



**CENTER FOR TRADE UNION & WORKERS SERVICES  
(CTUWS)**

**Honored the French Republic's Human Rights Prize**

## **Hitting Rock Bottom**

**Report on the Violations of Freedoms of Association in 2023**

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## General Introduction

Egypt has been complying with the instructions of the IMF for years to be able to receive its loans. In return, it has been taking a series of cruel measures that resulted in general rise of prices and deterioration of the value of the Egyptian pound to the extent that the value of the US dollar tripled vis-a-vis the Egyptian pound within a few months. However, this was not accompanied by improvements of the wages of workers. The approved wage increases are meagre and don't meet the shocking deterioration of the Egyptian pound resulting in deterioration of workers' economic conditions.

Under the brunt of a huge economic crisis that gets worse every day and affects the standards of living of workers, it becomes necessary to assess how near workers are from poverty and hunger, and it becomes necessary for them to seek their rights.

However, demanding these rights becomes a pretext to punish workers financially and sometimes criminally. The story of worker and unionist Youssry Maarouf (who was also a member in the Constituent Committee which drafted the Egyptian Constitution of 2014) is a highly relevant case regarding the fate of workers who dare to demand their rights.

In a Facebook group for the workers of Alexandria Container & Cargo Handling Company, Youssry Maarouf (who is a worker and unionist in the Alexandria company for containers) dared to write a post asking why the bonus decided by the President of the Republic was canceled after it was decided, as well as deprivation of workers from other financial benefits. In return, five days were deducted from his wage as a punishment and consequently he was deprived of the bonuses on the pretext that he defamed the Company and violated instructions.

In other cases, workers ended up behind bars based on criminal/political accusations. For some, their fate was even worse as they were tried before military and extraordinary courts that deprive no people of the right of appeal.

So, talking about financial rights - in such an economic crisis – may lead the speaker to punishment. Likewise, talking about freedoms is restricted. The last hope for the improvement of freedoms of association, which was the program of Strengthening Labour Relations and their Institutions in Egypt, came to an end as the Program worked for two years and stopped in October 2022 when the last meeting of the tripartite committee of the Program was held.

While 66 business owners in the weaving and textile sector benefited from one of the dimensions of the Strengthening Labour Relations Program (known as Better Work), no respect was paid for basic labour standards stipulated in the Program (including to allow the establishment of independent trade unions in these companies).

The Complaints Committee stopped holding any sessions to review grievances from workers and independent unions in an undeclared war against independent trade unions to end its existence—especially since the new Labour Minister, Hassan Shehata, was appointed.

Strengthening Labour Relations is a program established by the ILO to foster cooperation between trade unions on one hand, and businessmen and the Ministry of Labour on the other hand. It aimed at creating balanced labour relations based on freedoms of association and thorough social dialogue.

Lack of dialogue and ignoring workers' voices have been a general policy of the state for years. This was confirmed in the National Dialogue that the President of the Republic called for in April 2022. The recommendations of the first phase of the Dialogue didn't include any of the demands of independent trade unions.

Independent trade unions were keen to attend these sessions in adherence to the principle of negotiation and respect for the right to participation and freedom of speech. More than 15 speakers from trade unions presented their points of view. All of them demanded opening the public space, allowing the free establishment of unions and implementation of laws that remain unapplied.

Representatives of trade unions were allowed to speak and present their points of view. However, everyone was astonished when the final statement came void of any mention of recommendations

relating to workers' demands and merely included the demand of the "government-affiliated" Labour Federation which called for the enactment of the Labour Law in complete disregard of the voices of the true representatives of workers, i.e. who are outside the government-affiliated Federation. This is how the authorities has been dealing for years with freedoms of association and social dialogue in general.

As a result of the absence of labour voice, it was just natural to expect the delay of enactment of legislations relating to labour relations. The Labour Law is still frozen for reasons only known to the Ministry of Labour, in spite of long discussions. Likewise, amendments that need to be made to the Trade Unions Law and the Insurance law are still frozen.

Absence of rights and freedoms amid a stifling economic crisis may create huge waves of protest but it also may reduce mitigate them. This was reflected in the state of protests in 2023.

Labour protests continued to occur in 2023. However, they were much less than those of last year in spite of the existence of reasons of their eruption. Economic pressure on employers, rising interests rates in banks, shrinking profit margins, and shortage of foreign currency and raw material are different factors that led many employers to threaten to resort to reducing the numbers of their workers or even liquidating their business in response to any protests or complaints on the part of workers. This of course affected the number of protests. It also led to ignoring most demands raised in protests. So, workers are in a hard choice between difficult living conditions and threats of dismissal and laying off.

The same crisis led two children to lose their lives and four others to be injured. Those children had to work as casual laborers in farms that they go to using unsafe vehicles and roads. A pick-up truck they take to work made an accident while they were in.

In that accident, all children in the truck were severely injured (bone fractures, internal hemorrhage, coma, etc.). It has to be noted that these children were between seven and 18 years old (boys and girls).

These accidents are repeated. Most of their victims are children. Few months before the above-mentioned incident, another incident in which the child (Sherouk) died when the vehicle she was riding along with other children sank in the Nile. That little girl used to work for 50 Egyptian pounds a day (one US dollar and few cents) in order to buy a jacket for her younger brother to protect him from cold.

Nevertheless, the authorities didn't take action to prevent the repeated loss of lives of children and hold employers accountable.

It is well known that economic deterioration is positively correlated with child labour rates or at least school drop out rates. Official statistics revealed an increase in these rates but the authorities didn't provide any clear solutions or a road map to put an end to these catastrophes.

In such unprecedented economic and unionist deterioration, speaking about bread and milk is inseparable from discussing the possibility of establishing genuine trade unions that have the independent will and freedom to protect their members from want.

Want starts from hunger and deterioration of the food basket. Whereas people eat every day, poverty is measured on an annual basis. Moreover, the threat of hunger is intangible but it is felt in the lives of workers in 2023.

Regarding workers' conditions, we will not limit ourselves to freedoms of association and direct violations. But the report will include a description of the conditions of workers and their safety inside and outside the work place. We will deal with workers as real individuals and families that have needs and rights rather than mere numbers.

All this has to be viewed in light of the state's abandonment of its social responsibility and unprecedentedly shrinking economic subsidies given to individuals.

CTUWS

21/1/2024

## **Report Plan**

CTUWS adopts a methodology in the preparation of its documentation and monitoring reports of the state of freedoms of association including the current report which is the analytical descriptive methodology. In such methodology, we use several tools and methods for documentation and observation, most important of them are live testimonials of workers concerning the violations and harms they endured at work places.

We see that observation through direct personal interviews with workers expresses in a more precise manner the suffering they endure. It also reveals in details the rights that workers are deprived of. Although case studies reveal a lot, they are not as strong as statistics and numbers used in the report to analyze the social and economic crisis and its different aspects. So, we use the numbers that confirm the validity of the testimonials of workers in different economic sectors in order to analyze the economic situation and living conditions of workers in 2023. We also monitor and observe labour protests, the state of freedoms of association and conditions of independent trade unions.

The report monitored, documented and analyzed the current economic and social situation in the following period: from 1 January 2023 to 30 December 2023

### **Employment Sectors Covered by the Report:**

Public Sector – Private Sector – Informal Sector

Violations are categorized according to economic activity, employment sectors, type of violation, and legal action taken.

Accordingly, violations listed in this Report are categorized as follows:

- Key protests and violations in chronological order.
- Presentation of violations according to numbers.
- Presentation of violations according to type of violation.
- Presentation of violations according to economic activity.

### **Report Methodology:**

The researcher relied in the preparation of this Report on the analytical descriptive approach. In this framework, she relied on a number of resources and data sources including:

Individual and collective cases of violations to which workers were subjected in their workplaces were followed up and campaigned for by CTUWS.

Complaints and reports directly sent to CTUWS from the affected people.

Legal assistance requests received by the legal office of CTUWS.

Following up most important news and issues published by newspapers, websites and in articles and studies related to labour issues on social media.

### **Criteria Adopted in Statistical Observation:**

“Collective Violation” is considered an individual violation for each worker alone.

In case the worker is subjected to more than one violation, the violation is registered as one and a detailed reference is made in the descriptive presentation of violations at different workplaces to the multiple violations that the individual worker endured.

No case of death or injury is taken into account unless it resulted from violation of vocational health and safety rules.

Cases of arrest and remand detention are taken into account only if they occur on the background of demanding workers' rights.

### **Observing Violations:**

According to this Report, total number of violations that workers endured during 2023 in Egypt amounted to 6241 violations. Most violations were concentrated in the private sector followed by the public workers sector, and then the public sector. Violations include arbitrary relocation of workers as a form of punishment, imprisonment and pressing of criminal charges, dismissal, threats of dismissal, threatening with national security apparatus, refusal to pay wages, calling the police, suspension from work, kicking workers outside the workplace, dismissal warning, verbal and physical violence, investigating workers, and financial penalties for expressing one's views.

### **The Report's Team:**

- Main Researcher
- The Legal Office of CTUWS
- CTUWS Monitoring and Documentation Team
- Trade Unionist and Labour Activists

## **Why are the Voice of Labour and Question of Poverty absent?**

How workers live? What is the difference between their living conditions and poverty? These are important questions that we tried to include in our report in general, and in this chapter in particular.

Although the worker is a basic factor in the economic growth of societies. Caring for workers and their needs is not considered as important as economic growth. Financial benefits of work are not consistent with the time and effort a worker spends, or according to inflation rates which swallow wages and destroy any purchasing power these small wages may have.

In fact, workers suffer from the crisis of wages for decades. Wages are not determined according to their needs but according to the whims of employers and their desire to achieve the highest possible profits. The minimum wage reached 4000 Egyptian pounds (i.e. 80 USD according to the informal price for US dollars). However, even this minimum wage is applied only in the public sector which merely employs one third of the labour force in Egypt.

It is worth mentioning that the minimum wage is calculated on the basis that it includes the amount deductible for insurance which is supposed to be paid by the employer rather than the worker.

The situation in the private sector is even worse. No workers are allowed to establish trade unions to protect them. The Ministry of Labour does not supervise workers' conditions in the private sector. This creates an unjust situation in which workers become poor, are threatened with hunger, and work for long hours without any returns that protect them from want.

In order to understand the extent of the crisis that workers endure under current currency problems and inflation, we can use the year 2013 as a reference year. If the minimum wage is 1200 Egyptian pounds (which was equivalent to 172 US dollars as the dollar at that time was for less than seven Egyptian pounds). Thus, the increase in the minimum wage that the government is making propaganda about is not a real increase, as it is merely equivalent to 80 US dollars. This is in fact an illusion that is revealed by the fact that inflation eats up incomes.

Regarding pensioners, their situation is so dire. Pensions were supposed to increase in correlation to inflation rates according to a legislation rather than an annual decision taken by the executive authority. Increase in pensions is confined to 14%, while inflation rates exceed 35%.

It is well known that the Pensions Fund was robbed years ago during the time of deposed president, Mubarak, and his finance minister, Boutros Ghali who used the pensions' funds in speculation in international stock exchanges and annexed them to the State Budget.

The government decided some years ago to return the pensions funds in installments. However, it tries all means to restrict the Fund and deprive its owners (i.e. pensioners) from enjoying any of its benefits.

The Fund always makes surpluses. In 2021 for example, it achieved a surplus of 6.28 US dollars as its expenses were 16.5 while its revenues were 22.79.

We also noted that there is a willful endeavor to perpetuate a pensions gap similar to the wage gap. The worst form of this was the division of pensions into categories. The highest category includes high profile people who are mentioned in article 27 of the Law (including the Prime Minister, ministers, president of the House of Representatives and his deputies, governors and their deputies) whose pension is calculated according to an actuarial factor of 1/10, while the pensions of "ordinary" employees and workers are calculated according to an actuarial factor of 1/45. This is in spite of the fact that all workers pay the same rate of subscriptions.

In the Insurance Law no. 148 for 2019, the state completely ignored the children of irregular workers. It deprived them from receiving any pension in the future. It did so by obliging these workers to pay a monthly amount that is higher than the abilities of most of them as they don't have any stable income or job. The minimum subscription salary is 2000 Egyptian pounds and the subscriber has to pay 9% thereof, i.e. the minimum that has to be paid by the subscriber is 200 pounds in January 2024.

