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Labor Legislation and Industrial Workers' Conditions in Egypt After World War II

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Loyola University Chicago

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LABOR LEGISLATION AND INDUSTRIAL WORKERS' CONDITIONS

IN EGYPT AFTER WORLD WAR II

by

Isam Taji

A Thesis Submitted to the Faculty of the Institute of Social and Industrial Relations of Loyola University in Partial Fulfillment of the Requirements for the Degree of Master of Social and Industrial Relations

February

1959
LIFE

Isam Taji was born in Ramleh, Palestine, May 25, 1931. He was graduated from Lincoln High School, Cairo, Egypt, June, 1951, and from Western Michigan College of Education, Kalamazoo, Michigan, June, 1955, with the degree of Bachelor of Business Administration.

The author came to the United States in 1953, after finishing two years at the American University of Beirut. He worked at Spiegel, Incorporated, in the Merchandise Division, as a buyer for over a year before enrolling at Loyola University. He began his graduate studies at Loyola University in September, 1957.
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CHAPTER I

INTRODUCTION

A. The Problem and Its Importance.

Egypt is mainly an agricultural country. In the past few years steps have been taken towards the industrialization of the country. The development of modern industry created the need for labor legislation and the study of labor conditions, the purpose of which is to protect the workers.

The period covered by this thesis is a period of great change, change in legislation and in the outlook towards the trade union movement. At almost the midpoint of this period, on July 23, 1952, the Revolution took place. The new regime introduced revolutionary changes in the management-labor relations and in the unions themselves. Moreover, this is a period of transition, which makes it significant by itself.

The workers who are the subject of this subject of this study are the industrial and transport workers and not the total working population.

B. The Issues Involved.

The labor legislation in Egypt covers most aspects of labor relations and because of the important role it plays in the workers' well-being the writer could not have ignored it. Other aspects that are involved include the population's growth and its
effects on employment, the industrialization and its impact on the workers, the importance of unions in Egypt, working conditions and working hours, workers' wages and workers' welfare, and the role of government in labor relations.

C. Brief History of the Problem.

Though modern industry had its beginning in the early part of the nineteenth century, it did not start to be an important sector of the country's economy until recently; it is not the most important sector by any means, but it is of growing importance. With the growth of industry come the industrial workers' problems, the problems of protecting their rights to organize and protecting their interests. Other problems of unemployment and underemployment were never as serious as they are now; this is due to the tremendous growth of population, an increase of about fifty per cent in the last twenty years. The movement to industrialize the country is one of the measures to reduce these problems.

Unions, though recognized by the Trade Union Act of 1942, were, according to most observers, only used by politicians to serve their own ends, and in some cases were either unions only in name or were company-controlled unions. This was not true after 1952, for management was forbidden to interfere in any way in the unions or unions' activities. New legislation
regulating various aspects of management-labor relations such as conciliation, arbitration, employment terms and labor conditions was enacted.

LABOR CONDITIONS

A. Population and Employment.

1. Growth of Population—The percentage increase of the population in the last thirty years has accelerated. This is due to "the upset of balance between birth rates and death rates."\(^1\)

This population is living on an area of 13,200 square miles, making the density equal to more than 1,700 persons per square mile, which is one of the highest in the world. The cultivated area is not increasing at the same rate as that of the population. This is creating grave problems of unemployment and underemployment; workers in the rural areas work 160 days a year and remain idle for the rest of the year.\(^2\)

Of the 23,603,000 population, there were 6,710,000 employed workers. Six hundred and sixty-four thousand of these were females; women workers constituted about ten per cent of the workers. Unemployed workers numbered 360,000 representing


five per cent of the country's total labor force. Industrial
workers and building workers totaled 725,000 and commercial
workers 715,000. Agricultural workers numbered 3,648,650,
represented over fifty per cent of the total labor force. That
means that only 28.4 per cent of the population are in
the labor force. This 28.4 per cent, is considered very low
by western standards.

TABLE I
GROWTH OF POPULATION - 1897-1957

<table>
<thead>
<tr>
<th>Year</th>
<th>Population (excluding nomads)</th>
<th>Percentage increase during the decade</th>
</tr>
</thead>
<tbody>
<tr>
<td>1897</td>
<td>9,715,000</td>
<td></td>
</tr>
<tr>
<td>1907</td>
<td>11,287,000</td>
<td>16.2</td>
</tr>
<tr>
<td>1917</td>
<td>12,751,000</td>
<td>13.0</td>
</tr>
<tr>
<td>1927</td>
<td>14,218,000</td>
<td>11.5</td>
</tr>
<tr>
<td>1937</td>
<td>15,933,000</td>
<td>12.1</td>
</tr>
<tr>
<td>1947</td>
<td>19,022,000</td>
<td>19.4</td>
</tr>
<tr>
<td>1957</td>
<td>23,603,000*</td>
<td>24.03</td>
</tr>
</tbody>
</table>

Nomads are people who move from one place to another
following water and pastures. They number 50,000 in Egypt.

Source: Charles Issawi, *Egypt At Mid-Century*, p. 55, and
*United States Department of Labor, B. L. S., Labor Develop-

*United States Department of Labor, B. L. S., Labor Devel-
2. Migration.

Though emigration from Egypt could be an important factor in solving the problem of the growing population, there is no movement in that direction and there is less immigration. But there is great movement within the country. Migration into the cities where most of the industry is located is sizeable. Cairo's population increases from 1,312,000 in 1937 to 2,500,000 in 1956 and that of Alexandria from 686,000 to about 1,000,000. The same rapid increase occurred in other large cities. It is estimated that the urban population has grown by nearly fifty-five per cent between 1937 and 1947. This was stimulated by the jobs created by the Allied armies.4

Seventeen per cent of all industrial establishments are in Cairo; they employ twenty-four per cent of all industrial workers. Seven per cent of the productive establishments are located in Alexandria; they employ twenty-one per cent of the industrial workers. These two cities have one-sixth of the population and one-half of the purchasing power. All means of communication are available, as well as the cheapest and most reliable source of electricity. These cities have a concentration of skilled labor because of the high literacy rate and the sources for spare parts, the workshops, and demand for mechanical skill.5

4George L. Harris, Egypt (New Haven, 1957) p. 41.
5Issawi, pp. 156-157.
The extractive industries are located in the Eastern Desert, the food processing in Upper Egypt, the rice mills in Northern Delta. The cotton ginning, spinning and weaving and rayon factories are in the center of the Delta, because of their closeness to the cotton fields.\(^6\)

3. Distribution of Industrial Establishments by Number of Employees.

There is a tendency for medium size industries to get either larger or smaller. This is shown in the following table.

**TABLE II**

DISTRIBUTION OF INDUSTRIAL ESTABLISHMENTS BY NUMBER OF EMPLOYEES, 1944, 1947 AND 1951

<table>
<thead>
<tr>
<th>Average Number of employees</th>
<th>1944</th>
<th>1947</th>
<th>1951</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 10</td>
<td>18,674</td>
<td>23,362</td>
<td>83,972</td>
</tr>
<tr>
<td>10 - 49</td>
<td>2,778</td>
<td>2,798</td>
<td>3,411</td>
</tr>
<tr>
<td>50 - 499</td>
<td>523</td>
<td>519</td>
<td>278</td>
</tr>
<tr>
<td>100 - 300</td>
<td>45</td>
<td>90</td>
<td></td>
</tr>
<tr>
<td>500 - over</td>
<td></td>
<td></td>
<td>64</td>
</tr>
</tbody>
</table>

Source: Data was taken from Charles Issawi's *Egypt At Mid-Century* (1954) and the United States Department of Labor's *Summary of Labor Situation in Egypt* (1955).

