing Unit, Building No. 19, Tizirt.
- ❖ **06 Local Office** - Bordj Menaiel: 327, Ziane Aounas Street, Bordj Menaiel, Boumerdès Province.
- ❖ **07 Local Office** - Nassiriya: 444, Boufrou Said Street, Nassiriya, Boumerdès Province.
- ❖ **08 Local Office** - Dellys: 531, National Road No. 24, Sidi El Mejeni, Dellys, Boumerdès.
- ❖ **09 Local Office** - Sha'ba El Amer.

4. Organizational Structure of the Regional Agricultural Cooperation Fund of Boumerdès Province.

The Regional Agricultural Cooperation Fund of Boumerdès Province consists of several departments, in addition to two offices: one for the Secretariat and the other for the Deputy Director.

Firstly: The Director

The Director is the highest-ranking official in the Regional Agricultural Cooperation Fund, overseeing all departments and responsibilities including:

- Making appropriate decisions and signing documents.
- Coordinating among all departments.
- Guiding new employees.
- Maintaining professional stability and creating a suitable work environment.
- Preserving all employee rights.

Secondly: The Deputy Director

The Deputy Director, ranking below the Director, performs the Director's duties in their absence.

Thirdly: The Secretariat

The Secretariat is positioned closely to the Director after the Deputy Director in the fund, acts as the entry and exit channel for all operations within the fund, with responsibilities including:

- Registering incoming and outgoing mail.
- Receiving clients and arranging documents.
- Handling and directing calls to the Director and other departments.
- Preparing faxes, calls, and scheduling appointments.
- Managing incoming messages to the fund and letters prepared for research.

Fourthly: The Production Department

The Production Department is a crucial department where the customer's first contact with the fund occurs, with tasks including:

- Ensuring coverage of all risks that may affect the agricultural sector, including crops, livestock, and agricultural equipment insurance.

Fifthly: The Accounting Department

The Accounting Department performs the following tasks:

- Preparing budget estimates and working towards their realization.
- Recording daily entries for all departmental activities.
- Preparing quarterly, bi-annual, and annual financial statements.
- Recording accounting entries related to revenues.
- Monitoring accounts and the accuracy of daily transactions by each department.
- Overseeing balances and checks.

Sixthly: The IT Department

The IT Department is supervised by a senior IT technician responsible for:

- Repairing any malfunctions or breakdowns in IT equipment within the fund.
- Programming devices for various departments of the Regional Agricultural Cooperation Fund.
- Ensuring the smooth operation of IT devices.

Seventhly: The Accidents Department

The Accidents Department focuses on studying two types of files: those related to vehicle traffic accidents and those involving personal injuries. This department determines the compensation amounts for all losses resulting from accidents, providing financial compensation in case of traffic accidents, and compensating the closest people to the deceased in case of fatal accidents.

Eighthly: The Human Resources Department

The Human Resources Department deals with all matters related to employees in the Regional Agricultural Cooperation Fund, with responsibilities including:

- Monitoring employees' entry and exit.
- Ensuring monthly income for employees.
- Receiving requests for annual and sick leave.

5. The Activity Field of the Regional Agricultural Cooperation Fund and Its Objectives.

The Regional Agricultural Cooperation Fund of Boumerdès has several activities aimed at achieving various objectives, including the following: (Regional Agricultural Cooperation Fund of Boudouaou, , n.d.)

5.1 Insurances conducted by the Regional Agricultural Cooperation Fund

The Regional Agricultural Cooperation Fund of Boumerdès ensures and protects the rights of farmers against all risks through insurance contracts between the insurer and the insured, the Regional Agricultural Cooperation Fund, and the person or farmer. Among the insurances offered are:

A. Animal Insurances:

Including multi-risk insurance for cows, sheep, poultry, beekeeping, horses, goats, rabbits, and camel mortality.

B. Plant insurances:

including insurance against hail, insurance against pre-harvest crop fires, insurance against fodder and hay fires, insurance against hail and fires affecting crops, multi-risk insurance for greenhouses, vineyards, olive trees, multi-risk agricultural insurances, reforestation insurance, multi-risk nursery insurances, citrus fruit insurance, multi-risk potato damage insurance, multi-risk fruit tree insurance, date palm insurance, multi-risk industrial tomato damage insurance, multi-risk irrigation network insurance, insurance against loss of yield for irrigated grains, multi-risk nursery and vineyard insurances.