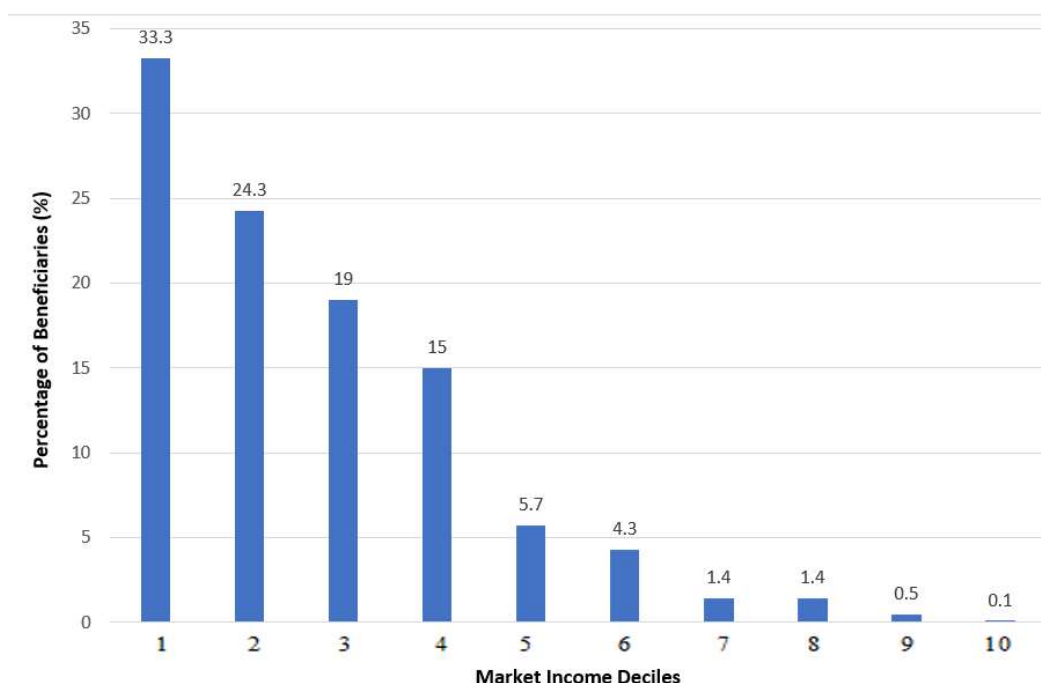
Things got worse as the state abandoned its responsibilities by reducing subsidies and assistance to the poorest categories embodied in *Takaful* and *Karama* Fund.

In 2023, Prime Minister, Mostafa Madbouly, issued a decision to determine beneficiaries of the *Takaful* and *Karama* Pension in order to implement the decision taken by President Abdel-Fattah Al-Sisi in early March 2023 to increase the amount of this pension which was made for the poorest category of citizens in the country by 25%.

According to the decision published in the Official Gazette, the pension of the beneficiary family of the *Takaful* program is 406 Egyptian pounds per month and the pension of women who are divorced, widows or wives of prisoners is 437 Egyptian pounds. The pension of the disabled or elderly person benefiting from the *Karama* Program is 562 Egyptian pounds per month. These amounts make those who receive them hungry, i.e. they cannot meet any item of the basic items of living including food.

As meagre as it is, the Fund does not cover more than 50% of this amount.

The following graph shows the percentage of beneficiaries of cash transfer programs according to income decile (Income, Expenditure and Consumption Survey, 2018) which are still ongoing until this year:<sup>1</sup>



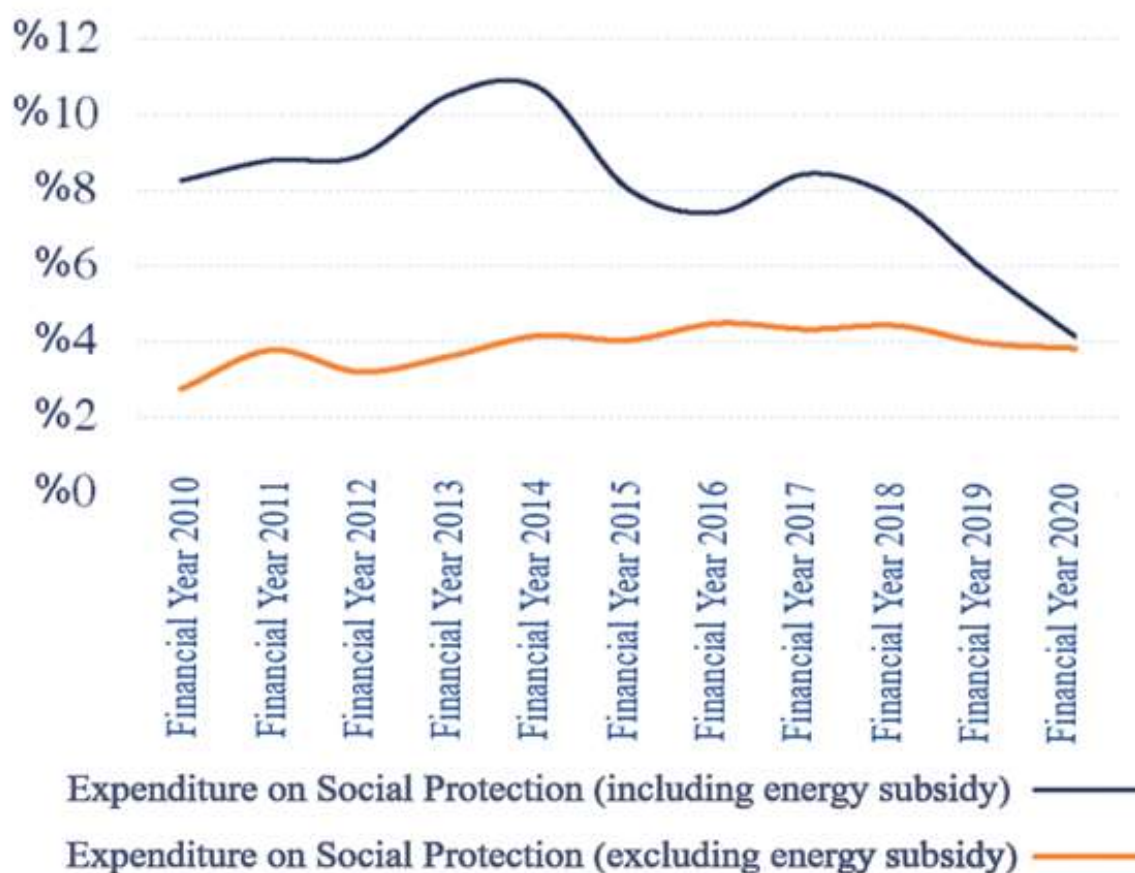
- According to this data, the total number of beneficiaries is 15% of the population of Egypt, i.e. around 15 million people. Assuming that all of them are poor or from the lowest 30% income group in the country, this means that at least 50% of the poor are not covered by this Program.
- Moreover, resources allocated to the Fund make its contributions symbolic rather than real. On the other hand, the state refuses to make any subsidies for goods as this would make it committed to real inflation rate and hold it accountable for responsibilities that it has forsaken years ago. So, workers are put outside this already meagre coverage.

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<sup>1</sup> Source: the World Bank



The following graph shows how this official abandonment took place over the years:<sup>2</sup>



### **An Overview of the validity of official poverty indicators**

Speaking of poverty and workers, we must refer to the gap between official poverty measures and real-life measures. Official measures don't reflect the suffering of individuals in a precise or just manner.

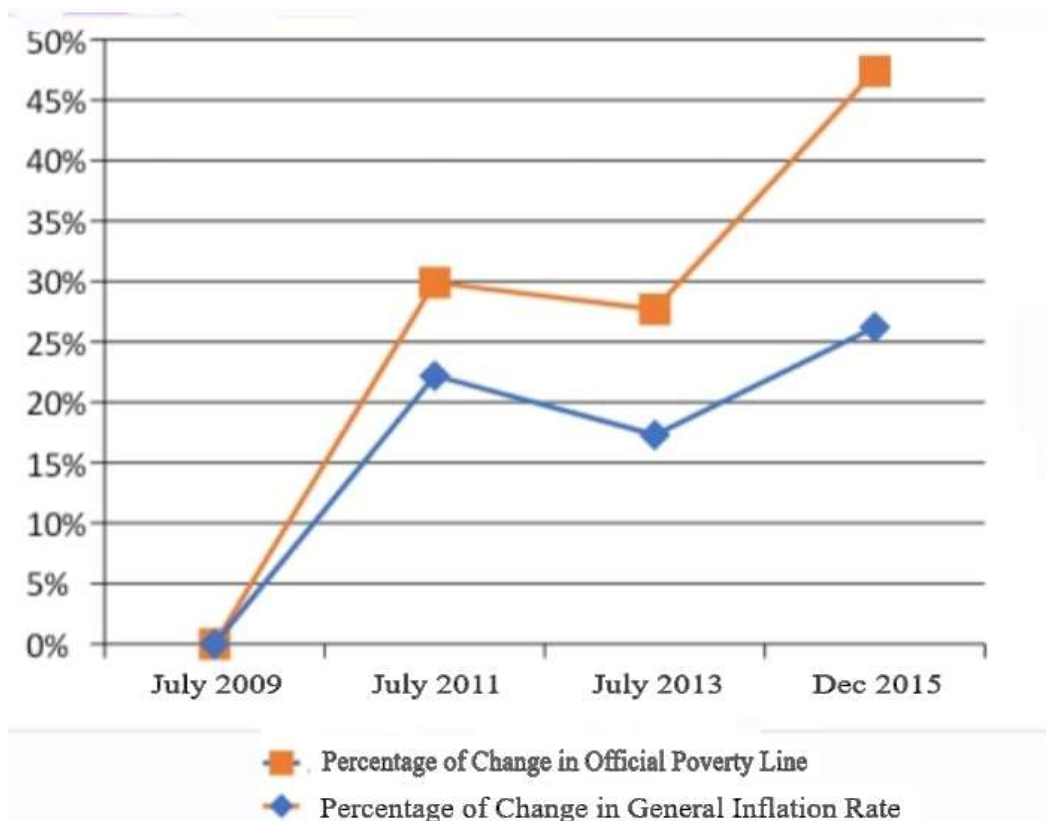
The Book (In Search for Alternative Economic Indicators) expresses the logic of official measurement of poverty by saying that the main idea in calculations of poverty lines in international or national methods is to give a price or a financial value for basic needs. These can be described as the "price" a person pays to get the lowest quality of food, housing, clothes, health care, education and transportation. Likewise, hunger line is the price or cost of just eating.

But what moves the Egyptian poverty line? Is there a correlation between it and the general inflation rate? Do they rise in close rates? The following figure tries to compare the ratio of the rise in the general inflation rate and the official poverty line in the period from July 2009 to December 2015. This is the model upon which we will discuss poverty measures for 2023.<sup>3</sup>

<sup>2</sup> Source: the World Bank

<sup>3</sup> Mohamed Sultan et al., In Search for Alternative Economic Indicators (in Arabic).

#### Percentage of Change in Official Poverty Line versus General Inflation Rate<sup>4</sup>



The figure shows that the official poverty line always increases in higher rates than the general inflation rate. Accordingly, real poverty level is actually bigger than official numbers and a large sector of workers fall under it.

Simply calculated, according to the official inflation rate, inflation during the past three years amounts to 54%. The annual per capita income is 10,3000 Egyptian pound, according to the national poverty line of 2020.

Thus, the estimated number for the year 2023 is 15,862 Egyptian pound while the real number is 18,540 as it is calculated according to the general inflation rate. Food inflation exceeded 100%. So, inflation rate lies in between (around 71%).

This means that a family of 3.5 members, according to the Central Agency for Public Mobilization and Statistics, lives just on the national poverty line if its annual income is around 64,890 Egyptian pound (i.e. around 5500 per month). So, the amount of 4000 Egyptian pounds which is decided by the state is lower than the national poverty line.

The amount of 5500 Egyptian pounds makes a person poor as well. However, it is also an income that is higher than that of 50% of workers as well, especially young workers. The fact that they spent few years in service does not only make them join the ranks of the poor but also the abjectly poor. So, we have a group of poor and very poor people who work for more than eight hours a day. Most of them have no benefits, breaks or leisure.