\(^6\)Ibid. p. 156
From this table we can learn that the majority of establishments are very small and because of this, labor legislation does not apply to them. There are some establishments in the textile industry such as Mahalla el Kubra that employs 14,000 workers, Kafr el Dawar about 10,000 workers. The small establishments that employ less than ten workers are mostly in handicrafts.

4. Sex and Age Composition.

According to the 1952 Census "Men constitute ninety-seven per cent of the industrial production workers. Half of the women employed in manufacturing are found in the textile industry and apparel industries where they constitute nine per cent of the labor force. Most of these women leave industrial employment when they marry." So women continue to play a minor role in Egypt's economy. The employment of women was stimulated by the Second World War and by "the pressure resulting from inflation and the reduction of middle-class family incomes." Recent legislation as well as Law No. 80, 1933 prevented women from working in certain dangerous and unhealthy industries is a factor in keeping down the percentage of women employed in industry.

7Ibid. p. 168.


9Issawi, p. 71.
Seven per cent of the total labor force are between the ages of ten and fifteen, according to the 1951 Census. This shows a sharp decline from the 1927 figure, which was more than double that percentage. Employment of children under ten years of age has practically disappeared.10

5. Potential Asset and Greatest Problem.

This growth of the population of Egypt, sevenfold in a century, and the movement of population to towns within the country "provided further incentive to industrialization...The urban population is an incomparably larger consumer of industrial products than the rural. With the increasing number of inhabitants in the towns, the demand for industrial products far exceeds the additional demand caused by the mere population increase as such."11 Besides, this manpower could be used to build the country, the roads and bridges to the sources of raw material, the dams to irrigate the vast land where water did not reach before. This labor force contains the industrial workers of tomorrow in the process of industrialization of the country.

At present this growth constitutes a grave danger and creates great problems of unemployment and underemployment or call it seasonal employment. Figures given by the Government

10Ibid., p. 172.

and stated early in the chapter indicate that five per cent of the labor force is unemployed. To increase the job opportunities as fast as the rate of growth of the labor force is a problem that is creating an extremely critical labor situation. This is one of the reasons for the weakness of unions and the low wages.

There is relatively high seasonal unemployment because of seasonal industries. For example, cotton ginning and sugar crushing recruit their labor mainly from the countryside and from the large reserve of the wholly or partly unemployed labor in towns.\(^\text{12}\)

6. Possible Solutions--One solution may become possible now, more than at any time before, because of the recent merger of Egypt and Syria into the United Arab Republic, that is the emigration of surplus manpower from Egypt to Syria. Syria is underpopulated and its cultivable land is more accessible. This has been under study.

Another solution which has been advocated is, at present, far fetched, that is birth control to balance the downward trend of the death rate. As in many European countries and in the United States, this will come as a result of education and would follow the industrialization.

To absorb the unemployed, more new opportunities must be

\(^{12}\text{Issawi, p. 172}.\)
found at a greater rate than the present one. Absorbing the unemployed calls for a faster rate of industrialization, which will be discussed in the following section. The agrarian reforms since the New Regime will help; as will increasing the cultivable land in Egypt.

The Company Law of Egypt of 1954 attempts to give the citizens of Egypt the right to available jobs. Article 92 states: "The total number of Egyptians working in Egypt as laborers of joint-stock companies, partnerships limited by shares, and limited liability companies must not be less than ninety per cent of the total laborers engages..."13 Article 93 applies to salaried employees, and there should be at least 75 per cent of them Egyptians.14

B. Industrialization And Its Impact on Workers.

1. Reasons for Slow Industrialization--One of the important reasons for slow industrialization is the exceedingly restricted internal market. The masses have low purchasing power and live in extreme poverty. Wealth is concentrated in the hands of who "spend excessive amounts on foreign luxuries, unproductive services, and foreign securities."15


14Ibid., p. 15.

15Hedley V. Cooke, Challenge And Response In The Middle East (New York 1952), p. 67.
Another reason is the inaccessibility of raw materials. The range of local minerals available to Egyptian industry is limited, and many of the minerals either cannot be profitably extracted due to lack of roads and power or the industrial concerns must pay high charges for transportation that would increase the cost of production that products made with them would have to bear such high prices that the imported goods would be far cheaper. Coal needed for heavy industry is not accessible. Egyptian industry dependent on imported raw material, is handicapped because of the increased cost of raw material.16

A third reason connected with the previous one is the expense of power and fuel. This constitutes 3.6 per cent of the total cost. Egypt pays for its imported coal twice the price paid by industry in the United States. That is why there has been a shift from coal to oil in the past twenty years.17

Labor efficiency is low. The productivity of the worker in Egypt in 1948 was about one-eighth that of the United States and one-third that of the United Kingdom, according to United Nations reports. This is due to scarcity of modern machinery, poor management, poverty and poor health of the workers, lack of vocational training, etc.18 The reasons for low productivity

16 Issawi, p. 162.
17 Ibid., p. 165.
18 Summary of the Labor Situation in Egypt, p. 3.
will be discussed more fully in the following pages.

2. The Impact on the Worker—Naturally, the worker responded by seeking employment in the growing industrialization for in it he saw that he could better his economic well being. Industrial workers' income is much higher than that of those engaged in agriculture.\(^{19}\)

Unaccustomed to the discipline of the factory, the worker entered into a strange world. This brought a revolution in his social status, in his way of life and in his long established pattern of relations. The Egyptian industrial worker comes out of poverty-stricken, undernourished masses. He, most likely, does not have the education or the training for industrial jobs. He is not familiar with factory discipline and he had not completely cut his rural ties. It caused discontentment and sometimes maladjustments. Some of the workers left their jobs at the factories and returned to their villages which resulted in high turn over and high absenteeism.\(^{20}\)

Before 1952, the Kafreldawar Textile Company used to hire thirty per cent more workers than needed to take care of absenteeism and turnover. Since the new laws were enacted and

\(^{19}\)Ibid., p. 4.

rigorously enforced, both turnover and absenteeism have dropped extensively.21

Because of the lack of human relations training on the part of management and supervisory staffs, they did not help the new workers to adjust to industry but left them on their own, while they expected obedience, punctuality and regularity from them.22

Absenteeism has been reduced from nine per cent in 1946 to five per cent in 1949 and the percentage of workers' turnover from thirty-five per cent. In the past, industrial management forced the employees to work exceedingly long hours, which is said to be one of the major factors for his low productivity. The industrial worker's wages have been low, though they were better than his friend's in the agricultural sector of the economy; but that was not a strong financial incentive for greater productivity. Besides, he lacked security, for there was an oversupply of workers. His supervisors did not know how to direct him or help him to work more efficiently. Another important reason for the low productivity was the machinery used. He often used either second hand or obsolete machinery from before the Second World War. "In well equipped factories labor productivity exceeds the average for the industry by thirty-nine per cent for textiles, thirty-nine per cent for food processing,

21Ibid., p. 118.
22Ibid., p. 117.
fifty-five per cent for chemicals, sixty per cent for paper, seventy-one per cent for clothes and shoes, and seventy-two per cent for leather products."23

After World War II, the Government had sponsored on-the-job training and programs of vocational education with the help of The International Labor Organization and the UNESCO.24

3. Reasons for Industrialization.

Industrialization can create new employment to absorb the rapidly increasing labor force, a big problem in Egypt.25

To raise the standard of living of the masses, Egypt should speed up the industrialization. This will raise the per capita national income, which could not be done in an agricultural economy.26 A look at the figures on the following page, published by the United Nations will confirm this.