C. Insurances for various other properties:

- Vehicle insurance covering possible damages such as glass breakage, theft, and fire.
- Minor risk insurance related to the theft of properties and stored goods.
- Personal insurance specifically for public transport operators.
- Civil liability insurance conducted by individuals involved in sports clubs, associations, and veterinarians.
- Industrial and technical risk insurance specifically for professionals and artisans, ensuring their equipment.

5.2 Objectives of the Regional Agricultural Cooperation Fund

The Regional Agricultural Cooperation Fund aims to achieve the following objectives: (Regional Agricultural Cooperation Fund of Boumerdès Province, n.d.)

- Promoting insurance culture.
- Reducing risks in the agricultural sector.
- Developing and enhancing agricultural projects aimed at the development of the national economy.
- Attracting investment to the agricultural sector by ensuring agricultural insurance from all aspects.
- Modernizing the management of agricultural insurances.

6. Methods of Estimating Compensation for Work Accidents for Workers at the Regional Agricultural Cooperation Fund of Boumerdès.

The Regional Agricultural Cooperation Fund is one of the most important and oldest insurance companies in Algeria, holding a large share of the insurance market in Algeria and leading in this field. It provides insurance for various work-related accidents.

This axis discusses the main compensations available in case of an accident and how to compensate for bodily harm to the rights holders of a deceased victim in case of a work accident.

6.1 Key Compensations in Case of a Work Accident

Among the compensations provided by the Regional Agricultural Cooperation Fund are: (Regional Agricultural Cooperation Fund of Boumerdès Province, n.d.)

A. Compensation for temporary disability from work:

Temporary disability is the inability to perform a professional activity leading to a temporary work stoppage calculated in days and months. Compensation for temporary disability from work is based on 100% of the victim's professional income.

✓ **Example 1:**

A person had a work accident causing temporary disability for 240 days (8 months), noting that the victim does not receive a salary.

Compensation amount = Minimum guaranteed wage \times Duration of disability

$$144,000 \text{ DZD} = 8 \times 18,000 \text{ DZD}$$

Considering that the national minimum guaranteed wage at the time of the accident in 2018 is 18,000 DZD.

B. Compensation for Permanent Partial or Total Disability:

This refers to the victim suffering an injury in one of their body parts, constituting a permanent partial disability, or if the injury encompasses the entire victim, it constitutes a permanent total disability.

This is calculated on a percentage basis. Among the cases of permanent total disability are the total loss of both eyes, loss of speech, loss of an arm and a leg, mental insanity. As for permanent partial disability, it is determined based on the area of injury, such as the head in the case of losing the bony substance of the skull in its entire thickness, or in the upper limb.

The compensation for permanent partial or total disability is calculated by multiplying the reference point corresponding to the victim's annual income by the disability percentage in the tables designated for this purpose.

- Case of Permanent Disability less than 80%:
- As per the medical file: the victim has a permanent partial disability of 75%.
- Compensation amount = Reference point \times Disability percentage

➤ **First Method:**

Finding the Reference Point:

$$\text{Monthly salary} \times 12 \div 50 + 1740 = 18000 \times 12 \div 50 + 1740 = 6060$$

➤ **Second Method:**

Finding the Annual Income

$$\text{Monthly salary} \times 12 = 216000 \text{ DZD} = 12 \times 18000$$

6.2 Finding the corresponding reference point for the annual income of 216000

We find the highest annual income is 77000 with 3280 reference points, according to the reference point table that evolves with the national wage and in accordance with the evolution of the national minimum guaranteed monthly wage, the value of the point increases by 10 for every 500 DZD of professional income or wage exceeding 500 DZD, not to exceed the maximum limit stipulated.

That is, for every 500 DZD of income exceeding the maximum income of 77000 DZD, an additional 10 reference points are added to 3280 reference points.