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4 Source: In Search for Alternative Economic Indicators

The following table shows prices of food products in December compared to [last year](#), according to the the [Council of Ministers](#), in order to recognize the inflation rate in food prices in comparison to wage level:

Product	2022/ approximate price (in Egyptian pound)	2023/approximate price (in Egyptian pound)
An Egg box (30 eggs)	85	150
One Kilogram of packed rice	18	32
Packed beans	30	41
One kilogram of flour	20	21
One liter of oil	50	63
One kilogram of tomato	Five	12
One kilogram of potato	10	20
One kilogram of ocre	22	35
One kilogram of red meat	160	317
One kilogram of chicken	48	94
One kilogram of sugar	18	44
One kilogram of milk	20	35

**Note:** Prices may change up or down at the time of publication.

## **Freedoms of Association**

### **(Listing Most Flagrant Violations of the Year)**

- The crisis of the Strengthening Labour Relations Program is still going on.
- Trade unions that were not established and a Law that was not enacted
- Violations of Freedoms of Association
- Use of Remand Detention against Workers

The preamble of the Constitution of the ILO considers that “recognition of the principle of freedom of association” is a means to improve conditions of workers and establish peace. This principle is enshrined in many instruments in which freedoms of opinion, expression and association are basic conditions.

Likewise, the Constitution of Egypt calls for guaranteeing freedom of opinion and expression. However, as stated by the renowned unionist Taha Saad Othman, the “law is like a spider web in which the weak falls but the strong can destroy it.”

When it comes to freedoms of association, the problem is not only related to the right to organize which is formally respected. In fact, the process of silencing workers’ voices is multilayered. This is of course not new. But putting workers into prison based on terrorism charges, or other vague accusations like disturbing public peace and dissemination of false news, which are newly invented methods that became common since 2013.

On the other hand, the year 2023 is similar to the last ten years in terms of deterioration in the state of freedoms. Establishing a new independent trade union is a matter allowed by the Law, but administrative bodies in the state does not allow this to happen.

Since the current minister, Hassan Shehata, held office, it was evident that there is a clear intent to destroy independent trade unions by putting obstacles before their establishment and obstructing the work of those which were already established.

Likewise, the Complaints Committee stopped exercising its duties and stopped reviewing complaints made by unions that were established but the Ministry refused to register. Moreover, the Ministry moved its premises to the New Administrative Capital which is too far from the work places of most workers in Cairo (let alone those in other governorates). The Minister himself does not go there every day as he divides his time between the office in the New Capital and the old office of the Ministry.

### **The crisis of the Strengthening Labour Relations Program is still going on**

In order to completely destroy the work of independent trade unions, the program of the Strengthening Labour Relations Program and their Institutions in Egypt stopped working although there were high hopes that it will improve the conditions of trade unions. It was launched in March 2020 and continued for two years only. The last meeting of its tripartite committee was held in October 2022, and afterwards no one heard or knew anything about it.

The Program was based on three main dimensions:

- Fostering freedoms of association and collective bargaining and implementing them in a meaningful manner in the framework of law and practice by effectuating the Trade Union Organizations and Protection of the Right to Organize Law no. 213 for 2017 and its amendment issued by Law no. 142 for 2019.
- Creating a favorable environment for sound labour relations via fostering social dialogue in Egypt through the support of the Supreme Council for Social Dialogue in the Field of Labour established by a decision of the Prime Minister.

- The Better Work Program is the program concerned with enabling enterprises working in the sector of ready made garments, weaving and spinning and making the best use of opportunities for expanding enterprises through improving labour relations and compliance to international labour standards and national labour laws.

Nothing was achieved from these three objectives except the Better Work program. The government was not encouraging at all regarding the other objectives. So the program stopped since 2022 after the government made sure that the aspect related to businessmen is effective (the Better Work). Participant companies increased from 33 to 66. However, no single union was allowed to be established in the same companies contrarily to what was agreed.

### **Trade unions that were not established and a Law that was not enacted**

In the 107<sup>th</sup> ILC in 2017, and in the conclusions in which the case of Egypt was discussed, it was recognized that there are restrictions on the right of workers to freely form and join their own unions and federations, and that government still intervenes in union elections and activities.

At that time, the government pledged to take necessary action to guarantee that workers enjoy their right to form unions and to remove obstacles and restrictions, in response to the observations of the Committee of Experts on the Application of Conventions and Recommendations and the Committee on the Application of Standards of the ILO.

Nevertheless, the Trade Union Organizations and Protection of the Right to Organize Law no. 213 for 2017 (adopted by the House of Representatives on the 5<sup>th</sup> of December 2017) and its amendments issued by Law no.142 for 2019 (adopted on the 5<sup>th</sup> of August 2019) included several flaws that adversely affect the right of workers to form their own unions and freely exercise their activities. These flaws and problems are still existing.

This pattern is kept by Law no. 213 for 2017 and its amendments made by Law no. 142 for 2019 which still create clear contradictions. New trade union organizations may be established any time of the year. So, how the term of these organizations may be defined? The status of some trade union organizations is still suspended as elections were not held therein until now because of the confused implementation of the Law.

An agreement was reached recently with the Ministry of Manpower to allow the general assemblies of these trade unions to elect temporary administrative boards until general trade unions elections are held, provided that these boards enjoy full competences. However, there are some bureaucratic complications and obstacles that still face them.

To read most important remark of CTUWS on Law no. 213 for 2017, please visit to CTUWS' website [www.ctuws.com](http://www.ctuws.com)

**At the same time, many trade unions are still not registered although they completed all the required paper work according to the Law and Its Executive Regulations, including:**

- The Sectoral Federation of Unions of Workers in the Real Estate Taxation Authority.
- The Union of Workers in Alexandria Company for Ready Made Garments
- The Professional Union of Workers in Cement Services in Helwan.
- The Union of Workers in Nile Waterproofing Materials Co. (*BituNil*).
- The Union of Workers in the Real Estate Taxation Authority in Assiut.
- The Union of Workers in the Real Estate Taxation Authority in Beheira.
- The Union of Workers in the Real Estate Taxation Authority in Dakahlia.
- The Union of Workers in the Real Estate Taxation Authority in Gharbia.

- The Union of Workers in the Real Estate Taxation Authority in Giza.
- The Union of Workers in the Real Estate Taxation Authority in Port Said.
- The Professional Union of Workers in Courts and Prosecution Offices in New Cairo.
- The Professional Union of Workers in Quality Control in Cairo.
- The Professional Union of Workers in Tourism in Port Said.
- The Union of Workers in the Education Department of East Mansoura.

Moreover, trade unions that managed with great difficulty to be registered face several obstacles. The most flagrant example is the Union of workers in *Bibliotheca Alexandrina*. As soon as this Union completed the procedures of its registration at the end of last September, it was surprised to find a *fatwa* (legal opinion) issued by the *Fatwa* Department of the State Council that it is illegal because it exists in parallel to the Union affiliated to the “official” ETUF. Consequently, the management of *Bibliotheca Alexandrina* refused to recognize the independent trade union and deal with it.

This was not the only *fatwa* issued from *fatwa* departments. The *Fatwa* Department of the Ministry of Education issued a similar one upon which a government body decided to dismiss unionist / Ahmed Abdel-Mordie. This raises the fears that other *fatwas* will be issued to destroy the right stipulated by law.

It is worth mentioning that the Law includes some provisions that protect the right to form and join unions, but it also includes other provisions that contradict them and create confusion. Actual implementation in the past five years often made these provisions meaningless as independent trade unions often face administrative abuse and flagrant denial of rights stipulated by the Law.

As a result of all these distorted conditions, there are unions that could not hold their elections and their status is still suspended:

- The Union of Drivers’ Services in Qalyubia.
- The Union of Workers in Education in Qena.
- The Union of Workers in Qus Educational Department.
- The Union of Workers in the Real Estate Taxation in Fayoum.
- The Union of Workers in the Real Estate Taxation Authority in Ismailia.
- The Union of Workers in the Real Estate Taxation Authority in Qalyubia.
- The Union of Workers in the Real Estate Taxation Authority in Qena.
- The Union of Workers in the Clubs of Suez Canal Authority.
- The Union of Workers in Universal Group.
- The Professional Union of Workers in the Quarries of Minya.
- The Union of Workers in Sabaa Factory in the Investment Zone of Port Said.

The Ministry of Labour Force never tries to solve the crisis. It merely issued a procedural manual. Following a visit from a delegation of unions to the Ministry of Labour (formerly the Ministry of Labour Force), the Legal Research Department and the Unions Liaison Department in the Ministry stated that the Ministry issued a decision that general assemblies of unions have the authority to choose a steering board or renew confidence in old boards and notify the Ministry of the outcomes of the outcomes of general assembly meetings according to the Ministry’s Bulletin issued in September 2022. Nevertheless, the problems were not resolved at the directorates’ level. In October 2022, the Procedural Manual was issued by Ministerial Decision no. 227 and it didn’t solve the problems of unions willing to be established.

Evidently, unions don’t need the issuance of a new procedural manual but they need to put the rules into effect. They need that government bodies to commit to procedures after they are adopted.

## **Violations of Freedoms of Association**

### **➤ The Aggrieved Union of Gharbia Drivers**

During 2023, violations of freedom of association continued. There were ongoing attempts to infringe upon the powers and independence of independent trade unions like the case of the Union of Gharbia Drivers as the general assembly of this union decided to withdraw from the membership of the Sectoral Federation of Unions of Land Transport.

On the other hand, the president of the administrative board of the Sectoral Federation, Ali Ahmed Ali (alias Ashraf EL-Dokar), took a decision on the 7<sup>th</sup> of May 2023 (the following day to convening the general assembly of the subsidiary union) to freeze the administrative board of the subsidiary union and appoint a steering board for it until elections are held. Of course, that decision was contradictory to the Law and was not even taken by the board of the sectoral federation.

What happened here was a transgression on the right of the union to join or withdraw from federations pursuant to article four of the Executive Regulations of the Law. It was also a flagrant intervention in the will of the general assembly of the Union and a violation of its legal personality which was bestowed to it by the Law according to article 10 of the Trade Union Organizations and Protection of the Right to Organize Law no. 213 for 2017.

### **➤ Thugs storm of the Engineers Syndicate to prevent a vote of confidence in favor of the President of the Syndicate**

That was another horrible scene that occupied headlines in 2023. it revealed the extent of deterioration in freedoms of association in Egypt. A BBC Arabic headline reads: “Engineers Syndicate in Egypt: Clashes are reminiscent of the ‘Camel Battle.’”

The disgraceful scene took place on the 31<sup>st</sup> of May 2023 when the extraordinary general assembly of the Engineers Syndicate witnessed assaults and thuggery before announcing the outcome of the vote to renew confidence in the head of the Syndicate (Mr. Tarek El-Nabarawy).

Thugs raided the office of the general assembly, damaged the ballot boxes and tore off ballot papers. The incumbent head of the Syndicate accused the Party of Homeland Future of arranging the incident after identifying four of the attackers who turned out to be parliament members from that Party. The attack took place while security forces present clearly refrained from any intervention or performance of their duty.

Around 24,000 engineers participated in that extraordinary meeting of the General Assembly of Engineers. A preliminary vote count showed that those who refused the withdrawal of confidence clearly exceeded those who agreed. This was followed by tens of people suddenly raiding the counting hall, destroying ballot boxes and attacking some of the members of the Syndicate responsible for the management of the counting process.

At the time, CTUWS issued a statement describing those events as “historic” saying that “the Engineers’ syndicate witnessed serious events that may be described as historic. According to different estimations, more than 23,000 members of the General Assembly gathered to cast their votes.”

Vote of no confidence is a democratic mechanism that is rarely applied in union. However, government-loyal adversaries of the incumbent head of the Engineers Syndicate resorted to it in order to remove the head whose policies are not consistent with their views. However, when the vote turned out to be contrary to their wishes, they resorted to thuggery.

The image of ballot papers thrown on the floor will remain in our minds for a long time. It will remain a symbol of intolerance of and disrespect to democracy by the “other” party.





### **Use of Remand Detention against Workers**

In addition to obstacles facing independent trade unions in particular, remand detention is a weapon that has been used against workers for years. Imprisonment has dire consequences for workers. It puts workers and their families in an economically critical situation. Living costs inside prisons are very high. Visitations for the imprisoned person cost a lot of money, in addition to physical and emotional efforts. According to the Civil Service Law, there are measures that are taken against public servants (government employees) when a decision is issued to put them in detention pending investigations in a case until a judgement is decided. There are other legal measures that can be taken against him/her in the above case, pursuant to the Civil Service Law.