Another definite proof of the movement toward greater industrialization is the information on production in manufacturing, mining and quarrying listed in Table IV, page 16. The writer has chosen these particular years to show the development before the War, after the World War II, at the time of the Revolution of 1952, and four years later, which are the latest

23Issawi, pp. 165-166.
24Harris, p. 173.
25Bonne, p. 312.
26Ibid. p. 312.
figures published. A fact which this table (Table IV) gives us is that the industrialization process has been accelerated in the last four years. Another fact which can be deduced from this table is that there has been an increase in the productivity of the Egyptian worker because the rate of increase of production is much higher than the rate of increase of industrial workers.

TABLE III
NATIONAL INCOME - INDUSTRIAL ORIGIN
OF NET DOMESTIC PRODUCT

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Value</th>
<th>Agriculture</th>
<th>Mining</th>
<th>Manufacturing</th>
<th>All Others (Construction, Transport, Trade and Commerce, etc.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1951</td>
<td>872.9</td>
<td>40</td>
<td></td>
<td>8</td>
<td>52</td>
</tr>
<tr>
<td>1952</td>
<td>760.2</td>
<td>36</td>
<td></td>
<td>9</td>
<td>55</td>
</tr>
<tr>
<td>1953</td>
<td>788.0</td>
<td>35</td>
<td></td>
<td>10</td>
<td>55</td>
</tr>
<tr>
<td>1954</td>
<td>880.6</td>
<td>35</td>
<td>1</td>
<td>11</td>
<td>53</td>
</tr>
</tbody>
</table>

Source: Data taken from the Statistical Yearbooks of the United Nations.
TABLE IV
MANUFACTURING, MINING AND QUARRYING

<table>
<thead>
<tr>
<th>Product</th>
<th>1938</th>
<th>1948</th>
<th>1952</th>
<th>1956</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sugar</td>
<td>162.1</td>
<td>222</td>
<td>230</td>
<td>310</td>
<td>1000 Metric Ton</td>
</tr>
<tr>
<td>Cement</td>
<td>375</td>
<td>768</td>
<td>947</td>
<td>1351</td>
<td>&quot;</td>
</tr>
<tr>
<td>Superphosphates</td>
<td>20</td>
<td>26</td>
<td>106</td>
<td>157</td>
<td>&quot;</td>
</tr>
<tr>
<td>Woven Woolen Fabrics</td>
<td>796</td>
<td>847</td>
<td>2180</td>
<td>&quot;</td>
<td>Metric Ton</td>
</tr>
<tr>
<td>Rayon Acetate Yarn</td>
<td>20</td>
<td>2300</td>
<td>4770</td>
<td>&quot;</td>
<td></td>
</tr>
<tr>
<td>Rayon Acetate Staple</td>
<td>1700</td>
<td>3500</td>
<td>&quot;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rayon Fabric</td>
<td>3309</td>
<td>5590</td>
<td>&quot;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cotton Yarn(Products)</td>
<td>20.67</td>
<td>50</td>
<td>56</td>
<td>75</td>
<td>1000 Metric Ton</td>
</tr>
<tr>
<td>Woven Cotton Fabrics</td>
<td>66.2</td>
<td>155.7</td>
<td>317</td>
<td>405</td>
<td>Million Meters</td>
</tr>
<tr>
<td>Sulphuric Acid</td>
<td>8.0</td>
<td>44.1</td>
<td>80.2</td>
<td>1000 Metric Ton</td>
<td></td>
</tr>
<tr>
<td>Motor Spirit</td>
<td>95.2</td>
<td>193.2</td>
<td>189</td>
<td>261</td>
<td>&quot;</td>
</tr>
<tr>
<td>Kerosene</td>
<td>17.6</td>
<td>93.6</td>
<td>219</td>
<td>243</td>
<td>&quot;</td>
</tr>
<tr>
<td>Heavy Oils</td>
<td>167.7</td>
<td>1317</td>
<td>1842</td>
<td>1862</td>
<td>&quot;</td>
</tr>
<tr>
<td>Crude Petroleum</td>
<td>226</td>
<td>2092</td>
<td>2629</td>
<td>1723</td>
<td>&quot;</td>
</tr>
<tr>
<td>Manganese Ore</td>
<td>44.4</td>
<td>17.1</td>
<td>55</td>
<td>60</td>
<td>&quot;</td>
</tr>
<tr>
<td>Salt</td>
<td>285</td>
<td>360</td>
<td>498</td>
<td>530</td>
<td>&quot;</td>
</tr>
<tr>
<td>Natural Phosphate</td>
<td>458</td>
<td>300</td>
<td>527</td>
<td>615</td>
<td>&quot;</td>
</tr>
</tbody>
</table>

Source: Data was taken from the copies of the Statistical Yearbook of the United Nations for each year.

\(^{27}\)Metric ton = 2240 pounds, and a meter = 3.2808 ft.
The Egyptian Government started a new five-year plan in 1951 to spend 250,436,000 (Egyptian pounds). The Egyptian pound is equivalent, at present, to about $2.80. Of that amount, 183,750,000 have been set for the industrial sector, 26,686,000 for mining, and 4.0 million for the exploration, transportation and refining of petroleum. "One interesting feature of the Five-Year Plan is that recognition is given to vocational training to prepare the skilled labor which will be needed by Egypt's new industries." 28

C. Wages.

The traditional way of fixing wages and other conditions of employment is through the individual contract. Wages are also determined by collective bargaining, but this depends on the strength of the unions as well as the degree of their development. Most of them are so weak that the situation called for Government's intervention. And as in the western countries in similar circumstances, the Government has made provisions for minimum wage laws (see Chapter III section (e)) that have built a floor for collective bargaining. 29


The law calls for wage adjustments to the cost of living index which is issued periodically by the Government.

Wages are low which is creating complaints on the part of industrial workers who say that wages are insufficient to supply them with proper nutrition and clothing.\textsuperscript{30}

But a study of the wage development between 1948 and 1956, (Table V) shows that real wages in manufacturing have been increasing.

\textbf{TABLE V}

\textsc{Relation of wages in manufacturing to cost of living index (1953=100)}

<table>
<thead>
<tr>
<th>Year</th>
<th>Wages in Piastres/week</th>
<th>Cost of Living Index</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>All Items</td>
</tr>
<tr>
<td>1948</td>
<td>141.4</td>
<td>95</td>
</tr>
<tr>
<td>1949</td>
<td>138</td>
<td>94</td>
</tr>
<tr>
<td>1950</td>
<td>147</td>
<td>99</td>
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<tr>
<td>1951</td>
<td>172</td>
<td>109</td>
</tr>
<tr>
<td>1952</td>
<td>187</td>
<td>107</td>
</tr>
<tr>
<td>1953</td>
<td>178</td>
<td>100</td>
</tr>
<tr>
<td>1954</td>
<td>194</td>
<td>96</td>
</tr>
<tr>
<td>1955</td>
<td>203</td>
<td>96</td>
</tr>
<tr>
<td>1956</td>
<td>205</td>
<td>98</td>
</tr>
</tbody>
</table>

\textit{Source: Data collected from Statistical Yearbooks of the United Nations.}

\textsuperscript{30}Harris, pp. 169-170.
This table shows more than a fifteen per cent increase in wages since 1953, while the cost of living index for all items dropped two points and the cost of living index for food items increased by four points. A piastre is equivalent to 2.8 cents, that is 1/100 of an Egyptian pound.