A. Subtracting the maximum amount specified in the table from the victim's actual annual income $216000 - 77000 = 139000$ DZD

B. Applying the proportional method to find the reference point for the amount exceeding 77000 DZD

- 10 points 500 ...
- 139000.....
- $2780 = 500 \setminus 10 \times 139000$

C. The annual income reference point includes two reference points:

3280 reference points corresponding to the maximum wage specified in the table 77000 DZD

2780 reference points corresponding to the excess amount of the victim's annual income over the mentioned maximum annual income of 139000 DZD, because the reference point is $3280 + 2780 = 6060$

➤ **Calculating the Compensation Amount:**

Disability percentage \times Reference point = Compensation amount

$$454500 = 75 \times 6060$$

Thus, the compensation amount is 454500 DZD

✓ **Note:**

In cases where the permanent disability exceeds 80% or more and requires assistance from others, the amount of capital and pension increases by 40%, and the need for assistance from others must be proven by medical expertise.

6. 3 Compensation for Medical and Pharmaceutical Expenses :

According to the third paragraph of the compensation tables granted to victims of traffic accidents, full compensation for medical and pharmaceutical expenses is paid, which includes the following: (Regional Agricultural Cooperation Fund of Boudouaou, Boumerdès Province, n.d.)

- Expenses of doctors, surgeons, dentists, and medical assistants
- Hospital or department stay expenses.
- Medical and pharmaceutical expenses.
- Expenses for devices and replacements.
- Ambulance expenses.
- Day and night surveillance expenses.
- Transportation expenses for visiting the doctor if justified by the victim's condition.

If the victim is unable to advance these expenses, the insurer may exceptionally provide a guarantee. If the victim's condition necessitates treatment abroad, after verification by the insurer's consulting physician, the related expenses are guaranteed according to the legislation in force concerning treatments abroad.

6.4 Compensation for Aesthetic Damage:

Aesthetic damage is considered any harm that affects the physical appearance of the victim and any damage that reflects on the victim's profession causing scars or deformations, which are proven by expertise. Compensation for aesthetic damage is not for the damage itself but for the necessary surgical operations to repair, assessed by medical expertise or fully reimbursed.

According to Order 74/15, cosmetic surgery required by aesthetic damage is compensated without reduction, up to 2000 DZD. If it exceeds this amount and up to a maximum of 10000 DZD, the insurer covers 50% of the cost, with compensation not exceeding 6000 DZD.

As for Law 88/31 regarding the surgical operations necessary to repair aesthetic damage, it is determined by medical expertise.

6.5 Compensation for Suffering Damage:

Referring to Order 74/15, it does not address compensation for suffering damage, which was rectified by Law 88/31. It defines the damage as either moderate or significant, proven by medical expertise as follows:

➤ **Moderate suffering damage:**

- Twice the value of the national minimum wage at the date of the accident.

➤ **Significant suffering damage:**

Four times the value of the national minimum wage at the date of the accident. However, this law does not specify other medically recognized types of suffering damage such as very minor, minor, somewhat considerable, or horrendous damage. Each type of suffering damage is denoted by the following scales:

- Minor damage..... 1/7
- Light damage..... 2/7
- Less than moderate damage..... 3/7
- Moderate damage..... 4/7
- Less than significant damage... 5/7
- Significant damage..... 6/7
- Very significant damage..... 7/7

Referring to the victim's medical file, it was found that the victim suffered less than moderate suffering damage (3/7), calculated as: $36000 \text{ DZD} = 2 \times 18000 \text{ DZD}$ for suffering damage

It is noted that the legislation only considers the national minimum wage, excluding the victim's monthly salary or professional income.

6.6 Compensation for Aggravation of Damage:

In the case of damage aggravation, the victim can request a review of the rate of permanent partial or total disability previously determined. According to Article 20 of Order 74/15, "The method of

estimating and reviewing disability rates is defined by decree, referring to the legislative order in force concerning compensation for work accidents and occupational diseases."

Following this, Decree 80/36 was issued, which states in Article 2 that the disability rate can be reviewed after healing or stabilization in case of aggravation or mitigation of the victim's injuries. However, a review request can only be made after a three-year period from the date of healing or stabilization.

