## Center for Trade Union and Workers Services





# CTUWS submission to the Office of the High Commissioner for Human Rights On the occasion of the seventh session of the Universal Periodic Review 2010 $\underline{\text{Egypt}}$

# A selective submission on compliance with Labour rights obligations

### **Introduction:**

- 1. This report is submitted by the Center for Trade Union and Workers Services to the office of the High Commissioner for Human Rights on the occasion of the Universal Periodic Review of Egypt's fulfilment of its human rights obligations.
- 2. This submission focuses on Egypt's compliance with its obligations in relation to the realization of labour rights; and especially the core labour standards through the last four-year period.

#### **Background**

The ILO constitution at its introduction recognized trade union freedom as a basis to improve work conditions, stability and peace... But the Egyptian legislation violated the guarantees stipulated by the International labour conventions as well as the two international conventions on political and economic rights and on social and political rights.

The Egyptian Labour Trade Unions law No. 35 for the year 1976 is one of a package of laws regulation civil society organizations which were controversial and were highly criticized during the last years. Those laws have a common nature and one philosophy which secure the domination of the state on all spheres of life and limit the margin for independent action. Although they all bring to light the fault aspect that afflicts the Egyptian Legislative System- where laws restrict rights that are guaranteed by the constitution-, the labour trade unions law in particular was the farthest of these laws from the nature of those rights which it regulates, and from the standards that should be a reference in its regard.

As the absence of trade union organizations that are a real representative of the workers' interests means that many of labour rights are devastated and international labour standards are violated, depriving the Egyptian workers from their right to establish their independent and free trade unions is not only a serious violation to a basic labour standard, but its consequences have direct impacts on other important standards. The rights to strike, negotiate and enter into collective agreements are closely linked with the right to freedom of association.

#### I. Violating the right of the Egyptian workers to freedom of Association

♦ The Egyptian Act No.35 of 1976 and its amendments No1 of 1981 and No. 12f 1995 run counter to labour standards expressly laid down in the ILO Convention 87.An institutionalized single trade union system is imposed by law, and the workers haven't the right to establish of join organizations outside the existing "official" trade union structure. It is prohibited to form more than one trade union for each industry or groups of similar or related industries. The union organization takes a pyramid form where the power is centralized at the

top, while workers on the base of the pyramid are stripped of any authority (sections 7, 13, 14, 16, 17 and 52).

Historically, the Egyptian Trade Unions Federation (ETUF) had linked with the government, depended completely on it. The trade union membership was obligatory and automatically membership in the governmental administration and public sector units. The administrations of authorities and companies have been obligated to cut trade union fees directly from workers salaries and send it to General Unions.

As the public sector is coming to be collapsed and the private sector has extended, there are no unions in the private sector except very limited cases.

According to the official statistics [in 2005] there is one union local committee in 270 companies in Bourg El Arab city, Two union local committees in 166 companies in Sadat city, 6 union local committees in 6<sup>th</sup> of October city, and 16 union local committees in the 10<sup>th</sup> of Ramadan city; totally there are 25 union committees in 2116 companies.

Thus; while the private sector's workers aren't organized in the "official" Egyptian Trade Union Federation; ETUF, they have been prevented from establishing organizations of their own choosing

- ♦ Legislative provisions (sections 41, 42, 43 of the Act 35/1976 and its amendments), have granted control to higher level trade union organizations, and practically the Federation council over the nomination and election procedures to the executive committees of trade unions (which are obligated to be members of the Federation).
- On the ground, trade union elections were made in 2006 to start a new trade union term for the "formal" trade union federation (2006/2011). The number of violations exceeded those in the previous elections. The violations were committed against thousands of candidates who did not belong to any political current. The objective of the violations was to keep the "formal" trade union organization under the control of its autocratic leaders who share the seats of its boards of directors without competition or challenges.

The congestion at the workers' arena during the trade union elections – which embodied the actual absence of a genuine organization – was clearly reflected on the workers movements which demanded solution of their trade union committees. Any attempt on the part of the workers to withdraw confidence from the union organization during the union term (five years) has been ignored. The most significant example has been the workers of Misr-Al Mahalla Company for Spinning and Textile (Al Mahalla Spinning Company), who have demanded solution of their trade union committee in defense of their democratic rights to elect their real representatives, gathered fifteen thousands (15000) signatures to raise the motion of "no confidence" in the committee. More than one thousand and two hundreds workers have presented their withdrawal asking to stop cutting trade union fees from their monthly salaries, but the ETUF hasn't' been admitting or assenting to their will..

Workers in other places are demanding institutionalization of their trade unions but the higher level trade union organizations haven't confirmed their interest. For example the Industrial Safety workers in Railways Corporation have called for establishment their own trade union. The General Union Council has turned down their claim, resolved to appointment of temporary administrations.