Another factor is the slight drop in the number of working hours per week that shall be discussed in the following pages.

"Wages are above average in petroleum extraction and refining, iron and steel, shipbuilding and repairing, repairing of railroad and transport equipment, and electricity and water. Wages are below average in paper articles, wood and cork, textile and metal mining."31

One reason wages are low is the low productivity, which is the result of malnutrition, lack of training, and poor equipment, as was mentioned before. Actually one affects the other, for low wages is one of the factors that keeps productivity low. Another factor that keeps wages low is the oversupply of rural workers that come to the towns for work because wages are much higher there. A third factor is the fact that employers are in strong bargaining position because of their combinations and monopolies when they deal with the industrial workers or the weak unions which have almost no economic power.32 A fourth

31 Issawi, p. 171.
32 Ibid., p. 171.
reason is profiteering, for high rates of return are expected on invested capital.\textsuperscript{33}

Article 92 of the Company Law requires at least eighty per cent of the total wages be paid the Egyptian workers, who should comprise at least ninety per cent of the total labor force in each company. A similar provision is specified for salaried employees in Article 93 of that law.\textsuperscript{34}

D. Hours of Work.

Up until the end of World War II, the rising and setting of the sun were the marks for starting work and ending it each day. This made winter working hours much less than summer hours. The introduction of the mechanical factory clock and new methods in management broke the ties between human work and the forces of nature.\textsuperscript{35}

The hours of work in Egyptian industry have been decreasing. In 1937, fifty-seven per cent of the establishments worked over sixty hours per week and seventeen per cent worked eighty hours or more. By 1944 the percentage of establishments working over sixty hours had dropped to twenty-two and that of the establishments that worked eighty hours or more to five per cent.

\textsuperscript{33}Harris, p. 171.

\textsuperscript{34}Economic Reports Part 1, No. 55-39, p. 15.

\textsuperscript{35}Bonne, p. 316.
In 1951 the data shows the first group decreased to thirteen per cent while the second group decreased to two per cent.\textsuperscript{36}

The annual average of hours of work per week dropped from fifty-five hours in 1942 to forty-nine in 1956.\textsuperscript{37}

Working hours for women and children had been limited early in the thirties. The new law of June 1958, (see Chapter III, section B,14) for workers in the mines and quarries, fixed each shift at eight hours, including a break of at least half an hour per shift, and provided time and a half for overtime during the day and double time for overtime after sunset, plus a day off per week at half pay. Other provisions concerning the limiting of working hours were given in the chapter on labor legislation.

E. Workers' Welfare.

Half of the workers in ginning factories were under fifteen and many were under nine years of age. Their job was to feed the machines; they were not employed in the industrial process. That is how Dame Adelaide Anderson described the conditions of child labor in industries in 1930. She continued, "I saw with sorrow, in several factories, the almost automatic hitting of the children with canes and whips by the overseers as they moved

\textsuperscript{36}Issawi, p. 172.

up and down, to spur them on in their work...Nothing could be more strikingly demonstrate the impropriety of employing such small children—who are admitted to be as young as seven years—under the type of overseers employed." There were no rest periods and no proper meal period and there was no care "for general matters of hygiene."38 This was the situation a quarter of a century ago, but all of that has changed. The laws that prevented such conditions into being since then with laws that promoted safety and laws that provided for medical treatment, insurance, disability and accident benefits, as will be discussed in the next chapter on legislation.

"The Nasser government has also taken steps to provide some degree of job security for workers by the enactment of laws protecting them from unwarranted dismissal and unfair treatment. The worker now has the right to report his grievance to the director of the local labor office, whose attempts to effect conciliation between the employer and the worker. If the attempt fails, the worker can then bring his case into court."39

Large industrial companies have shown more awareness of the need for considering the workers' welfare and in most cases have surpassed the minimum requirement set by the government. The Labor Department made a survey in 1950 that covered 150

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39 Harris, p. 173.
establishments employing about 125,000 workers. The report notes that the establishments have provided their workers with social and medical care above that required by the law. "Fifty-seven establishments employing 70,000 workers, have built dining-halls providing meals at half cost or less, while sixty-five establishments supply 116,000 workers with food at wholesale prices. In the medical field, thirty-seven enterprises provide clinics with permanent staffs of doctors and nurses for 83,000 and their families." After 1952, many establishments have built low rent housing, schools, playgrounds, sports clubs, and recreational facilities that are excellent and "would compare favorably with the best in Europe and the United States." The writer would like to discuss the power of the unions and the changes that took place in unions since the 1952 Revolution.

Why are there so many restrictions on unions and why is all the government control specified in the legislation? The Government authorities concerned feel that complete abolition of these restrictions could lead to Communist control of the trade union movement. Another reason is that the workers'
organization have not yet demonstrated sufficient independence and maturity to be entrusted with complete freedom.42

The growth in numerical power of these unions is really impressive. In 1947 their total membership was 91,604. That was 19.5 per cent of the industrial workers.43 By 1950 the membership grew to 130,000 industrial workers out of 650,000 industrial workers.44 The membership reached 250,000 in September of 1953. These were the members of 910 registered unions, 510 of which were located in Cairo and Alexandria alone. There were six national organizations, The Transport Workers' Union with 16,000 members, the Union of Workers in the Oil Industry with 7,000 members, while the Tobacco Workers' Union had 4,500 members, the others are the Textile Workers' Union, the Musicians' Union and the Union of Cinema and Theatre Employees.45

The Government in its laws allowed all unions to form one national confederation. This has not yet come into being, which means that the unions' organization activities have been a plant level.

42Handley, p. 281.

43Ibid., p. 280.


45Hallsworth, p. 366.
In their development and establishment, unions have to contend with many factors. One of these is the nature of the economy. Seventy to eighty per cent of the total population is still in agriculture. Despite the former influence of the old systems of guilds and corporations, it has become the practice in more recent years for employers and workers in industry to regulate their relationship by means of individual contracts. A third factor is that the period of growth of these unions came along with political changes. The fourth factor and most probably the most important of all is the fact that there is no experience among workers in the establishment and operation of trade unions. Despite advice and encouragement given by the government, some time will be needed to gain that experience.46

Since September 1954, the Labor Section of the Liberation Rally has been the source of guidance for the unions. The headman of this organization is a retired army officer, Major Abdullah Toaema. This organization has opened labor clubs and trade union centers at the Revolutionary Command Council Headquarters in Cairo and Alexandria, where they instruct union leaders in the operation of trade unions and in the legislation that affects their union. They "expected to train 120 union

46Ibid., pp. 364-365.
officials monthly over a ten month period."

In spite of that, the unions are still weak. They have no economic power. The low wages affect the union dues and consequently weaken the unions' financial position. Another reason is the lack of leadership or lack of experience as was pointed out above. A third reason is the lack of job opportunities or the problem of oversupply of labor. Besides, unions are deprived of the right to strike after the first steps towards conciliation have been taken as specified by the law.