According to Civil Service Law no. 81 for 2016, which regulated legal procedures taken against public servants if they are arrested pending investigation or pursuant to a judgement following a trial:

Any government employee may be suspended from work in case s/he is put in remand detention or imprisoned pursuant to a final court decision in a criminal case.

Likewise, a government employee who is provisionally detained pending investigations in a case or is imprisoned pursuant to a final decision from a criminal court, s/he will be finally deprived from his full salary.

If a government employee spends his/her term pursuant to a final court decision that didn't include dismissal from work, after his/her return to work s/he is referred to the competent body which decides the type of disciplinary punishment due on him/her.

All these are matters that restrict workers' freedom to express their opinions or exercise unionist activities, especially under such crushing economic crisis that eats up people's savings that may be used to protect them and their families from poverty and want.

In addition to individual cases like those of workers Sameh Zakareya and Mohamed Hashem, there are cases of imprisonment following strike actions or other forms of protests like that of the strike of the workers of Kiriazi. All these cases include the same charges that are vague and undefined. The activities of independent unions are dealt with as if they are illicit groups that are established contrary to law. Strike action is treated as a threat to public peace, in addition to other usual accusations.



➤ **Renewing the Detention of Sameh Zakareya (a worker in the Ambulance Authority)**

Sameh Zakareya, a worker in the Ambulance Authority, is still imprisoned since last year pending investigations in case no. 2412 for 2022 (State Security Cases).

It is relevant here to tell the story of Sameh Zakareya. He is a simple worker in the Ambulance facility. Yet, he is a diligent one and that is why he was chosen in the focal teams of the Ambulance Authority. These teams are assigned the task of attending international conferences and safeguarding senior officials in the State. Of course, no one is chosen in these teams unless a careful security check is conducted to make sure that he has no illegal activities or dissident activities against the ruling regime.

Sameh was not a renowned politician or activist. He is an Egyptian man who works hard to support his family that fully depends on him. His family consists of his wife, three children (oldest is eight and youngest is two), and his 80 years old mother.

His family was shocked when he was arrested from home on the 22nd of August of 2022. He disappeared and remained incommunicado for four months.

He appeared for the first time on the 21st of December 2022 before the Public Prosecution which decided to put him on remand detention pending investigations in case no. 2412 for 2022, State Security. He was charged with joining and funding a banned organization. Since that date, his remand detention is being renewed without being referred to trial. His health condition, which was already complicated, worsened in prison.

Sameh's health conditions reached a grave stage and requires urgent intervention. He has had a rare disease since childhood that requires ongoing medical care, which is called Mastoiditis (infection of the mastoid bone of the skull). This disease may lead, if not controlled, to facial paralysis.

Because of this disease, a complete tear in the right ear drum took place. He had three surgeries before going to prison in order to curette the ear bones and perform tympanoplasty. There was discharge from the left ear and a ventilation tube was implanted to prevent infection. However, the prison's doctor affirmed that the tube was dislocated causing a tear in the left eardrum.

Sameh used to visit an otolaryngologist on a monthly basis before imprisonment. However, this stopped in prison and the disease reappeared and even worsened leading to loss of hearing in his right ear and threatening to complete loss of the sense of hearing. Before he was imprisoned, his balance was disturbed which made him fall and endure partial rupture in the cartilage of the knee. Such partial rupture developed into full rupture because of the conditions of his imprisonment.

➤ **The Arrest of the Worker (Mohamed Hashem):**

From the 19<sup>th</sup> to the 29<sup>th</sup> of January 2023, Mohamed Hashem (a worker in the Public Transportation Authority) disappeared after he was arrested by security forces from his home. This is legally called enforced disappearance and this is probably the gravest and greatest crime against workers which make them afraid of expressing their opinion.

When they raided the home of Hashem, security forces took away computers and a photocopy machine that were at home without clarifying reasons for arresting him.

When Hashem appeared, he was referred to the Prosecution without contacting his lawyer or family members. He was charged with joining and funding a terrorist organization, and disseminating false news. Hashem was arrested seven years ago and was provisionally detained at that time for four months.

CTUWS referred in a statement to his deteriorating health conditions as he had cardiac disease and hypertension. He was getting ready for an eye surgery before he went to jail.

He was kept in remand detention (which may be extended for two years according to the Law) until he was released on the 2<sup>nd</sup> of October 2023. When the Supreme State Security Prosecution decided to release him pending investigation in case no. 184 for 2023 (State Security Cases).

## **Labour Protests**

In the following lines, we record most notable protests and violations to which workers were subjected during the year as part of the assault on workers' rights and freedoms, in addition to some general features that characterize these protests:

Political and economic powers continued to hold their grip on workers in 2023 even when individuals and bodies that occupy power positions changed, especially in the private sector in which things are getting worse for workers. The minimum wage was not decided for workers of the private sector. Their other problems include rate of financial raises and deprivation from the coverage of social protection programs as stated above.

The financial statement of the government showed that the number of beneficiaries of supplies' subsidies decreased by 900,000 persons. On the other hand, the state supports businessmen in its new budget by around 28 billion Egyptian pounds.

The economic situation is very complicated. It has a direct impact on workers because of their fixed wages. In such a situation we have to speak of labour protests and strike action which is dealt with by law in a mixed way. They are legally and constitutionally considered a main pillar in the protection of workers' rights from transgression by employers and a means for creating social balance and preservation of social peace.

However, the legal regulation of the right to strike is very restrictive. Employers and administrative authorities have to be notified before the time set for strike action by at least ten days via registered mail.

The notification has to include reasons for strike action, and the period of time decided for it, pursuant to article 192 of the Labour Law.

Workers may not go on strike, or declare their intent to, by their unions for the purpose of amending collective labour agreement while they are still in force. Likewise, they may not go on strike, or declare their intent to, during all stages and procedures of mediation and arbitration—according to article 193 of the Law.

Strike is also prohibited in all strategic or essential establishments defined as establishments that stoppage of work therein leads to breach of national security or essential services provided for citizens.

The current regulation of the right to strike, prior notification thereof and determination for an end date thereof are practically impossible. This contradicts all principles of bargaining and escalation. This actually makes workers in constant contradiction to or violation of the Law making them susceptible to dismissal without receiving any dues.

On the other hand, the crisis also had an impact on the intensity of labour protests in 2023. Numbers of labour protests, and expected outcomes thereof, decreased. This is due to actual pressures related to employers (especially local ones) which are affected by the economic crisis, especially the shortage of US dollars as the main currency used in importing raw materials. So, the likelihood of liquidation of business or reduction of numbers of workers discourage workers from going to protests, in addition to the widespread use of oppression as a general feature of the past ten years.

When protests - or strike actions - actually take place, they usually result in weak bargaining that leads to meagre outcomes especially that the ETUF does not provide unionist support as this federation represents the government rather than workers. Likewise, there are no trade union organizations in the vast majority of private sector companies. These factors are added to factors related to the crisis as mentioned above.

Resorting to court is also very restricted. Litigation takes years. This is actually one of the most important obstacles that detract from workers' rights and freedoms. They are threatened with hunger

even when it was proven that they were arbitrarily dismissed as “employers may not be forced to reinstate a worker”.

That is why we demand the establishment of specialized labour courts that are keen to take speedy measures and exempt labour cases from the slowness of the legal process. We also demand the establishment of a fund that provides financial assistance to workers until they find a new job. Otherwise, resorting to courts becomes a punishment for workers who try to abide by law.

Workers’ legitimate fears are supported by a stumbled economy and high unemployment rates. Unemployment rates increased in Egypt during the third quarter of 2023 to reach 7.1% of the labour force which is 0.1% higher than the last quarter, according to CAPMAS. The rate is higher for women than men. Women also increasingly join informal jobs that expose them to danger because of lacking any form of social protection.

**The following part includes protests of 2023. We present them to demonstrate their outcomes that are relatively weak for the reasons stated above, and for the violations that usually take place:**

➤ **Workers of Oriental Weavers: “We can’t live”:**

On the 4<sup>th</sup> of February 2023, the crisis of workers of the factory of Moquette Mac of the Oriental Weavers Group reached a new point. The management of the Company had decided to impose a compulsory unpaid leave on workers for a week. This leave came to an end on the 4<sup>th</sup> of February 2023.

Companies usually resort to the measure of work stoppage and imposition of unpaid leave in order to silence workers. Nevertheless, this measure is illegal.

Earlier, workers of the Company went on strike to protest the meagre raise in salaries decided by the management (merely 500 Egyptian pounds). This meagre raise was also tied to a particular production target. Thus, workers may not receive it regularly and sometimes don’t receive it at all.

Workers demanded a raise of 1500 pounds that is separate from the production incentive. They raised a slogan in their strike action saying “We can’t live but the company gains millions in profits.”

The management refused the demands of workers. It issued a decision to close all factories, as well as the factory of Moquette Mac in which the strike was launched. It forced workers to go on an unpaid leave for one week and decided that this week will be deducted from their annual leave balance. Then, the management decided to suspend work in the company until further notice.

Later, the higher management of the Company decided to resume work starting from the 6<sup>th</sup> of February 2023 and to consider the compulsory leave a paid one. Moreover, a meeting was decided to be held between representatives of workers and the management of the Company at the company’s premises in order to negotiate the demands of workers.

Workers had headed to the labour bureau of the 10<sup>th</sup> of Ramadan City and filed complaints against the management of the company and demanded the intervention of the Ministry of Labour Force in order to solve their problems.

At the same time, another group of workers went to the Ministry of Labour Force and met officials of the Ministry and presented their demands to them.

The fourth and fifth bulletins were issued and they partially solved the problem. But the management continued its abuse. Nevertheless, workers accepted the last decisions which included in article one of the 5<sup>th</sup> bulletin that workers in all the Group’s factories are to be given a paid leave that is to be deducted from their annual leave balance.

Negotiations between workers and management during the past days had resulted in workers accepting the raise decided by the Company which was 500 pounds rather than the 1500 pounds workers were demanding.

However, a few months later, the management decided to relocate four of the leaders of the strike action to remote governorates (Nagy Mohamed Al-Merghani, Yasser Metwaly Boghdady, Mohamed Lotfy Abdel-Sallam and Wael Salah El-Din). The four of them lived in Cairo but they were relocated to the governorates of Qena and Luxor. So, workers were moved more than 600 kilometers that need more than six hours of travel in a completely different environment away from their families. This looked like a punishment for their leadership of the strike action. Consequently, the four workers resorted to labour courts aiming to regain their rights.

### ➤ **Kiriazhi Workers face Hard Choices**

The crisis of the workers of Kiriazhi started in February 2023. The events of this crisis highlight the depth of the problems endured by workers in Egypt for years.

Workers are always faced by hard choices. When they demand their basic rights, they face the attacks of employers, the use of unfair laws to detract from their rights, the use of violence or even imprisonment, etc. They can expect anything except the respect of rights.

The crisis started when workers declared their intent to go on strike in the beginning of February. The management quickly filed police reports against a number of workers accusing them of going on strike and inciting their colleagues to go on strike and disturb work. This led to the imprisonment of 18 workers.

Then, workers had to stop their strike action to help release their colleagues. Moreover, an agreement was reached with the Company to raise wages by 1000 Egyptian pounds (500 pounds were to be paid immediately with the monthly salary. The other 500 pounds were to be added to the salary starting from July of the same year).

Workers of the Company had gone on strike on the 8<sup>th</sup> of February 2023 when they discovered that the management of the Company had notified the Ministry of Labour Force that it had already increased their wages by 300 Egyptian pounds in November 2022 which never happened.

At the same time, workers demanded to raise wages by 1000 Egyptian pounds in order to be consistent with rising prices. Average wage in the group was 2700 Egyptian pounds and wages of workers who spent more than fifty years at work didn't exceed 4000 pounds. So, the wage level is below the poverty line. However, this agreement did not last and was not implemented.

On the 7<sup>th</sup> of June, workers of the Kiriazhi factory for home appliances manufacturing resumed their strike action to protest the management's breaking of its promise to pay a profit bonus equally to all workers. The management on the 5<sup>th</sup> of June gave half a month as a profit bonus to production workers, while it gave two and half months to administrative staff.

In their February strike, workers demanded that the management treat production workers and administrative staff equally, especially when it comes to payment of profit bonus. The management promised to do so.

However, workers were surprised when profit bonuses paid as discrimination continued and so they decided to go on strike.

Moreover, the management didn't keep its promise to raise wages by 1000 pounds. The management also didn't renew contracts with health insurance hospitals for workers and their families which it had canceled two years earlier. It also refrained from amending the method of calculating overtime.