#### Violation against the new born independent RETA Union

The Real Estate Tax Employees Independent Union, which is the first independent trade union in Egypt since over 50 years ago, was the offspring of a big protest movement which was organized throughout about two years when the workers of the Real Estate Tax Employees in local administrations called for equal treatment with their colleagues who are directly subject to the Ministry of Finance

Real Estate Tax Employees Independent Union which started its establishment procedures in December 2008 and deposited its credentials at the Ministry of Manpower on 21/4/2009 has and is still confronting several forms of intentional restrictions and constrains. Such violations escalated to the limit of beating two of the Union's secretaries in Gharbiya Governorate and in Sharkiya Governorate. Leaders of the Union in Kalyubia and Beni Suef Governorates were presented to the Administrative Prosecution. They were prosecuted because they called for the establishment of the Union. In addition, ETUF exercised pressure on the Real Estate Authority and addressed the Authority formally to issue a decision to stop all the activities of the Independent Union, and recently; On 10 August 2009, ETUF filed a report with the Public Prosecutor against the President of RETA, Mr Kamal Abu Eita.

#### II. Absence and impossibility of social dialogue

♦ The absence of a genuine trade union organization makes it difficult – if not impossible – to settle the situation through negotiations without resorting to strikes. There is no organization to organize the demands and to negotiate thereon. That is why the Egyptian workers go in strike to start with. Even if they call for negotiations, they do not find the appropriate response. But when they go in strike, the other party (be it the management, the owner or the government) is forced to negotiate with whoever is entitled by the workers themselves.

Thus, labour disputes which remained unsettled until the workers resorted to protests and strikes. Protesting movements has been the only available way can be taken by workers to express their interests and demands and bring bargaining into action; the only available way in absence of mechanizes that are assumed to be true.

On the national level, Social Bargaining Organs such as the National Council for Wages and the Labour Consultative Council are absence or paralysis. Although those organs have been addressed and recognized by the law, established "officially" according to a preministerial decisions, they have never met, never been activated, being only an official names and frozen files.

#### **III.** Absence of minimum wages

- ♦ Although the Egyptian Labour Law No. 12 of the year 2003 stipulated the establishment of a Higher Council for Wages to determine the minimum wages and the periodical increment. This Council did not perform its function to-date in spite of the urgent need to change the wages structure. Instead, the government changed the wages of some categories when the conditions seemed to be catastrophic. The government treated these situations with sedatives in order to reduce tension. This explains why more sectors and more categories are calling partially to improve their situation. In this context, we can understand the stronger protesting movement of the textile workers who get the lowest wages if compared with other sectors.
- ♦ The wages in Egypt are effectively divided into basic and variable (incentives, allowances) pay. Basic pay is that recognized by previous laws in addition to annual increases organized by decrees issued according to the law. Minimum pay, with increases included, is about LE120 per month (about US\$22).

Workers are highly dependent on the variable pay which is not organized by any law or general rule. In the public enterprise sector some of the variable pay is organized by company regulations or administrative decisions. In the private sector, this pay is completely subject to the will of the employer. It has been subject to continuous reductions during recent years because of unemployment and absence of union protections.

#### V: Social Insurance and the Right to Services

- Egypt's social security network was-previously- closely linked with the public sector. Workers were entitled to medical treatment and most of social security benefits through their public sector jobs. Thus, collapsing the public sector has resulted in the collapse of the various forms of social support and services. More than fifty percentage of labour force is out of the governmental health insurance system which is also not qualified enough, while the governmental treatment system is very limited comparing to the Egyptian population.
- ♦ Egyptian workers do not obtain any unemployment compensation. The compensation stated in the Insurance Law is less than LE50 (about US\$15) for only six months. In reality, nobody receives this compensation as it is conditional on the worker's membership before unemployment Egyptian workers do not obtain any unemployment compensation. The compensation stated in the Insurance Law is less than LE50 (about US\$15) for only six months. In reality, nobody receives this compensation as it is conditional on the worker's membership before unemployment. The majority of private sector workers are uninsured according to the insurance system. Employers do not insure their workers as this would constitute proof of the work relation, thus the workers are completely excluded of the insurance network, deprived of their right to insurance against invalidity, old age, illness and work injuries. In addition, dismissed workers are not entitled to unemployment compensation. Thus, it seems that nobody is entitled to such compensation
- ♦ However, coverage of the Egyptian social insurance system is very limited as the right to insurance has based on participation and paying insurance fees. Being worker or employer is a condition to participate. Accordingly, members in informal sector and a lot of private sector workers are out of this umbrella, far from any social security system.
- ♦ Like other city and rural poor, Egyptian workers are gradually excluded from this collapsing net. They are unable to obtain their simplest rights to medical treatment and humane housing under the policies of reducing expenditure on services. Moreover, prices of residential units are increasing to such an extent that installments or monthly rent greatly exceed a workers monthly wage. The actual cost of education, which was free, increased due to book prices. Drop outs, the rates of which has almost reached zero, have spread among workers. In addition, the quality of education received by the poor in government schools, which makes it impossible for them to progress without resorting to private tutoring or study groups. Thus, the actual cost of individual education is higher than anywhere else in the world.

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