In case of damage aggravation resulting from a traffic accident, after a three-year period, the victim can request a review of the damage, which can only be conducted based on medical expertise. If the aggravation is proven, compensation is based on the rate of aggravation.

6.7 Compensation for Bodily Harm to the Rights Holders of the Deceased Victim.

If a car accident results in the victim's death, the rights holders are entitled to compensation according to Order 15/74, amended and supplemented by Law 88/31, differing if the victim was an adult or a minor. (Regional Agricultural Cooperation Fund of Boudouaou, Boumerdès Province, Accidents Department, n. d.)

A. Compensation in Case of an Adult Victim's Death:

1. Founding Capital:

According to Law 88/31, in the case of an adult victim's death, compensation is estimated based on the victim's annual wage or income. If the deceased was an employee, the estimation is based on the national minimum wage at the date of the accident. Beneficiaries receive the founding capital after multiplying the reference point by the following coefficients: (Regional Agricultural Cooperation Fund of Boudouaou, Boumerdès Province, Accidents Department, n. d.)

- The spouse benefits from 30%
- The mother and father each benefit from 10%, and 20% if the victim left no spouse or child.
- Other persons under the social security definition each benefit from 10%.
- Orphaned children share equally in the compensation part designated in case of an accident for a spouse.
- The total founding capital paid to the rights holders as per the above cannot exceed the reference point corresponding to the annual wage or professional income multiplied by 100.

If this value is exceeded, the share for each category of rights holders will be subject to a proportional reduction.

For clarity, two examples will be provided, one in the normal case and the other in the case of proportional reduction.

✓ Example:

The total of coefficients is less than 100%.

We have a deceased victim with a monthly salary of 21081.75 DZD, leaving behind a victim and two children, mother and father, a wife.

2. Compensation for Material Damage:

To calculate the compensation amount, the reference point corresponding to the monthly salary must be extracted, which is: $253,000 \text{ DZD} = 12 \times 21,081.75 \text{ DZD}$.

The reference point for the annual salary is calculated as follows: $= 6800 = 1740 + (12 \times 21,081.75 \text{ DZD} / 50)$

To calculate the share of each of the rights holders, multiply the reference point by each one's coefficient as follows:

- Parents: $6800 \text{ DZD} \times 15\% \times 2 = 204,000 \text{ DZD}$
- Wife: $6800 \text{ DZD} \times 30\% = 204,000 \text{ DZD}$
- Mother: $10\% \times 6800 \text{ DZD} = 68,000 \text{ DZD}$
- Father: $10\% \times 6800 \text{ DZD} = 68,000 \text{ DZD}$

To ensure that each person's share is not subject to reduction, they are added as follows:

The sum is less than 100%: $80 = 10 + 10 + 30 + 30$.

The legislator mandated that the total rights of beneficiaries should not exceed the value of the reference point multiplied by 100, estimated at 680,000 DZD.

Therefore, the total does not exceed the legal limit: $544,000 \text{ DZD} = 68,000 + 68,000 + 204,000 + 204,000 \text{ DZD}$

✓ Note:

The total amounts for all beneficiaries should not exceed 680,000 DZD, $100 > 80$, $680,000 = 100 \times 6800 \text{ DZD}$

The total shares amount to 80%, thus leaving 20% with the insurer, which the legislator did not detail.

3. Compensation for Moral Damage:

Law 88/31 stipulates that in the event of the victim's death, compensation is based on the national minimum wage guaranteed at the time of the accident.

Each of the victim's rights holders receives an amount estimated at three times the guaranteed wage at the date (2016), i.e., $54,000 \text{ DZD} = 18,000 \times 3 \text{ DZD}$.

4. Compensation for Funeral Expenses:

Referring to Law 88/31, funeral expenses for the victim's rights holders are limited to five times the monthly amount of the national minimum wage guaranteed at the date of the accident.

✓ Example 02:

The sum of coefficients exceeds 100%. We have a deceased adult victim whose rights holders have not presented evidence that at the time of the accident, she was earning a specified wage, which necessitates calculating compensations based on the national minimum wage guaranteed at the date of the accident (2020), estimated at 18,000 DZD.