On the other hand, workers issued a statement in which they reaffirmed their demands which were:

- Equality between all workers regarding profits that should not be less than the wage of one month.
- Changing the raise of the month of July to be 1000 pounds rather than 500.
- Payment of end of service compensation when a worker dies or reaches retirement age according to years in service (minimum five years).
- Determining a percentage of any increases in the prices of products to be used for the automatic adjustment of wages as a measure to cope with the generally harsh economic conditions.
- Changing the basis for calculating overtime and shifts allowance.
- Resuming the payment of marriage and birth grants which were stopped.
- Setting a fixed time for the payment of occasions' grants.

Provided that the management published a bulletin to agree on the above demands signed by:

- The President of the Administrative Board of the Company
- The Representative of the Union
- A Representative of the Labour Bureau

On the 18<sup>th</sup> of June 2023, the management of the Company escalated against workers and their demands. It sent dismissal letters to a number of workers because of their demanding the management to respect the promises it made in February. The management relied on restrictive provisions in the Labour Law regarding the right to strike as a pretext and referred workers to the Labour Court.

60 workers were dismissed and another 800 were threatened with dismissal if they continued the strike action. So, workers had to stop their strike action for fear of being punished like their colleagues.

➤ **Alexandria Container and Cargo Handling Company (Billions that have nothing to do with workers)**

In the Alexandria Container and Cargo Handling Company, workers were punished because they demanded their rights. Officials broke their promises although the Company earns billions.

Let's start from the end. Company's officials punished Youssry Maarouf (a worker who was a member in the Constituent Assembly that drafted the Egyptian Constitution of 2014) by deducting five days from his salary, and subsequently depriving him of bonus, claiming he defamed the Company and violated instructions.

The defamation they meant was the fact that he raised a question in a private Facebook group for workers of the Company regarding the removal of the 1000 Egyptian pounds raise related to the minimum wage which was decided by the President of the Republic, refraining from paying the inflation allowance, and refraining from paying a previous amount of 300 Egyptian pounds previously decided by the President as well.

He also asked why the General Assembly of the Company was not held. Refraining from hold it resulted in depriving workers of their annual profit shares which have to be decided in the meeting. Such share was replaced with a loan amounting to 40% of the value of profit share only. The management also decided a ceiling on the profit share that workers may receive even if profits increase.

It all started on the 25<sup>th</sup> of February when workers of the Alexandria Company organized a protest against the management's reluctance to pay the rest of the shares of workers of the annual profits of the Company for the financial year 2021/2022.

The management had decided annual profits for workers for the said period to be 13%. It paid 10% thereof and 3% remained without being paid in spite of the repeated promises to pay them in the middle of January.

500 workers (workers of the third shift along with workers of the first shift) gathered at 8 am waiting for the arrival of Yasser Heikal, the CEO. They asked him to pay the rest of the profit share for workers so that they can face the burdens of life caused by successive rises in prices. He promised them to pay the rest of the profit share before the middle of the *Hijri* month of Shaban, in addition to an inflation allowance amounting to 4000 pounds for each worker.

At that time, workers decided to end their protest waiting for the CEO to implement his promises.

However, workers still have demands that were not met including those for which Youssry Maarouf was punished, as well as other grievances as follows:

- Writing annual contracts with new workers without any prospects for fixing their contracts to secure their future.
- Suspending the study that was conducted for increasing wages when Major General / Yasser Heikal led the Company, but it disappeared when he was gone.
- Workers in shifts endure suffering and injustice after they receive the first grade as they are forced to work in the morning to reduce their incentives instead of increasing the incentive with the upgrade.

It is worth mentioning that the financial statements of the Alexandria Container and Cargo Handling Company revealed that its profits increased by 182% in the first eight months of the current financial year.

According to a statement sent to the Stock Market, the Company registered net profits amounting to 2.78 billion Egyptian pounds from the beginning of July 2022 to the end of February 2023 compared to 987.12 million pounds for the same period of the last financial year.

The Company's revenues increased to 2.91 billion Egyptian pounds by the end of February 2023 compared to 1.55 billion in the same period last year.

#### ➤ **IFFCO (Suez) is back**

In March 2023, workers of IFFCO Egypt for the production of oil in Suez organized a sit-in inside the premises of the Company to demand raising wages to be able to meet rising costs of living.

IFFCO's investments in the Arab Republic of Egypt amount to 1.6 billion Egyptian pounds. Nevertheless, salary scale therein ranges between 3000 and 5000 Egyptian pounds only. However, managers' salaries are tens of thousands of pounds.

This is not the first crisis experienced by the Company's workers. They previously organized strike actions calling for the same demands. Yet, security forces suppressed them and prevented them from achieving their demands. Some of them were even charged with terrorism.

In September, the Company held collective bargaining with workers that included obligations for all parties to improve working conditions and preserve the rights of workers of the Company.

#### ➤ **Workers of Al-Mehalla Company for Weaving and Spinning decline Ramadan Grant**

In the factory of Al-Mehalla for Spinning and Weaving, 8000 workers refused to receive Ramadan grant to protest that the grant is calculated based on the basic wage of 2019 rather than 2022.

The management of the Company had decided to pay a grant on the occasion of the month of Ramadan of 2023 (which is one and half month of the comprehensive wage) based on the basic wage of 2019.

Workers also demanded an increase in wage by 1000 Egyptian pounds which was decided by the President of the Republic for workers in government bodies. However, the management of the Company told workers that this decision does not apply to workers in the public sector or the public works sector.

This caused a great frustration and anger among workers leading them to refrain from receiving the grant and to demand the payment thereof on the basis of the wage of 2022, in addition to the 1000 Egyptian pounds decided by the President of the Republic.

Workers asserted that the management of the Company deceived them. It issued an administrative decision to implement a grant or a raise, but in implementation it is not applied in an unequal manner. Workers pointed out that this is a repeated pattern in companies in the government sector or the public works sector as a result of lack of regulatory laws, reliance on personal decisions, and bureaucratic complications.

### ➤ **The Call Center of the Arab African Bank and the Crisis of Outsourcing**

In April 2023, a crisis took place between the staff of the Arab African Bank and the management of the Bank. Employees of the Call Center, who are responsible for communication between the Bank and its clients, launched a strike action demanding a raise in wages. The Bank ignored the demands of around 100 workers to regulate their status and to increase salaries in a way that is adequate to current economic conditions, although the management of the Bank made repeated promises to resolve the crisis.

Around 100 workers found themselves torn between the Raya (the company to which they formally belong) and the management of the Arab African Bank they work according to its policies.

Call Center or Customer Care staff are originally workers of the Raya company. This is a company that works with banks to run their call centers based on a contract with the Bank. The call center's staff are employees of the company but they work according to the policies of the Bank they work in and a representative of the Bank supervises them.

Employees received a promise to regularize their situation and to be appointed in the Bank. However, this only happened in the narrowest sense leading to a huge crisis that erupted after promises were made for the third time.

Likewise, the management of the Bank threatened to dismiss them in case of objection. It refused any increases in salaries or reduction in working hours which increased especially during the month of Ramadan because of decreasing number of employees and changes in working conditions. The management told them not to think of themselves as if they are bank staff as they belong to an external company, and they have no rights and anyone who doesn't like it that way should go away.

The case of the Arab African Bank reveals the problem of indirect employment. Some companies work as a mediator in the appointment of workers, i.e. outsourcing companies or employment firms. These workers are hired for lower wages and with no social protection. So workers and employees work in the worst possible working conditions as they don't have contracts that enable them to complain or claim their rights.

For example, we observed that the salaries in some telecommunications companies range between 2000 and 3000 Egyptian pounds, while cleaning workers hired via mediator companies are merely 300 Egyptian pounds.

### ➤ **GreenLand: Combing political and economic power and its impact on workers**

When financial and political power is combined, workers live under pressure. State intervention becomes useless as it becomes biased to its men who are deeply involved in politics. The GreenLand

factory for food products is a clear example. The owner of this factory is Mohamed Halawa, who is a big business man and a Senate member.

The crisis of GreenLand factory started in April 2023. A number of workers in the factories of Lactalis Halawa Group demanded the intervention of the state following the spread of news that the Company will fire a number of their coworkers claiming that they incited others to go on strike and stop working.

A video was shared on social media of a group of the Company's workers asking officials to intervene to solve their problems and denouncing the company's filing of reports against workers who ask for their rights to have a wage raise. They stated: "We ask for any government body to come and protect us from this man."

Workers of the Company circulated a copy of the decision to dismiss 49 of their colleagues that read: "because they stopped work on the 3<sup>rd</sup> of April, and incited other workers in the Company to stop working, which resulted in huge losses, destruction of large quantities of materials and commitment of grave mistakes that require dismissal."

At that point, the state intervened and started negotiations between workers and management. Delayed salaries of March were paid, but the rest of demands were not responded to. Other demands included the return of several benefits that they lost or were eroded during the past years since Lactalis Halawa acquired GreenLand in 2019, i.e. annual raises which stopped four years ago, and subscription in health insurance and Ramadan rewards which were suspended two years earlier.

In May, workers returned to strike action when they knew that there is a similar strike in the factory of Best Cheese in Qaliobia which also belongs to Halawa Group.

In contrast, the management of the Company submitted a report before the Public Prosecution against 82 workers accusing them of inciting workers to strike and causing huge losses by their stopping of work. It changed its formerly announced dismissal decisions, and conducted investigations with 15 workers in the span of three days.

The management decided to stop 15 workers from work. Those workers knew that when they were trying to check out of the factory, they found out that the ID card is not recognized by the access control gate machine.

Until now, workers are being intimidated. Their demands are ignored and threatened with dismissal.

➤ **The President of the Adult Education Authority threatens members of the union with State Security Apparatus**

In most cases, when unionists raise demands they are met with security forces and violent language is used with them. This took place also in the Adult Education Authority in which the president of the executive apparatus of the Adult Education Authority threatened members of the administrative board of the Union to report them to state security apparatus, and fabricate charges against them in order to imprison them.

A meeting was held between Mohamed Yehya Nassef (president of the executive apparatus of the Adult Education Authority) and members of the board of the Union on the 14<sup>th</sup> of August 2023. But this was not the beginning of our story.

This meeting was preceded by a series of protests and demands by workers. It was considered a follow-up meeting of some of the demands that the Union had submitted to the management in February 2023 and the discussion of which was decided to be postponed till June. But the management of the Authority didn't do this.

Once the meeting started, members of the Union asked about the fate of their demands which were raising the exams allowance, and increasing allowances for field visits and night work (similarly to



workers in the Ministry of Education). But the president of the Authority burst in anger, started making accusations against them and threatened them to report them to the State Security Apparatus to put them into jail in case they raised these demands again.

Members of the board of the Union refused the threats of the president of the Authority. They declared that the union will continue to demand workers' rights, and that the state security apparatus does not work according to the instructions of the authority of the company's authority. They said that they are not criminals or terrorists in order to be threatened with state security apparatus. They affirmed that the union was, and will always be, keen to protect the interests and money of the Authority in addition to the rights of workers. The union had previously submitted reports to competent authorities regarding corruption and looting of the Authority's money. This confirms that the Union since its establishment was always keen and careful to preserve the interests of the Authority.

Members of the Union affirmed that they stick to their lawful demands, and that they refuse the threats of the President of the Executive Apparatus of the Authority. They confirmed that the union of workers in the Adult Education Authority will always stick to defending workers' interests and all forms of corruption at the same time.

14 unions immediately declared their full solidarity with the union of workers in the Adult Education Authority against the abuses of the president of the executive apparatus of the Authority, the threats of fabrication of accusations and imprisonment for their demanding of higher allowances to face rising prices.

Hundreds of teachers who had contracts with the Adult Education Authority from the different governorates of the Republic got final in their favor from the Courts of Administrative Justice. Courts decided that these workers have to be fixed and that their employment contracts should be changed from temporary to fixed contracts.

Since 2020 until now, the management of the Authority didn't implement any of these court decisions although the approval of the Central Agency for Organization and Administration and the Ministry of Finance agreed to change the appointment clauses in the contracts. So, teachers organized a protest to demand the management of the Authority to respect court decisions and change their contracts into fixed contracts, especially that some of these women worked for more than 15 continuous years in violation of the law.

It is worth mentioning that the Adult Education Authority has no more than 8000 teachers who bear the burden of educating 18 million Egyptians who are illiterate and most of them are poor and unemployed. That is why they resort to casual employment.

