



**CENTER FOR TRADE UNION & WORKERS SERVICES
(CTUWS)
ELMODREK FOR TRAINING AND RESEARCHES**

Arbitrary Dismissal Terminates 22 Years of Service to an End.

**CTUWS Reveals Retaliation Committed by Sheeba International Garments Co.
against Unionists.**

Last May, Sheeba International Garments Co. (Al-Nahr Al-Khaled 4) in Port Said committed a grave violation of the rights of its workers. It dismissed worker and unionist Mahmoud Youssef after spending 22 years in service in the Company which works in the exportation of clothes. This constitutes an assault on labour rights and a flagrant example of vindictive dismissal disguised in flimsy legal justifications.

This incident represents a serious escalation in repressive policies against trade unions and restrictions on the right to organize. It reveals how the management of the Company violates the rights of workers, and uses the law as a tool for collective punishment rather than a guarantee for justice. All this takes place because the political will is biased towards businessmen.

CTUWS received a complaint, with supporting documents, that confirms that the dismissal decision issued by the Company on the 15th of May 2025 was made at the background of legitimate actions led by Mahmoud Youssef and his colleagues to demand the implementation of the minimum wage, and calculating overtime hours based on the new wage decided by the National Wage Council (EGP34 per hour) rather than the old wage (EGP17 pounds per hour).

Although the position of workers was proven to be sound before the Labour Bureau of Port Said, the company took a deliberate vindictive approach by firing Mahmoud Youssef based on the provisions of article 110 of the old Labour Law no. 12 for 2003, which actually represents a flagrant manipulation of the law to escape the supervision of the Labour Court which has original jurisdiction in dismissal punishments.

Legitimate Actions and Collective Punishment

According to incidents documented by CTUWS, workers' actions were confined to going to the Labour Bureau and submitting a collective complaint supported by documents which resulted in proving the Company's violation of the Law. Nevertheless, the management decided to fire Mahmoud Youssef as he is the most notable unionist and representative of workers concerning these demands. This is a clear endeavor to intimidate his coworkers and break any future collective action. The Company does this knowing that justice is slow when it comes to restoring workers' rights as labour cases go on for years. That is why the factory' owner, Walid Salem, said: "We won't give him any amount of his dues. Let the Court decide. Even if it decides one million pounds for him, by the time the decision is reached money would have lost its value."

Flagrant Abuse of the Contradictions in the Law

CTUWS clarifies that the dismissal decision was based on article 110 of the Labour Law which allows for terminating indeterminate-term contracts merely by notification in complete disregard for the provisions of article 68 of the same Law and article 148 of the new Labour Law Which stipulate that dismissal has to be decided by the Labour Court and specifically determine cases in which dismissal is allowed.

Moreover, the Company gave the worker a paid leave from his leave balance and considered it a pre-termination notification period. This is actually a flagrant violation of the Law as the employer may not forcibly deduct from the leave balance against the will of the worker and may not consider it a substitute for statutory notification period.

This legal manipulation may not be considered a misunderstanding but rather an intentional malice that aims at depriving workers of their right for defence before the judiciary and consolidating the hegemony of the employer at the expense of all well-established rights. With the stroke of a pen, this worker lost his wage and all his dues after spending the best years of his life in the Company.

A Structural Legislative Problem

CTUWS warns that this is not an isolated incident but it rather reveals a structural problem in Egyptian legislations which still allow for arbitrary dismissal under the guise of “contract termination” benefiting from the contradiction between the provisions of old and new law.

While certain articles of the Law give the Court the power to oversee dismissal decisions, other articles give the employer the freedom to terminate the contract without liability. This actually facilitates using articles related to “notification” as a tool for punishment, which encourages the owner of the company to refuse the negotiations proposed by the Labour Bureau and even the mediation of its directors. The owner stated very clearly: “I will hire ten people instead of him but i will not hire him back.”

Mahmoud Youssef: From EGP750 to 7000... Nothing Changed.

Mahmoud Youssef started working in the Company in 2003. His salary was EGP750 (around USD120 at that time). Now, he receives EGP7000 (around USD142 now). This reveals that all these years were not translated into actual improvement in his living standard. In fact, the real value of his wages decreased because of the deterioration of the purchasing power of the local currency.

In spite of spending more than two decades at work, the Company treated him just like any new worker and refused to take his years of experience into consideration of wage or work benefits. This is a violation of occupational justice and purposeful disregard of his accumulated experience.

In light of these violations, CTUWS states the following:

- Its complete refusal of the dismissal of unionist Mahmoud Youssef and its affirmation that it is an invalid decision that violates the Law.
- Starting to take urgent legal measures before the Labour Court to appeal the decision and demand his immediate reinstatement at work.
- Launching a large scale media and human rights campaign to reveal what happened and document it as a flagrant case of vindictive dismissal in the recent period.
- Calling upon civil society, unions, press and media institutions to express solidarity and exercise pressure to stop policies of brutality against unionists and to protect the remaining free voices of workers.

What took place -and still does in similar incidents- is not just an act of dismissal. It is rather a direct threat to anyone who dares to demand his own right.

CTUWS affirms that real confrontation with these oppressive policies start with full solidarity with labour leader Mahmous Youssef and every worker who is subjected to violation or reprisal under the guise of the “law”.