5. Compensation for Material Damage:

The national minimum wage guaranteed at the date of the accident (2020), estimated at 18,000 DZD, corresponds to the following reference point 6060, leaving a spouse 30% and 5 children, each entitled to 15%.

Thus, it is subject to a relative reduction by calculating the new reference point.

A. New Reference Point Calculation:

$$5771 = 6060 \times 100 \div 105$$

This point is the basis for calculating compensations as follows:

- The husband: $173,130 \text{ DZD} = 30 \times 5771 \text{ DZD}$
- Children: Each $86,565 \text{ DZD} = 15 \times 5771 \text{ DZD}$

B. Compensation for Moral Damage:

$$54,000 \text{ DZD} = 3 \times 18,000 \text{ DZD for each of the rights holders}$$

C. Funeral Expenses:

The amount of $9,000 \text{ DZD} = 18,000 \times 5 \text{ DZD}$ is granted to whoever took care of the funeral expenses, given to the wife.

6.7 Method of Compensation Payment

According to Article 16 of the amended and supplemented Order 31/88, compensation is paid to the victim or their rights holders either as an annuity or capital for adult beneficiaries, according to the specified conditions.

The legislator adopted methods to estimate the compensation due to the victim or their rights holders, either in the form of founding capital or as revenue (annuity).

A. Founding Capital:

This is the estimation of the compensation amount based on a lump sum payment. To obtain the founding capital, we multiply the reference point corresponding to the salary or annual wage of the working victim or the national guaranteed annual wage by the degree of disability as detailed previously.

B. Annuity:

The annuity can be defined as the salary or grant paid to the injured due to a traffic accident causing temporary or permanent disability or a chronic disability that prevents them from working.

➤ **Temporary Annuity:**

In the case where the beneficiary is a minor, regardless of their status, they mandatorily receive compensation in the form of a temporary annuity when its amount exceeds four times the annual amount of the national minimum guaranteed wage, knowing that the current national minimum guaranteed wage is 18,000 DZD.

Thus, if the compensation exceeds $18,000 \times 4 = 720,000$ DZD, it is paid in the form of a temporary annuity by dividing the founding capital by the temporary annuity coefficient according to age.

➤ **Life Annuity:**

As for the victims or their adult rights holders recognized as disabled, they are mandatorily provided with a life annuity when the compensation owed to them exceeds four times the annual amount of the national minimum guaranteed wage, which by law becomes a lifetime annuity. To obtain the pension amount, the founding capital amount is divided according to the victim's age, specified between 20 and 100 years.

7. CONCLUSION:

After studying the compensation methods for work accidents for workers at the Regional Agricultural Cooperation Fund in Boudouaou, Boumerdès Province, the Algerian legislator, through Order 74/15 amended and supplemented by Law 88/31, has based the compensation estimation on the national minimum guaranteed wage at the time of the accident, professional income, and the reference point.

We observed that social security is founded on fairness among the working class and protecting them from risks, especially work injury risks, which have been noticeably increasing in our daily lives. The social insurance system ensures workers' safety against risks leading to their temporary or permanent inability to work.

The Regional Agricultural Cooperation Fund in Boumerdès is considered a source of comfort and reassurance for socially insured workers at its level, aiming to cover as broad an area of accidents as possible, thereby leading to increased production due to the sense of stability it instills in workers.

Social insurances also play a significant role in developing and enhancing the national economy, allowing the employment of a large number of citizens. Additionally, the social insurance law has unified its provisions for all workers, whether in the public or private sector, aiming to achieve equality in insurance benefits among all workers.

8. Hypothesis Testing Results:

➤ **First Hypothesis:**

Insurance is primarily aimed at protecting individuals and entities from financial losses arising from the occurrence of potential risks, disproving this hypothesis.

➤ **Second Hypothesis:**

There are several procedures undertaken by the institution to grant workers the right to compensation, refuting this hypothesis.

➤ **Third Hypothesis:**

Insurance covers all working individuals, whether in the public or private sector, proving this hypothesis correct. We can also make some suggestions deemed necessary in the insurance field in general, such as accelerating the compensation procedures and disbursing them at appropriate times for the individual involved in the accident or their family, taking preventive measures to reduce work accidents, and the necessity of introducing new and advanced technology to speed up communication between agencies.

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