### ➤ **Workers of Ro'ya for Contracting**

In the case of Ro'ya Contracting Company which is a subsidiary of Pioneer, political influence and economic influence meet resulting in the violation of rights of workers.

The Company is owned by Waleed Zaky who is a businessman and a prominent member in the ruling party (Homeland Future) and the chairperson of the Future Sports Club.

In August 2023, 17 workers submitted complaints to the Presidency of the Council of Ministers because of the decisions of the management of the Company to stop payment of the annual raise for workers, and stopping the payment of annual profit share for four consecutive years, in addition to withdrawing medical insurance cards from workers. Moreover, the Company stopped paying the inflation allowance in 2018.

However, the Presidency of the Council of Ministers merely referred workers' complaints to the Ministry of Labour Force, which in turn referred the complaints to the Labour Bureau of Heliopolis (the location of headquarters of the Company) to investigate them.

It is worth mentioning that the Company includes 350 workers and employees distributed on three main locations: North Coast, Qatameya and Ain Sokhna. Workers' suffering from the violation of their rights since the Company became under the umbrella of the Pioneer Group which is active in the field of marketing and securities. Workers endure harsh working conditions, and yet they are deprived of having a union to express their interests.

The response of the Company was to refrain from payment of the salaries of August to punish the complainant workers.

An important question was posed by one of the workers to *Darb News* website: "How should these workers live? They suffer living in locations away from their homes that are not fit for human use and where water is not potable. The Company provides two packs of mineral water only for all workers each month."

It is worth mentioning that Ro'ya for Contracting and Real Estate Development has existed in the market since 2007. Its capital exceeds two billion pounds. Nevertheless, salaries of its workers don't exceed the national poverty line.

➤ **Steel Workers versus the Holding Company demanding their rights in the Workers' Fund**

Officials not only affected workers by the decision to liquidate the Company but also refrained from giving workers who retired before the liquidation of the company their dues.

Workers gathered on the 22<sup>nd</sup> of August 2023 in front of the Holding Company for Metallurgical Industries. They organized a similar protest on the 5<sup>th</sup> of July in front of the Holding Company as well to demand their financial rights in the Workers' Fund but the Company didn't offer any solutions.

After workers gathered, the management of the Holding Company asked that workers delegate two persons only to speak with the management regarding their demands. Workers did so. But delegates returned to workers quickly saying that the Holding Company informed them that it is not a party to this issue, and that they have to go to the Ministry of Public Works Sector to discuss the matter.

Nevertheless, the management of the Holding Company called the police which asked workers to leave the place in front of the Company and go to the Ministry of Public Works sector to discuss their complaint.

Hundreds of workers retired between the first of May 2018 and the liquidation of the Company in 2021. They didn't receive their financial rights in the Workers' Fund since they retired. They repeatedly asked for their rights in the Pensions Fund according to the Bylaws of the Fund which states that the maximum that can be spent to the member when s/he reaches retirement age is 140 months. This happened with all members who retired before the 1<sup>st</sup> of May 2014.

However, those in charge of the Fund adopted a different approach for those who reached retirement age from the first of May 2014 to the first of May 2018. The new approach is to give retired members 70 months and pay the rest in installments until the Fund has more financial resources, according to the officials of the Holding Company. Afterwards, the Fund stopped paying any amounts of money to those who retired from 2018 to the date on which the Company was liquidated.

The Sectoral Federation made an offer to workers. This offer entailed the following: workers who were already in service when the Company was liquidated receive 26,000 Egyptian pounds; while workers who retired before the liquidation receive 16,000 Egyptian pounds. Workers refused this offer and considered it a termination of their financial rights in the Fund.

It is worth mentioning that the Holding Company for Metallurgical Industries made several promises to workers to solve the crisis and negotiate with the Ministry. Later, it told workers that it is not a party to this issue and that they have to head to the Ministry of Public Works Sector and directly demand their dues from the Ministry.

67 years after the establishment of the Egyptian Company for Metal and Steel which is considered the castle of iron and steel industry in Egypt and the Middle East. An extraordinary general assembly of the Company decided to liquidate it following approval of its division into two companies (the Iron and Steel Company which was liquidated, and the Mines and Quarries Company which the private sector should get into a partnership therein to operate it in the coming period).

Thus, the administrative board of the Iron and Steel Company decided on the 30<sup>th</sup> of May 2021 to close the Company, suspend working therein, and prevent workers from attendance so that the liquidator takes control of it.

### ➤ **Workers of Universal Group.. A Horrible Tragedy**

The story of the workers of Universal Group is a real tragedy. Husbands had to divorce their wives because of want and poverty. Others committed suicide after the humiliation they felt. None of the competent authorities took any action because of the political influence of the family of the owner of the Company.

Universal is one of the companies working in the field of home appliances. It largely depends on exporting which is supported by the state in many respects, including tax deductions and some free grants. The purpose of such state support is to support national industries and workers, especially that such companies make their profits in US dollars and are not affected by the problems of the local currency market. However, businessmen had another opinion.

The state protects businessmen, but it does not adequately oversee labour relations. In the case of Universal Group, even the payment of salaries is delayed by employers. These salaries are not even equal to the declared minimum wage. The Company even fires workers as soon as they try to demand their rights.

Universal Group fired hundreds of workers last year. Those workers didn't receive their financial rights until the time of writing this Report. The Company again refrained from paying salaries of workers.

Then, more than 2500 workers resorted to launching an open ended strike action to protest the delay of the payment of the wages of July which was supposed to be paid on the 5<sup>th</sup> of August. Workers were surprised that the management paid merely 500 Egyptian pounds of the salary of July, although it was supposed to pay the full salaries of August.

The Company has a policy to delay the payment of salaries. In that incident for example, the salaries of four and half months were delayed as follows:

- Half the salary of the month of September 2020.
- Two months in 2022.
- The months of July and August of 2023.
- The incentives of three consecutive years from 2021.
- The nature-of-work allowance of five consecutive years from 2019.

Striking workers stated that they will continue their strike until they receive all their delayed financial rights. They also demanded the management to declare a binding timetable of the dates of payments of incentives and the nature-of-work allowance, in addition to demanding the management to implement the court decision to reinstate members of the administrative board of the Union who were fired by the company because they demanded the implementation of the terms of the collective labour agreement signed between the owner of the Company and representatives of workers in the presence of The former Minister of Labour, Mohamed Saafan. That agreement stipulated that the employer is obliged to reschedule the payment of wages which are delayed from 2019 until now. However, the employer didn't abide by this which led workers to go on strike again.

On the 4<sup>th</sup> of October, the management of the Company offered striking workers to pay them the delayed salaries (four and half months) according to a plan of one quarter a month every month starting from October 2023. Workers accepted this bargaining because of the crushing economic conditions they live in. But, will the story come to an end?

➤ **The wages of the workers of sugar factories in Luxor and Aswan didn't increase for 12 years**

In august 2023, tens of workers of the Sugar Factory of Kom Ombo (Aswan) went into an open-ended strike to demand raising their wages. One day later, workers of the sugar factory of Armant (Luxor) went into a similar strike for the same reasons.

The two factories include 3580 workers. They are part of the Sugar Company for Integrative Industries which is a subsidiary of the Holding company for Food Industries. The Company owns eight factories for the production of sugar cane in Upper Egypt.

According to MadaMasr (which covered the strike), comprehensive salaries of workers and employees didn't increase since 2011. The only thing that increased was the annual raise which was 150 pounds, and does not exceed 21 pounds for some workers (whose basic salaries are 300 or 500 pounds) based on their grade and date of appointment. This was said by administrative staff in the Company.

Demands of the workers of the two factories included 20 points. Most important of these points are increasing the cash allowance, the meal allowance and the incentive; adding bonuses to the basic salary; increasing the profit share; and activating the loan for inflation which stopped for years.

Demands also included signing temporary contracts for seasonal workers, updating the marital status of workers, reviewing medical contracts, provision of medications for chronic diseases, changing the terms related to work injuries, calculating end of service payment based on actual period in service, and refraining from deducting 45% thereof.

In September, the government (through the Ministry of Labour) negotiated with workers in order to reach a compromise. Some demands are not responded to until now.

➤ **The BBC and the Dollar Maze**

After the devaluation of the Egyptian pound which led to severe reduction of its value during the last year, purchasing power of individuals deteriorated. This was the reason behind several workers' protests, especially workers who work in foreign institutions, as in the case of BBC whose staff went on strike many times in 2023.

BBC journalists in Cairo previously demanded the review of their salaries as this hasn't happened since 2020. So, they resorted to strike for one day in June, and then another day in July. Later, they held their biggest strike action (for ten days) in August.

Workers have a problem with salaries, especially with the discrimination against Egyptian workers. This problem started in 2016, when the Egyptian government started its economic reform plan. That plan led to a reduction in the value of the Egyptian pound by around 50% (before that year one dollar was equivalent to around eight pounds and it jumped to around 15 pounds in one year). At that time, workers started demanding adjustment of the salary scale or paying them in foreign rather than local currency which is already done in counterpart offices elsewhere in the region.

The crisis exacerbated with the consecutive deterioration of the local currency in last months. Nevertheless, the management in London saw that the crisis in Cairo is not as severe as that of other areas. It refrained from intervening to solve the crisis although the local currency exchange rate at

that time exceeded 30 Egyptian pounds for one dollar. So, workers had to go on strike demanding equality in payment with workers in other offices.

The Journalists Syndicate, led by the Khaled El-Balshy, intervened and expressed its solidarity with the demands of journalists. The Syndicate announced on the 19<sup>th</sup> of September that the crisis of BBC was resolved and that an agreement was reached to raise the salaries of journalists and workers in the Cairo office by 75 to 142% for lowest salaries, and add an equal transportation allowance for all workers.

### ➤ **Nile Linen group.. The Same Story Over and Over Again**

The story of Nile Linen Group is similar to that of Universal Group. Engineer / Saied Ahmed is the owner of the Company (he owns around 85 million US dollar investments therein, i.e. around billions of Egyptian pounds). His investments are concentrated in exportation. However, he refrains from paying salaries that start from 3200 which is already lower than the minimum wage.

The total number of workers is 1700. their demands were as follows:

- Payment of the 10% share of annual profits determined by law.
- Resuming the payment of the inflation allowance which stopped in 2022.
- The management has to stop deducting 50% of the occasions grant which it started to do since the outbreak of the Coronavirus.
- Reviewing the salary scale for workers in order to adjust for rising inflation rates.
- Hanging the penalties regulations in a visible place in factories.

Moreover, workers demanded that workers' subscriptions in the union are given to the union as the management collected them from workers but didn't give them to the union.

Their demands were met with arrogance on the part of the owner of the factory. He even refused to let the union take a look at the budget of the preceding year so that they don't know anything about profits which is their right according to the Law. He even suspended workers.

The management of Linen Group suspended 15 workers from work on the second day of the strike action of the workers in September. It accused them of inciting workers to strike, work stoppage, hindering exportation and causing losses to the Company.

The strike continued until the Company closed its premises and kicked workers out. Security forces reopened it and workers resumed their strike action therein as they used to do.

On the 27<sup>th</sup> of September, the union of workers in Nile Linen Group declared the end of the strike action after they reached an agreement with the financial manager of the Company which included the following:

1. Workers would work on Thursday and Friday as a compensation for the seven day they went on strike in.
2. The management would cancel the suspension of 15 workers.
3. The management would cancel the warning of dismissal made against 131 workers.
4. The Financial Manager would arrange a meeting between the owner of the Company and members of the Union to discuss raising the inflation allowance, as well as raising wages starting from next year.

Until this report was written, none of the demands of workers were met.

➤ **Teachers: “What is the use of education in a lost homeland?”**

In 2022, the World Bank warned of the declining spending on education in Egypt. It stated that this will lead to reduction of numbers of teachers and classrooms.

Public schools suffer a shortage in the number of teachers because the government stopped making any new appointments of teachers, while the number of students in primary schools is steadily increasing.

Currently, there are more than 24 million students in the different stages of pre-university education in Egypt, around 90% of them are in public schools. More than half of these students are in the primary stage.

The World Bank had previously referred to the shortage of teachers, the overcrowding of classrooms and the deterioration of the quality of education—according to a report that used two criteria for evaluating the quality of education (ratio of students to teachers and ratio of students to class rooms).