"Although there has been much labor agitation in the Cairo suburbs since World War II, most of the leaders, including communists who sought to align Egyptian workers with the World Federation of Trade Unions, were arrested in the period of martial law during the war with Israel (1948). Now it is doubtful if there is a single important communist-controlled union or communist labor group in Egypt."

Frederick H. Harbison and Ibrahim Abdelkader Ibrahim of the Department of Labor in Egypt, made a case study of Kafreldawar Company, one of the largest textile companies in Egypt. It employed about 10,000 persons in 1956 at the time of the study. The writer would like to use the case study to show the change that has taken place since the 1952 Revolution.

Before the Revolution, the union in that company was controlled and dominated by the company. The union leaders held

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47 Harris, p. 191.

48 Stauffer, p. 86.
27 positions in the management as employees, division heads, and assistant department chiefs; and the Secretary General of the company was for a long time the legal advisor of the union. The union's office was in the company administration building, and the company provided the facilities for the banking and safekeeping of its funds. Elections of officers were free, but according to testimony of the persons interviewed, the following procedure was common: (a) top management would indirectly encourage certain employees to offer their names as candidates for union officers; (b) the foremen were instructed, informally, to persuade workers to vote for these handpicked candidates; (c) if candidates unacceptable to the management were nominated, the company would persuade them to withdraw, and most would comply in expectation of some future favor. Workers elected the company candidates expecting leniency. The "demands" of the union were characteristically submitted as "suggestions" to the company. If the management acted favorably on them, they were put into effect on a unilateral basis by the company, as a gesture of benevolence. In short, before the Revolution, the company had complete control over the machinery of worker protest. Its authority to hire and fire, discipline, and direct the working force was unchallenged. For this reason, too, management was never concerned about labor problems.49

49 Harbison and Ibrahim, p. 120.
Labor legislation forbade the company or management to interfere in any way in union activities and affairs. These same laws provide for the union security law and the check-off dues upon the union’s request. Labor legislation has encouraged the formation of joint machinery to handle grievances and police the system of sanctions. Union officers must themselves be workers. This gave the workers a feeling of emancipation from the unilateral authority of the company.50

After the Revolution a big strike took place after workers had submitted a long list of demands that included wage increases, fringe benefits and improvement of working conditions. They asked for provisions for annual bonuses and regular periodical wage increases, for promotion of skilled mechanics, for rewards for the best workers in each division, and for a formation of grievances committees and a disciplinary joint committee. The government interfered in the dispute, and the workers got most of their demands. There was a change in the leadership of the union as well as in the policy of the company toward their workers. The company at last decided to train its managerial and supervisory personnel in human relations.51

50 Ibid. p. 120.
51 Ibid. pp. 121-123.
The union's "effective power, however, depends not so much on its own economic strength as upon the ability to influence the representatives of the Ministry of Labor and Social Affairs, which plays a strategic role in Industrial Relation."52

52Ibid. p. 122.
CHAPTER II

LABOR AND SOCIAL LEGISLATION

In this chapter the writer will attempt to give a brief historical background of labor and social legislation in Egypt and then will discuss the main areas covered by these legislations.

A. Historical Background.

Labor suffered a great deal under the feudal lords of the past centuries and the first half of the twentieth century. These feudal lords were the ones who owned most of the businesses and manufacturing concerns of the present century and who controlled the Government. They were indifferent to the long hours and to the poor working conditions in their firms. Their decisions concerning the interest of the working people were unilateral, for the workers' organizations were very weak or had little if any say in these matters.

Laws were passed under the pressure from within, representing social justice and the interested public, and the pressure

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53The laws that have been dealt with in this chapter have been translated by the writer. The laws were published in Arabic in Labor Laws in Arab States of the Institute of Arabic Higher Studies, Arab League, Cairo, Egypt, 1958.
from outside, representing the new trends of modern governments to care for their subjects by passing labor and social legislation, the purpose of which was to protect the interest of the worker and to raise his standard of living. The laws that were passed in Egypt remained on paper and were never enforced because the governments were composed of the very group that owned the manufacturing and industrial plants.

In 1909 a law was passed prohibiting the employment of children under nine years of age in cotton ginning, tobacco and textile factories and regulating the employment of persons under thirteen.54

When World War I ended, the Egyptian Revolution took place. That awakened some industrial workers who demanded the betterment of their conditions; some resorted to strikes. This resulted in the August 18, 1919, Government Decree that created a Conciliation Committee. A few unions were organized. That worried the government and resulted in a decree in 1921 prohibiting workers from paying dues to their unions, and thus weakening the union movement. Moreover, the Government took more forceful steps to break these unions. In 1923, it prohibited urging anyone to join the unions and also prohibited the unions from striking.55

54Charles Issawi, Egypt At Mid-Century (London, 1954) P. 175.

In 1932 the Government asked H. B. Butler of the International Labour Office to investigate the labor situation and to submit his suggestions for improving the labor conditions created as a result of the increasing industrialization of the country. Taking Mr. Butler's advice, the Government enacted Law No. 48 of 1933 prohibiting the employment of children under twelve years of age. Those who were "above nine years of age may, however, be employed in certain specific industries, provided hours of work, including schooling where supplied, do not exceed seven hours a day." Law No. 80, 1933, fixed the working hours for women.

In 1935 a Higher Advisory Labor Council was "formed from representatives of government, labor and management...It has been reorganized however, several times, the last of which was in December 1953...All draft labor laws must be studied and discussed by this Council before being submitted to Parliament. The Council has the power to make whatever changes in these drafts it deems necessary."  

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56 Issawi, p. 175.

57 Ibid. pp. 176-177.

In the same year, "1935, Law No. 147 fixed a nine-hour day--in mining and other dangerous or unhealthy industries." This law was for men since women and children were not allowed to work in these industries. The number of industries covered by this law reached sixty-five by 1950. Other laws were passed fixing the working hours in hospitals and commercial establishments.

In 1936 the employers' liability for accidents was introduced (Law No. 64) because of the high accident rates. This Law was amended by Law No. 86, 1942, that made insurance against accidents compulsory for all industrial firms with less than 100 employees. Those with more than 100 workers were assumed to have the means to pay for all costs of accidents. Dues for this insurance must not be deducted in any form from workers' wages.

Another important law, the 1942 Trade Union Act, was the first "legal instrument" that enabled the workers to organize and protect their interests and to bargain collectively with their employers. In 1948 a Bill of Conciliation and Arbitration was enacted which provided for compulsory arbitration of industrial disputes.

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59 Issawi, pp. 176-177.
60 Ibid. p. 176.
61 Handley, pp. 279-284.
The most important of all these laws was Law No. 317, as amended. This law replaced the 1944 Individual Contract Law and took its name. It covered many areas of industrial relations, which in the United States were left to collective bargaining, such as wages, discipline, holidays, safety, sickness, compensations, etc.

B. Areas Covered by Present Labor Legislation.

1. The Individual Contract—The Individual Contract Law No. 317 of 1952 applies to manual workers or wage earners as well as to other employees, their employers and the employers' agents and to the representatives of insurance agencies. This law is applicable in industrial, agricultural, and commercial concerns as well as to professions, workers in governmental works and to non-profit organizations. It does not apply to workers with temporary jobs, to the members of the worker's family, to establishments employing four workers or less where no machines are operated, to deep-sea workers, captains, officers, etc., (they have their Law of 1882), government, municipal and village council employees, and to home servants (maids, doormen, cooks, gardeners, etc.) for they have the Law of 1916 that applies to them. 62

62 Badawi, I, pp. 18-37.
Individual contracts of employment may not contain any article or section that is contrary to existing laws and government decrees, except when the contract is more beneficial to the worker. It must be in writing with two copies of it in Arabic: one copy to be given to each party (Law No. 317, Article 2, 1952).

