



**The Center for Trade Union & Workers' Services
(CTUWS)**

Honored the French Republic's Human Rights Prize

An Appeal to All Dynamic Forces in the Egyptian Society Keen on National Wealth and Aspiring for the Achievement of Sustainable Development in our Country

Together for the Immediate Suspension of the Decision to Liquidate the Egyptian Iron and Steel Company

There is rejection to the liquidation decision among the Egyptian society, and apparent rage among labour and people. Parliament members from all political and partisan affiliations expressed substantial objections to the liquidation decision in the parliamentary session of Thursday, the 21st of January 2021. This Company occupies a special status in the hearts and minds of the Egyptian people. In front of the Minister of Public Works Sector, they stressed the importance of this Company as an edifice of Egyptian industry that has to be protected and provided with all necessary capacities to be able to continue operation.

In spite of all the above, the Ministry of Public Works Sector and the Holding Company for Metallurgical Industries insist on implementing their unacceptable decision to liquidate the Egyptian Iron and Steel company. They announce the steps of the liquidation process, and exert pressure on the workers of the Company in order to dissuade them from their strong rejection of all financial temptations and their defence of their Company. Their resilience evoked solidarity from all over the world. Arab and international trade unions and federations issued statements to express rejection of the liquidation decision, and to call upon the Egyptian government to stop the execution of this decision.

We are shocked at this astonishing disregard of public opinion trends and the societal stance against the liquidation decision. So, we affirm that the insistence of the Ministry of Public Works Sector to implement this unacceptable decision does not only defy popular will, but also overlooks very important considerations as follows:

- The apparent rejection of the liquidation decision by members of the House of Representatives in the session of the 21st of January 2021 led to the convening of the Industry Committee of the Parliament in the presence of the Minister of Public Works Sector to discuss this decision. This had to lead to the suspension of the implementation of the decision in question until the Committee finishes its work. Continuing to implement the decision without waiting for the opinion of the parliamentary committee reflects an unacceptable mockery of the Legislative Authority and parliamentary control.

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- **Such grave and controversial decision, which says a lot about the attitudes and vision of the government towards the requirements of sustainable and comprehensive development including the building of integrated national industries, should have been at least preceded by a comprehensive social dialogue about it.**

It is important in this regard to recall the Prime Minister's Decision no. 799 for 2018 regarding the establishment of the Supreme Council of Social Dialogue in the Field of Work. The competences of this council include "participating in the formulation of national policies of social dialogue in the field of work; creating an environment that is conducive to consultation, cooperation and exchange of information; proposing appropriate solutions in order to avoid collective labour conflicts at the national scale, especially in times of economic crises that may lead to partial or total interruption of some projects; building and strengthening trust among partners of the production process; and adopting measures to help and support economic projects that provide adequate job opportunities."

If this Council is not invited to discuss the fate of a company as huge as the Egyptian Iron and Steel Company that employs more than 7000 workers and to discuss a decision that is rejected by all representatives of workers and trade unions, and if the government refrains from conducting social dialogue using this mechanism it created, doesn't it mean that it neglects any social dialogue and that it considers such mechanism mere decoration?

- **This unacceptable decision concerns the fate of more than 7000 workers. In spite of the fuss made by the Ministry of Public Works Sector and the Holding Company for Metallurgical industries regarding the payment of rewarding compensations for workers, there is no doubt that more than 75% of these workers will not be able to receive a retirement pension if they lose their jobs pursuant to the Social Insurance and Pension Law no. 148 for 2019 (articles 21 and 24 and table no. 5 which we deem flawed). This unacceptable decision pushes thousands of workers to unemployment and deprives them of their source of income without giving them an alternative that secures them decent life.**
- **The Ministry of Manpower deliberately violates (and this is not the first time) Labour Law no. 12 for 2003 (the general labour relations legislation) which applies to all workers in public sector works companies. It violates articles 196 and 197 of this Law which oblige any employer, who wants to close out any establishment, or reduce its size or activity in a way that affects its workers, to submit a lockout request to the competent committee. The request should include reasons for lockout, and numbers and categories of workers who will be laid off. The employer concerned may appeal the decision of the committee before another committee that is also specifically formed for this purpose. The Prime Minister issued decision no. 984 for 2003 to form local committees responsible for settling lockout requests and the central committee responsible for settling appeals.**

Submitting a lockout request and presenting it to the afore-mentioned committees is obligatory as long as it affects workers. What we have here is a decision that leads to laying-off more than 7000 workers issued without submitting the statutory request to the competent committee. How government may ask private sector employers to abide by the Law, if it disregards and disrespects its provisions?

CTUWS reaffirms its objection to the shocking decision to liquidate the Egyptian Iron and Steel Company; and calls upon all people concerned, the president and members of the Parliament, and all dynamic forces of the Egyptian society who are keen on national wealth and aspiring for sustainable development and who stand against the destruction of the country's economic capabilities to express solidarity in the following demands:

- ▶ Suspension of the implementation of the decision to liquidate the Egyptian Iron and Steel Company and holding a comprehensive social dialogue about it including all parties concerned, especially representatives of the workers of the Egyptian Iron and Steel Company.**
- ▶ The immediate convening of the Industry Committee of the House of Representatives to discuss the different aspects and repercussions of the decision, and organizing hearings for all relevant parties.**
- ▶ Formation of a fact-finding commission by the House of Representatives to look into all documents, meet all parties, listen to workers of the Company, and discuss the development and reform plan previously made by the administrative board of the Egyptian Iron and Steel Company.**
- ▶ Calling for an urgent meeting of the Supreme Council of Social Dialogue in the Field of Work by the Minister of Manpower to discuss the decision to liquidate the Egyptian iron and steel company and present its suggestions in this regard.**
- ▶ The Ministry of Manpower has to address the Minister of Public Works Sector and the President of the Holding Company for Metallurgical Industries, and object to the violation of the provisions of Labour Law no. 12 for 2003. It has to warn them that a lockout request must be submitted to the competent committee.**

**Center for Trade Unions and Workers' Services
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