Public schools in Egypt suffer a severe shortage in the number of teachers. The former Minister of Education, Tarek Shawky, estimated the shortage to amount to 250,000 teachers.

In this context, appointing new teachers was a pressing need. The state finally agreed to do so. It remained for years confining itself to employing teachers based on temporary contracts and on a class-by-class basis where the price of one class was approximately 20 Egyptian pounds and a teacher may not receive more than 1200 per month.

Lately, the Ministry of Education announced that it will appoint 30,000 teachers in the span of four years pursuant to a temporary contract for two years only and a salary of 3000 pounds (less than the minimum wage). In spite of the poor conditions, many teachers applied.

However, the government made many surprises. In the beginning, it was revealed that the personal interview will be held at the Military Academy where applicants would have to pass physical exercise tests in a military establishment although they are not applying for any physical specializations. This was an unprecedented mixing of military and civilian people in spite of the different contexts they work in. The result was excluding a number of women, especially pregnant ones and overweight ones. This was a clear gender-based discrimination.

It has to be noted that the condition of holding these military tests became effectuated in all government appointments at the current time. This is contradictory to the principle of equality of opportunity as a category of people will be deprived from their right to work for no objective reasons.

The story did not end here. After applicants performed the tests, 14,000 teachers were excluded without any logical justification. The result was that hundreds of teachers (men and women) held a sit-in in front of the Ministry of Education in the New Administrative Capital.

Security forces used verbal and physical violence against teachers and arrested 14 of them accusing them of terrorism.

The spokesperson of the Ministry, Shady Zalata, told protestors that they didn't pass the tests and their appearance might not have appealed to those performing the interview. He then asked them to go to the Directorates of Education in their respective governorates to submit complaints or petitions against the decision. This was told by four teachers who participated in the sit-in to MadaMasr.

According to MadaMasr as well, the Directorates of Education in a number of governorates announced the results of the competition in October 2023 via a link for each governorate so that applicant teachers may know if they passed the tests using their ID numbers. Then, lists of successful applicants were published in a number of governorates. Results showed that around 14,000 only were considered eligible from approximately 28,000 teachers who already passed all the tests before the final test performed at the Military Academy, according to the estimates of sources among teachers.

The [resident of Egypt once said: “What is the use of education in a lost homeland?” It seems that government bodies agrees. The budget of education is decreasing year after year in the face of inflation waves, and the deprioritization of education on the part of the authorities. This is reflected in the conditions of teachers which are very miserable, the situation of their syndicate which is put under judicial sequestration for years and for no good reason. The only reason may be to destroy workers’ rights and any chance for them to unit around their demands.

➤ **Reuters.. on the Path of the BBC**

The protests held by the journalists of BBC in Cairo to improve their financial conditions, and their success to attain some positive gains following three strike actions, encouraged their peers in the office of the Reuters Agency to protest hoping to improve their conditions as well.

On the 23<sup>rd</sup> of November, Reuters sent subscribers a notification that its Arabic newsletter will stop for 24 hours. Moreover, a delegation from the Journalists Syndicate visited Reuters’ Cairo Office to express solidarity with the demands of journalists.

The President of the Journalists Syndicate confirmed in a phone call to Al-Qahera News that the strike action is due to unfair wages in Reuters. He pointed out that journalists had been negotiating for five months before they resorted to strike.

**A timetable of the violations to which workers were subjected to during the year**

Type of Violations	Number of Workers
Arbitrary relocation of workers from their workplaces as punishment	4
Imprisonment and pressing of criminal charges	32
Dismissal of workers	109
Threatening with dismissal	900
Threatening with State Security Apparatus	4
Refusal to pay wages	2517
Calling the police	300
Suspension from work	28
Kicking workers out of the workplace	1700
Dismissal warning	131
Physical and verbal violence	500
Interrogation of workers	15
Financial penalty for expressing one’s opinion	1

**Notes:**

- ❖ Multiple violations to one worker is considered one violation.
- ❖ Violations against several individual workers are considered multiple violations even if they take place at the same workplace.
- ❖ All violations result from labour demands,

## **Absent Safety and Security Measures:**

The right to a safe and healthy working environment is one of the basic rights and the most important rights for workers. Being safe from catastrophes and pollution is the utmost hope of workers especially amid increasing production and diligent endeavor for accumulation which puts workers in constant danger.

Even if laws try to create a safe working environment, they remain mere words as long as there is no control and as long as there is a large percentage of workers informally employed (more than 40%).

In 2023, several (individual and collective) accidents took place. The following are some examples to highlight the crisis of the absence of safety and security in the working environment of Egyptian workers:

### **➤ The Nightmare of Child Labour.. An Everyday Crime**

Two children who are agricultural workers died, and 40 others were injured on their way to work.

Workers' accidents are repeated in different governorates especially for children. Working children don't enjoy any means of safety or security. They work outside the scope of formal protection because their exploitation is illegal in the first place. They work in hard conditions that are not suitable for their young age. No single report does not include violations against them.

For example, in February 2023 two children died and 40 others were injured on their way to work in farms on the junction road of Abou Sultan in the city of Fayed (Ismailia governorate) at the intersection with Suez Road. A mini pickup truck they were riding overturned leading to severe injuries for all children ranging from bone fractures, and internal hemorrhage to coma, as well as the death of two children. Children were between seven and 18 years old (boys and girls).

This accident was not the first one, and it will not be the last one. Every month, we read in the news about accidents for child labourers in different occupations. The most common of which are road accidents when cars overturn while they carry them to and from work.

The National Survey of Child Labour conducted by CAPMAS and the international program for the elimination of child labour revealed that there are 1.6 working children from the age of 12 to 17 and they represent 9.3% of children. That is one child out of every ten children being forced to work.

The survey also reported that child labour is higher in rural areas than urban areas. It is highest in the rural areas of Upper Egypt, followed by the rural areas of lower Egypt, then rural areas in border governorates. In terms of occupations, agriculture comes first, followed by industrial locations (in spite of its hazardous nature) like mining, construction and manufacturing industries (18.9%).

The Constitution of Egypt of 2014 stipulates in article 80 that every child has the right to health and family care, basic nutrition, safe shelter, and education. The state is committed to care for children and protect them from all forms of violence, abuse, mistreatment and commercial and sexual exploitation. The Constitution also prohibited the employment of children before they reach the age of having completed their primary education, and their employment in jobs that expose them to risk. The Egyptian Child Law no. 126 for 2008 stipulated in article 64 that children shall not be employed before reaching the age of fifteen calendar years; and in article 65 that it is prohibited to employ children in any type of work that, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety, or morals of children. Likewise, ILO Minimum Age Convention no. 138 of 1973 and ILO Convention no. 182 of 1999 on the Worst Forms of Child Labour set basic standards for the rights of children at work. Nevertheless, We see around the streets of Egypt hundreds of thousands of child workers in different fields.

CTUWS has repeatedly demanded the prohibition of child labour before the age determined in the Labour Law no. 12 for 2003, the Child Law no. 126 for 2008 and the Constitution of Egypt of 2014,



as well as the prohibition of making children work for more than six hours a day (provided that this time includes one or more breaks for resting and eating). So, a child may not work for more than four continuous hours. Any overtime work or work in vacations should be prohibited. Any work between 7 pm and 7 am should be prohibited for children in all cases.

- Moreover, data on child labour in Egypt has to be updated in order to help studying child labour in a more realistic manner.
- Data on child domestic labour has to be provided and a system of control and inspection has to be devised for this profession.
- The coverage of social protection has to be expanded in order to guarantee that low income families don't resort to child labour and in order to fight dropping out from school.
- Legislations that allow child labour in the agricultural sector have to be amended.
- Providing alternative vocational education facilities for child workers who dropped out from school.

On the other hand, road accidents (especially roads outside Cairo) and the meagre compensations given to workers and their families are among the most dangerous threats to lives and safety of workers. These roads don't receive as much attention or maintenance as the roads of Cairo. There are at least 7000 road deaths every year, most of them are workers.

#### ➤ **Lives of workers are lost because of unlicensed factories**

Unlicensed factories are a grave danger that haunts workers. In addition to the absence of any form of social protection, most of them are actually time bombs that may explode at any moment.

For example, glass factories in the village of Abu Sinna, Qalioub District, Qaliobia governorate; in the village of Al-Garrah, Aga district, Qaliobia governorate; the village of Meniet Samanoud, Gharbia governorate; and the village of Shemates, Shohada district, Menofeya governorate depend on the use of gas cylinders to operate furnaces used for the melting of broken glass like eating utensils and empty hookah bottle for recycling. Chest and lung diseases are widespread because workers use mouth blowing in the formation of glass.

This exposes workers' lives to danger as these factories don't abide by measures of occupational health and safety.

In April, a fire took place in the Factory of Salah Sultan in the village of Shemates, Menofeya governorate leading to the death of three workers and the injury of others.

Hundreds of the residents of the Shohada district, Menofeya governorate attended the funeral of Mohamed E and Shabaan who were the victims of the fire accident amid a horrible state of sorrow and collapse on the part of their family members.

The fire took place inside a glass factory owned by S M S (58 years) who is a resident of the district of Shohada. Civil Protection Forces came with their fire trucks and put down the fire. Four workers had burns and were moved to the Central Hospital then referred to the Educational Hospital, but two of them died afterwards because of their injuries.

By asking workers in the glass factory, they stated that the reason for the fire was a leakage from a cylinder that was left there to be used in the furnaces.

#### ➤ **Egypt and Sudan: the Death of 15 drivers on the road**

"A barren desert" is the description that a driver on the border road between Egypt and Sudan had given to that place before he died in August. He was not the only one. 15 drivers died while they were waiting on the borders without water or food in August 2023.

For two months, the cargo movement was stopped causing cars to gather on the crossings of Qastal and Arqeen, which is an area of 40 kilometers, while they were waiting to pass to the Sudan to deliver their cargo including several food products and cement.

They were left in a temperature of 40 degrees with no water or ice to preserve the medications needed by people who have chronic diseases. This resulted in the death of 11 Egyptian drivers on the Sudanese side of the border, while four drivers died on the Egyptian side.

The direct reason for this incident was the war in Sudan which erupted in April and affected the movement of land transportation and stopped the movement of cargo.

At that time, a number of drivers stuck for more than one month published videos crying for help from government officials and the President asking for help in the preparation of crossings and provision of services and assistance like water and ice.

For weeks, workers, the Land Transport Union and the Ministry of Labour Force called for helping drivers but no one answered until those drivers died. The Egyptian Ports Authority was accused of refraining from help or even reporting the crisis to entities that can provide help.

So, the price of that trip was death. Following the increase in the prices of transportation because of the war, drivers received 20,000 Egyptian pounds as a downpayment from the total price of 100,000 that their employer gets for large trucks. In case of the death of the driver, the family or the Union – rather than the state - pays for the costs of returning the body to Egypt.

## **Laws and Legislations against workers**

- ❖ The Labour Law is still frozen
- ❖ Insurance Law and Repetition of Mistakes
- ❖ Minimum wage decisions

### **➤ The Labour Law is still frozen**

The new draft Labour Law is still in the drawers of the House of Representatives. It was not enacted until now for the second parliamentary term. Moreover, several amendments were made to the draft law in favor of employers ignoring the needs and demands of workers.

In the beginning of 2023, independent unions demanded the discussion of the new draft law and its unjust amendments. 12 independent unions submitted a request to the Labour Force Committee of the House of Representatives to hold hearings regarding the draft Labour Law and its proposed amendments. Until now, the Committee didn't respond and it completely ignored independent labour groups.

The Labour Force Committee of the parliament produced the draft labour law in 2017 after it held few hearings about it. The Committee introduced minor changes ignoring the observations made by trade unionists, labour leaders, and experts in labour affairs. It even ignored the observations of the Legislation Department of the State Council and those of the National Council for Human Rights, as well as the remarks of the ILO.

Then, the government also introduced other changes to the draft in November 2021 when it referred the Draft with its recommendations to the General Committee of the Senate which in turn prepared a report and sent it to the Parliament.

In spite of the appeals made to the Committee of the Labour Force, Environment, and Energy of the Senate from different concerned parties in labour affairs (especially independent trade unions), the Committee ignored the requests and merely confined itself to the participation of the Ministry of Labour Force and the government-affiliated ETUF.

One more time, the Labour Force Committee of the House of Representatives refused to hold any hearing sessions. That was an unjustifiable insistence on silencing independent labour voices.