There shall be a contract in writing between the employer and the labor contractor that states the type of work, the different labor groups, the period of work, and the place where these workers come from (Article 12). The same article prohibits the employer, his agents, or the labor contractor from charging the workers a fee in return for their employment or for keeping them on the job.

Article 13 requires the labor contractor to have a licence from the Minister of Social Affairs to be able to work.

(a) Parties' Obligations in the Contract.

The worker's obligation is to perform the job satisfactorily, to obey orders concerning his job, to take care of the tools and manufacturing machines put under his care, and to keep the secrets of the job even after he leaves his job.

The employer's obligation is to pay the wages and observe the terms of the contract honestly and truthfully. He must

63A labor contractor is the person who supplies employers with labor.
compensate the worker if he was obliged to break the contract. He can not transfer a worker from a monthly basis to a daily or weekly basis without the worker's consent (Article 18). Neither can he transfer the worker into another job that is not agreed to, except if an emergency arises, on a temporary basis (Article 19). Employers with fifty workers or more are required to post two charts in Arabic, one with the job organization and job classification and the other with a list of disciplinary action as approved by the Labor Department (Article 31).

Article 27 requires the employer to provide transportation for the workers in case the place of work is not reached by the usual means of transportation (15 kilometers or more from any city or village limits) and at his expense. He also must provide lodging and boarding facilities and serve food at one-third the cost, and the worker should not pay more than two piastres for one meal. As to the type of meals and the proportion of each, it is specified by a decree of the Ministry of Social Affairs and the Ministry of Public Health.

(b) Disciplinary Action.

Article 29 of this law regulates the application of sanctions. The employer is allowed to impose a sanction worth more than ten days' wages with or without work. He cannot apply more than five days per month. To prevent any abuse of disciplinary action there is a provision that prohibits the punishment of daily workers fifteen days after the discovery of the
act and after the lapse of thirty days for monthly workers.

If the worker was accused of committing a crime, or participated in an unauthorized strike or advocated it inside the plant, the employer has the right to fire him and report him to the district Labor office. If it is proved that he was falsely accused, he will be reinstated. If the employer or his representatives were in on the conspiracy, the worker must be reinstated and reimbursed for all the time lost to him (Article 30).

The employer is required to keep a record of sanctions imposed, names of the workers penalized, and their wages. The money from these sanctions—of Article 29—must be spent on the general welfare of the workers (Articles 33 and 34).

In case the worker was the cause of losing or damaging property, tools, or machines of the plant, Article 16 requires that the worker repair it, pay the cost of its repair, or replace it. This will be estimated either by conciliation or by resorting to courts. In the second case, the employer could deduct five days per month from the worker's wages; if the court's decision was for less than that, the employer must reimburse the worker for the difference.

(c) Working Hours and Rest Periods.

Labor Legislation in Egypt limited the working hours in dangerous industries (Decree No. 147, 1935) and in the commercial
places and medical centers (Law No. 73, 1946) to nine hours a day with a rest period of at least one hour or more, and workers must not work more than five consecutive hours. These workers are entitled to a twenty-four consecutive hours weekend, preferably Friday or Sunday, except in cases of severe emergency, to prevent an accident, taking inventory, etc. Even with this, overtime during the year should not exceed fifteen days, and not more than eleven hours a day with time and a quarter for overtime. Each employer must post the working hours in his place of work subject to the inspection of the Labor Department. 64

(d) Wages.

The term wages is used to mean the basic wage plus allowances for cost of living, family allowances (based upon the number of children) or any allowances considered as part of the compensation for the work done by the workers. If the bonus is part of the compensation then it is part of the wages and is considered as such (Article 4). Wages must be paid in legal tender (Article 5), and on a certain day of the work week (Article 7). If the worker quits, the employer has a week in which to pay him his wages, but if the job is done at the end of the contract, then he has to pay him then (Article 8).

64 Badawi, I, pp. 60-61.
(e) Minimum Wages.

Article 3, Law No. 99, 1950, regulates minimum wages. It states that minimum wages for workers eighteen years or older must be twelve and a half piastres a day or 312.5 piastres a month including the cost of living allowances.

Workers under eighteen will get half a piastre less per day or 12.5 piastres less per month for each year under eighteen, but it should not go below ten piastres a day or 250 piastres a month.

The same law requires that employers pay their employees and workers cost of living allowances as specified by the table attached to this law (Article 5).

The apprentice shall be paid regular wages equal to those doing the same job.

The employer cannot force the worker to buy the products or food from special places or the production of the company where he works (Article 6, Law 317, 1952).

The employer must not deduct more than ten per cent of the worker's wages to repay a loan made to the worker by the employer and must not charge him any interest (Article 10, Law No. 317, 1952). Article 11 of the same Law prohibits the deduction from the first 3,000 (Egyptian pound) per month or from the first 0.100 daily.

(f) Vacations and Holidays.

Articles 20 to 24 of Law No. 317, 1952 cover this area.
To every worker who served one year at one firm is given the right to two weeks' vacation with pay. If his period of service reached ten years, he is entitled to three weeks' vacation with pay. Management decides the time for the vacation. It is possible to divide the vacation and take parts of it at different times after taking the first six days. This does not apply to children under 17 years of age. The employer has the right to refuse to pay the worker for his vacation or deduct the equivalent from his pay if it was proved that he worked for someone else during the vacation.

The worker has the right to his vacation pay or part of it depending on the period spent.

Article 24 lists the seven holidays with pay or their substitutes for establishments with 100 workers or more. If the job requires that he stay on his job, the worker must be paid double pay.

(g) Medical Services and Sick Leaves.

The employer is responsible for the safety of his workers and must take the necessary precautions to protect them from sickness resulting from work or the dangers of the machines (Article 26, Law No. 317, 1952).

He must provide first-aid services to his workers. If the number of workers exceed 100, he must have a nurse and a doctor for medical care and pay for their medicine as well. If the
employer has more than 500 workers, he is to provide, free of charge, all specialists, operation facilities, and hospital services (Article 19, Law 89, 1950 of Industrial Accidents).

The worker must get three-fourths pay for the first ten days of his sick-leave, half pay for the next ten days, and quarter pay for the following ten days during the year (Article 25, Law No. 317, 1952). If a sickness preceded or followed a vacation period the worker has the right to the higher pay (Department of Labor, Labor Administration Pamphlet No. 2/5/2/5, January 29, 1953).

A series of decrees were issued at different times in 1950 and 1951 concerning compensation for industrial diseases and the rules to be followed regarding the protection of the worker and the precautionary measures to be taken against industrial diseases. They were combined under Article 10 of Law 117, 1950. Article 12 of the same law provides for periodic medical examination of the workers in dangerous jobs. These laws will be discussed more fully in the following pages.

(h) The End of the Contract.

In regard to duration, there are two types of contracts:

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65 In a Conciliation Decision the 500 workers should be in one city, published in Industrial Union Journal (Cairo, November 1954), p. 35.

66 Dr. Zaki Badawi, The Interpretation of Labor Legislation in Egypt, II (Cairo, 1957), pp. 100-110.
either for a specific period or for a period that is not definite. If the contract is of the first type (specific) and both parties continued to adhere to its provisions after the end of that period it is automatically renewed for a period that is not definite (Article 35, Law 317, 1952). The contract thus becomes of the second type. If the contract is of the second type, one of the two has the right to break it, provided he gives the other party a thirty-day notice in case of monthly-paid workers and a seven-day notice to all others. If this provision is not observed and the notice period has not been given, the other party is entitled to compensation for the remainder of the period of the contract (Article 36).

If the contract expires, the employer must pay the workers a severance pay as follows: monthly paid workers get one-half month's pay per year for the first five years and a month's pay for each following year, the total of which must not exceed a year and a half's pay.

Workers other than monthly workers get ten days' pay for the first five years and fifteen days' pay for each of the following years, the total not to exceed a year's wages (Article 37).

There are special cases which will end the services or break the contract without the employer's paying compensation.
These cases are:

(1) If there was a forgery in the submitted application, recommendations or certificates.

(2) If the worker has not completed his probationary period.

(3) If the worker committed a serious fault that resulted in great loss. This should be reported to the proper authorities in the following twenty-four hours.

(4) If the worker repeatedly did not follow the posted safety regulations, after a written warning to do so, and thus endangered other workers.

(5) If the worker was absent from his job for fifteen days during the year without an acceptable excuse or if he was absent for seven consecutive days for the same reason. Before firing him, the employer must send him a warning notice after ten days in the first case and three days in the second case.

(6) If the worker did not fulfill his part of the obligation as specified by the contract.

(7) If the worker divulged the secrets of the profession of his working place be it industrial or commercial.

(8) If the worker committed a crime, theft, or an immoral act.

(9) If the worker came to work drunk or doped.
If the worker attacked the manager or employer physically or was the cause of their attack (Article 40).

There are cases where the worker could leave his job with no warning and still be entitled to proper compensation (Articles 41 and 42).

These are:

1. Acts committed by the employer.
   a. If the employer deceived him during the writing of the contract and that was discovered later.
   b. If the employer did not fulfill his obligations as stated in the contract.
   c. and d. If the employer or his agent committed an aggressive or immoral act against the worker or any member of his family.
   e. If precautionary measures required by law were not taken to safeguard the safety of the worker.

2. If the worker was drafted and if the woman worker got married (Article 43). The drafted workers have the choice either to take the severance pay and quit as stipulated in Article 37 or return to his job after being released, a right given to him by Law 226, 1951.

If the business collapsed and it had to be liquidated, in that case and in that case only, the workers leave without compensation. But in case there was a transformation such as
merger, sale or inheritance, the workers should be kept on the job and the contract would still be valid and the employer's obligation should be fulfilled by the new party.

2. Labor Legislation and Unions.

The trade Union Act of 1942 was the most important of all labor laws, for it gave the workers the right to organize. In 1952, after the Revolution took place, Law No. 319 was enacted that encouraged the creation of labor unions that would serve their members socially as well as guard their interest (Article 2, Law 319, 1952). It nullified the 1942 Law (Article 36).

(a) Workers who have the Right to Organize.

Article One of this law defines the worker who has the right to organize as "any employee or worker who is performing a job in return for wages." His work might be mentally or manually performed in any branch or sector of the economy, be it industrial, commercial, agricultural or any service, be it general, specific or special, subject to the supervision of the employer who might be one person or an agent of a group of persons.

It does not apply to government, municipal or village council employees and workers, persons in the armed forces (Army, Navy, or Air Force) and employer's agents or representatives who represent the employers, that is, the people who belong to the management group.
(b) Requirements for Union Membership.

Workers who have the same or similar profession, craft, or work in an industry or are related to one another by profession, craft or industry or in the production of one item can form unions that would guard their interests and protect their rights and improve their material and social conditions (Article 2, Law 319, 1952).

No worker under fifteen years of age can join a union (Article 4). This is the age where the Child Labor Law of 1933 allows young persons to work in certain industries.

The number of the founders of the union must not be less than fifty in one establishment or 200 if a number of establishments is involved. This number could drop to a minimum of thirty members after being established (Article 3).

No worker is allowed to join more than one union (Article 4).

(c) Union Security.

Part of the workers of an establishment could be represented by a union as indicated above. If the union members compose sixty per cent or more of the establishment, the rest of the workers must be considered union members and must pay dues as do the other members (Article 5).

Article 7 prohibits the formation of more than one union in one establishment.
(d) Compulsory Check Off System.

Upon the union's request in writing, the employer must automatically deduct union dues from wages and must give the dues to the union's treasurer in the first half of each month.

(e) Steps that must be taken in the formation of the Union.

Necessary steps must be taken in the formation of the union according to Law No. 319, 1952. Fifteen days after its election, the board of directors, elected by the board of founders, must send the following to the District Labor Office:

(i) Two copies of its constitution signed by the Board of Directors.

(ii) Two copies of the minutes of the Board of Directors' election meeting.

(iii) Two lists with names, description, age, residence, and professions of the Board of Directors.

(iv) A list of the union members and the same information asked for in (iii).

(v) A statement signed by the Board of Directors stating that the union formation or organization was in accordance with the law (Article 13).

The union cannot perform its duties except after fulfilling the above requirements. The same applies in case there is a change in the constitution (Article 14).

A resume of the action taken must be published in one of the morning papers and in one of the evening papers in one of
the following seven days (Article 16).

In case there are objections, these objections must be taken into consideration and the objectionable parts must be corrected in the following fifteen days, or else the decision of rejection will be final (Article 15).

(f) Requirements After the Union Organization.

The union must inform the Department of Labor of new changes in the constitution (Article 14). The union's books, records, and minutes of the meetings should be available for inspection to the Ministry's inspectors in the union's headquarters (Article 19). Financial reports must be sent to the members every six months (Article 19), and yearly financial reports as approved by an auditor must be sent to the District Labor Office six months after the end of the fiscal year.

Seven days before the date of the meeting notice must be sent to the Director of the District Labor Office with place of union meetings (Article 21). The terms of contracts negotiated by the union must not violate the present Law.

(g) What the Unions Can Do.

The unions can contact and appeal to the government and public authorities to issue decrees and laws to protect the workers. This is deduced from Article Two which says that the unions function is to protect the workers' interests and to improve their social and economic living.
The union can contact the employers to give them the workers' complaints concerning treatment, wages and work with them to better working conditions.

The union can (according to Article 17) establish social services helpful to the union members. These take the form of cooperatives, social insurance organizations, sports clubs, and medical centers. Article 9, Section 3 requires each union to include in its constitution, all the activities to be performed. Section 12 of the same article stipulates that at least one-third of the union's income must be spent for social and health purposes.

(h) What the Union Cannot Do (Article 18).

The union cannot invest its money in business, commercial or industrial concerns except with the approval of the Minister of Social Affairs. It cannot enter the stock market, nor can it engage in political activities or religious problems. It is prohibited from accepting donations except with the approval of the Minister of Social Affairs.

To build or buy buildings in which to perform its activities is not permissible, except after a decision of the general membership.

The union cannot dismiss a union member except after putting him to trial in front of the Board of Directors. Their decision must be approved by two-thirds of the union members (Article 11). The worker can condemn the dismissal decision
and can complain to the court in his district in the following thirty days or else lose his membership in the union.

(1) Union-Management Relations.