Most important observations on the new draft Labour Law expressed by unionists and labour leaders were included in an earlier paper published by CTUWS.

### **➤ Changing the Insurance Law didn't Rectify Mistakes:**

After amending the Social Insurance Law of 2019, the management of the insurance system whether for the private or public became unified in one fund and one entity (the National Authority for Social Insurance) while it used to be run through two separate funds.

The Insurance Law was criticized for several reasons. CTUWS had prepared papers that criticized several articles of the Law that made it an unjust law. A question was submitted in the Parliament regarding early retirement.

In the law issued in 2019 to replace the law of 2009, the same table no. 9 related to early retirement was used again but its number was changed to 5, although this table was repealed by the Constitutional Court.

CTUWS called upon the parliament to repeal this table. It submitted a paper regarding the amendment of the Insurance Law via parliament member Diaa El-Deen Dawood and 60 other parliament members, and mentioned therein the decision of the Constitutional Court on that controversial article.

In order to implement this decision, pensions have to be resettled for all workers who went on early retirement from the enactment of Law no. 130 for 2009 and table no. 9 attached thereto to the enactment and entry into force of Law no. 148 for 2019 and the repealing of law no. 79 for 1975.

Nevertheless, we see that the government (the Ministry of Justice and the Ministry of Social Solidarity) has to make an amendment of some of the provisions of the Pensions and Social Insurance Law no. 148 for 2019 to repeal the provisions which are identical to those ruled unconstitutional by the Constitutional Court.

Pensions and Social Insurance Law no. 148 for 2019 stipulated in article 21/6 that pension is due when the service, work or activity of the insured person is terminated for reasons other than aging, disability or death, provided that the periods of subscription in insurance against aging, disability or death are enough to entitle the person for a pension that is not less than 50% of the wage or income of the final settlement, provided that it is not less than 65% of the minimum subscription on the date of entitlement to pension; and provided that the period of subscription in insurance against aging, disability and death include an actual subscription period that is not less than 240 months. The period will be 300 actual months after five years of the entry into force of the Law, provided that the insured is not entitled to insurance against aging, disability or death at the time of application of the request to receive the pension.

Article 24 of the Law states that pension is settled for the subscription period in insurance against aging, disability or death which starts from the entry into force of this Law according to one portion of the factor consistent with the age of the insured in table no. 5 attached to this Law for each year, provided that the maximum is 80% of the settlement wage or income.

Pension is settled for the period of subscription passing before the entry into force of this Law based on the said factor; and the settlement wage determined based on basic wage and variable wage according to the (former) Social Insurance Law according to which the period was spent, provided that the maximum is 80% of the settlement wage.

### **Contesting the Constitutionality of Article 27 of the Social Insurance Law:**

The Social Insurance Law still discriminates between those addressed by its provisions. Although everyone pays the same subscription ratios, returns are different in a way that is contradictory to norms of social justice.

As a result, CTUWS submitted an appeal before the Constitutional Court to contest the constitutionality of article 27 of the Pensions and Social Insurance Law which stipulates that the pension of everyone who holds the positions of Vice President, president of the House of Representatives, president of the Senate, Prime Minister and his deputies, ministers and their deputies and governors and their deputies are settled according to the factor of one portion out of ten portions of the settlement wage for every year in service in that position.

The said article discriminates between insured people who are subject to the provisions of this Law as the pension of the above-mentioned categories is calculated pursuant to a factor of 1/10, while the pension of other categories is calculated pursuant to a factor of 1/45.

This is a flagrant violation of the Constitution which guarantees equality between citizens. Everyone who retired under Law no. 148 for 2019 will benefit from the contestation of the constitutionality of this article. The appeal is still being viewed by courts, while class-based discrimination is still ongoing.

### **➤ Unjust Minimum Wage:**

In September 2003, president Abdelfattah directed to raise the minimum wage to 4000 Egyptian pounds for workers in the public sector. Likewise, an extraordinary inflation allowance was decided to be 600 instead of 300 Egyptian pounds.

However, in the private sector setting a minimum wage is still refused by employers. So, inequality between the public and private sector is still the dominant policy.

It is worth mentioning that 4000 Egyptian pounds is equivalent to 80 US dollars according to market prices at the end of 2023. This amount is less than the national poverty line. It also has to be noted that the majority of workers in the private sector and the informal sector (together employ more than 80% of workers in Egypt) don't get that amount.

In terms of wages, Egypt comes late among countries of the region, in spite of consecutive inflation wages which exceeded 40%. This holds true even in comparison to relatively limited income countries like Tunisia, Morocco and Algeria.

The irony regarding the wage crisis is that workers don't get this amount fully in their hands. Insurance fees are deducted from it in a flagrant violation of workers' rights and for no justifiable legal reason. This pushed CTUWS to try to change this in the Parliament by submitting the following paper:

The Ministry of Finance issued bulletins regarding the rules for implementing the decisions of the Prime Minister to amend some provisions of the decision of the Prime Minister no. 1634 for 2019 amended by decisions no. 2421 for 2019, 145 for 2021, 1325 for 2022, 4017 for 2022 and 1408 for 2023.

**These rules include the following:**

- The wage that is considered the base for calculating the minimum is the average of the total wage of the worker/employee at the date of starting the implementation of this minimum. It is composed of basic/occupational wage in addition to regular, special, incentive and promotional bonuses and any other bonuses that are added to any of the wages at the said date.
- The complementary/variable wage at the day before the said date includes the monthly rate in Egyptian pound of everything received by the worker/employee including compensations, allowances and cash benefits that are general, collective or regular whether they are paid once or several times and regardless of their source. In addition, it includes what was stipulated according to Law no. 18 for 2023 regarding the acceleration of the maturity date of periodic bonuses, granting special bonus for those who are not addressed by the provisions of the Civil Service Law, increasing the additional incentive for workers in the state, and deciding a special grant for workers in the Public Sector and the Public Works Sector.

However, the matter that is very astonishing is that the wage considered as the base for calculating the minimum includes insurance shares and burdens borne by the employer in proportion to the total wage. This is according to the pensions and social insurance law no. 148 for 2019.

If we agree on calculating the minimum before deducting the subscription of the worker in social insurance on the basis that this subscription is part of the person's wage, and if the minimum includes income taxes that are deducted from the worker's wage, it is unacceptable to consider "insurance burdens" borne by the employer as part of the minimum wage for the following reasons:

- Considering the share that the employer is obliged to pay to the National Authority for Social Insurance as part of the minimum wage practically leads to reducing the actual value of this minimum. When it is calculated as part of the minimum, along with the insurance subscription and the income tax of the worker, this minimum actually becomes lower than the stated minimum by around 1000 pounds.

- The minimum wage was increased twice this year. This was an attempt to mitigate the adverse impacts of the devaluation of the Egyptian pound and rising inflation rates, especially on the prices of food products. The living standards of all waged workers deteriorated leaving them unable to meet the basic needs of their families. It does not make sense to make the actual minimum wage received by the worker/employee lower than the announced minimum wage by such a huge amount, as this defeats the very purpose of raising the minimum wage.
- The share that the employer is obliged to pay to the National Authority for Social Insurance is not part of the wage of the worker. Rather, this is an obligation on employers who insure their workers (their human resources) against risks of aging, disability, sickness or work injuries just as they insure their facilities or factories against risks of fire. Employers pay a subscription for this on a monthly or annual basis as the case may be.
- This does not contradict the fact the employers consider this insurance share as part of the wages item figure in their budget, as this is a matter of accounting that does not change the legal description of this share or make it part of the worker's wage. The worker's wage is defined by Labour Law no. 12 for 2003, article 1, and it - of course - does not include the share that the employer pays to the National Authority for Social Insurance.

## **The State Ownership Policy Document and the Oppressed Public Sector**

In the year 2022, the government issued a paper titled “the State Ownership Policy Document” in which it declared gradual withdrawal from the market and from the ownership of the financial assets in the state. It claimed that the purpose thereof is to foster economic growth and empower the private sector to increase investment rates. This document was described as the new privatization plan.

The Minister of Finance, Dr. Mohamed Maeet, summarized the Document in his speech before the American Businessmen Association saying that the state will leave around 79% of economic activities and target the selling of assets amounting to 40 billion US dollars.

In spite of the importance of this document and its essential relationship to rights of workers, the government just imposed it without discussion. This is contradictory to what should be followed in times of crisis in which true dialogue is needed so that all concerned parties participate without discrimination.

But this document was the result of dictations of international financial institutions and was made according to its vision regarding the solution of economic crises, rather than true stakeholders in this country including workers, peasants and the different categories and classes. The document didn't pay attention to the rights of workers in companies that will be partially or fully sold to investors.

In our report last year, we reviewed the document and the most important remarks thereon. However, competent authorities didn't pay any attention and continued the same policies in 2023. The sale of assets is still continued without any true social dialogue or consultation.

This year, the state declared that it will sell part of its assets by listing them in the stock market or selling some shares to local or foreign portfolios. What is worth noting is that many of these companies are highly profitable and successful companies.

### **The government declared that it intends to list the following entities in the stock market:**

- Banque du Caire
- The United Bank
- The Arab African International Bank
- Misr Technology services (MTS)
- Al-Nasr for Housing and Development
- Maadi for Development and Construction
- Al-Mostakbal for Urban Development
- Misr for Reinforced Concrete Work
- Helwan Fertilizers Company
- The National Company for Petroleum
- Egyptian Propylene & Polypropylene Company
- El-Nasr Mining Company
- The Egyptian Ethylene and Derivatives Co (ETHYDCO)
- The Egyptian Drilling Company for Petroleum
- The Egyptian Linear Alkyl Benzene Co. (ELAB)
- Sinai For Manganese
- The Egyptian Ferrous Alloys Company
- The Canal Company for Mooring and Lights
- Port Said Container & Cargo Handling Co.

- Damietta Container & Cargo Handling Co.
- Al-Salhiya Company for Investment and Development
- Hotels owned by the Ministry of the Public Works Sector
- *Misr Life Insurance Company*
- Misr Insurance
- Gabal El Zeit Wind Power Plant
- Zafarana Wind Power Plant
- Beni Suef Power Plant
- National Co. for Producing and Packaging Water (Safi)
- Chemical Industries Development Company (CID)
- Paints and Chemical Industries Company (Pachin)
- Al-Amal Al-Sharif Plastics
- Misr Pharma
- Selling 30% of the Eastern Company SAE for Tobacco to the Global Company (UAE)
- Selling 39% of seven historic hotels to Talaat Moustafa Group Holding



## **Conclusion**

The crushing economic crisis will probably force more workers to accept jobs of lower quality and meagre wages that lack safety, security and social protection leading to rising share of informal employment.

With rising prices, the crisis of the cost of living threatens to push more workers to poverty. Hard work does not guarantee decent living any more. As unemployment rates among youth and school drop out rates increase, skills will deteriorate. We are going to have generations of workers who are poorer and less efficient, and hence complete lack of values like equality and justice.

Amid this gloomy picture, the political regime completely abandoned supporting the lower middle class and workers whether by supporting them in the labour market itself, or providing education and health services to their children. It also deprived this class from its social protection programs which are already meagre and insufficient.

The program (Strengthening Labour Relations and their Institutions stopped in Egypt. Obstacles and hurdles were being put in front of the establishment of independent trade unions. So, the intent is clear to destroy independent labour voices. This is part of a general context in which the authorities do not view public space except as an unnecessary hurdle of its power and the rules it wants to consolidate which are very far from ideas of bargaining or social dialogue.

So, we have to warn against the continuation of the attempts to attack unions, and disregard the principles of collective bargaining and their role in the creation of balanced long term relations at the workplace as this will threaten social peace and economic stability. This will create nothing but chaos.

In 2023, the merger of political power and business continued to abuse workers via a new network of vested interests. Economic conditions had a clear impact on the types and numbers of labour protests. Although employers continue to violate workers' rights, the specter of liquidation and downsizing amid decreasing profit margins is haunting workers, especially in local companies which depend on importation and foreign currency.

The enactment of labour relations laws takes too much time. For years, important laws like the Labour Law, needed amendments of the Insurance Law, or even the Trade Unions Laws, as well as issues like the minimum wage, etc. are frozen and nothing is done about them for no stated reasons.

Silencing of workers helps the authorities ignore these important legislations. In other periods of time, the presence of strong workers' voices resulted in the adoption or amendment of laws and proposals that were conducive to fairer labour relations. However, businessmen and the state don't find them useful so they just keep postponing them until they are forgotten.