Some phases of union-management relations have already been discussed, such as the union security and check off system. Other phases such as collective bargaining and conciliation and arbitration will be discussed in the following pages.

Article 23, Law No. 319, 1952 penalizes the employer or management if it fires a worker or penalizes him in any way to force him to join or leave the union, for his union activity, or force him to follow the union's rules and regulations as the case may be.

(j) Federations.

This area is covered by Articles 28 to 31. Federations just contain unions of the same craft, industry or profession or industries that produce the same products. Dues to these federations must not exceed ten per cent of dues collected by the unions from their members.

These federations can form one united federation to guide them and to unite their efforts in protecting their common interests. The local union with more than one thousand members can join the United Federation directly if there are no similar unions in the country forming a federation.

Law No. 319, 1952, applies to these federations and the United Federation regarding their formation and their dissolution.
regarding the servicing of their members and presenting and submitting records to the Labor Office.

(k) Suspension And Dissolution.

Voluntary dissolution would result if two-thirds or more of the members voluntarily decide to dissolve the union and liquidate its assets according to its constitution. They must notify the Labor Office in the following fifteen days (Article 24).

The Minister of Social Affairs has the authority to ask the court in the particular district to suspend the union if the union broke the rules specified in this law after a written warning to cease doing that and if the court considers the infraction of these laws a good reason to suspend the union.

Another reason that would lead to the union's suspension would be if the union committed a crime or an act that led to one of the crimes mentioned in the Crime Laws. This will include an act against the government, an act of segregation, striking in concerns producing strategic goods, or forcing the employer to accept a worker, or forcing a worker to join the union. The court's decision will be final. Infringement of these laws would lead to the severe penalty specified by the Law in Articles 33 and 34.

In the case of voluntary dissolution or suspension the union must hand its assets to the Minister of Social Affairs for the establishment of a new union or to be used for the good
and welfare of the workers (Article 26).

Representatives of the Department of Labor have power equal to the power of representatives of the courts and thus they have the right or power to examine records and statements that must be made available to them (Article 51).


It was not until July, 1950, that the Egyptian legislation took collective bargaining contracts into consideration. In the beginning, the legislation covered the area of the obligations of both parties and the relations between the workers and the employers, but it was so vague that there was some doubt as to its legality. There is no doubt that Law No. 97, 1950, dealing with the subject, clarified the situation and solved the conflict. 67

The above-mentioned law gave the union the right to represent the workers in collective bargaining. The employer negotiate with the local union or with the federation by himself, or on an industry-wide basis and could send the Chamber of Industries to represent him (Article 1).

The contract must be approved by the majority of the union members (Article 3). Employees recruited after the signing of the contract will approve it and the contract will apply to them, as both the employer and the new employees sign an appli-

67 Badawi, I, pp. 175-176.
cation submitted for the approval of the Ministry of Social Affairs (Article 6).

The contract will be valid even though the old union is replaced by another union (Article 7) and the contract will apply to non-union members if the union members compose more than half of the workers in the firm at the signing of the contract and if the new contract contains better terms, for the workers than those listed in the Individual Contract Law. The contract must identify the area or extent to which it will be applicable plant-wide, company-wide, industry-wide or region-wide.

(a) Period of the Contract.

The period of the contract must be specified or it must say that it will be in effect until the completion of a certain project; in either case it must not be more than three years, after which it can be renewed. The contract will definitely expire at the end of the period specified in the original contract or in the renewed contract by giving the other party and the Department of Labor a three month's notice, if the period of the original contract or the renewed period is six months or over. If that period is less than six months, then a fifteen days notice is required.

If the period is a year of longer and the circumstances of the original contract have changed, then either party has the right to end the contract (Article 11) providing they give the
proper notice as indicated previously.

(b) Protecting the Worker in Collective Bargaining.

The contract will not be valid unless it fulfills all the requirements and rules of the Individual Contract Law, unless the new contract is more beneficial to the workers (Article 8), and each article of the collective bargaining agreement that is less favorable than the Individual Contract Law will not be valid and the corresponding article in the Individual Contract Law will take its place (Article 9).

(c) Terms of the Contract and the Welfare of the Country.

Terms in the contract that are contradictory to the Law and harmful to the country's economic welfare are not valid.

(d) Contract Requirements (Articles 3 and 4).

(i) The contract must be in writing.

(ii) It must be approved by the majority of union members.

(iii) It must be registered with the Ministry of Social Affairs.

(iv) A notice of its registration must be put in the official newspaper with a summary of the terms of the contract.

(v) It must be approved by the Ministry of Social Affairs. In case of rejection, the Ministry must, within thirty days, notify the two parties to that effect and give the reasons for the rejection.
(vi) Conciliation or arbitration (Law 318, 1952) are the two means to which either of the two parties could resort in case the other party does not fulfill its obligations. 68

4. Conciliation and Arbitration

Conciliation and arbitration are covered by Law No. 318, 1952. Laws dealing with these two areas go back to 1919, as was mentioned above, when a Conciliation Committee was created. As the need was great for that service, several committees were formed in the different regions and were composed of judges, management people, businessmen and representatives of labor. The committees' decisions, then, were not binding.

Since 1930, the Department of Labor has been responsible for solving disputes. Because of circumstances created by the War, a Military Order No. 334 was issued in 1942, to recreate Conciliation Committees whose decisions are binding by the Law. After a study of the situation to try to eliminate the delay and faults of the then existing laws, the Government enacted Law 318, 1952. 69

This Law covers all disputes arising between employers and employees with the exception of the disputes between Government,

68 Ibid, p. 182.
69 Ibid, pp. 185-196.
municipalities and their workers and employees and the disputes between home or domestic servants and their employers.

(a) Conciliation.

Conciliation can be of two stages: the first stage would be for the local Labor Office to try to come to a peaceful solution if it was approached by one of the parties, though that is not one of its functions according to the Law of Conciliation and Arbitration.

The union president must sign the application for conciliation, and in case there is no union the majority of the division workers where the dispute took place, and who have to do with the dispute must also sign listing the name of their choices for representative in the conciliation sessions. These may not exceed three members. The employer or his agent must sign the application if the application is submitted on their part (Article 3). These representatives in the conciliation sessions cannot be lawyers, because the law prohibits lawyers from attending the conciliation sessions. That does not apply to arbitration cases (Article 18).

The Labor Office must try to reach a solution of the dispute within two weeks after receiving the application (Article 4). If the parties reach an agreement it must be registered in court and that will be binding as a court's decision. (Article 25).
If the Labor Office fails in its attempt within the specified time, it must write a detailed report of the efforts taken to solve the dispute and the reasons for the failure and will send it to the Head of the Conciliation Commission. A copy of that report is sent to the Labor Department (Article 6).

Conciliation Commissions are created in each region and district and are made up of the following:

a. Chairman of the Court of First Instance or one of its judges.
b. A representative of the Department of Labor.
c. The employer or his representative,
d. A representative from either the Chamber of Commerce or the Chamber of Industry. If one of these is not available, then the employer will choose a businessman who is not involved in the dispute.
e. A union representative from a union that is not involved in the dispute, to represent the workers in the conciliation sessions.

The place of meeting is mentioned with some of the rules to be adhered to (Article 7). The Commission must meet to solve the dispute within the following fifteen days (Article 8), and a decision must be reached thirty days after receiving the application. The decision of the Commission has the same power as a court's decision. If the Commission fails, the case will be transferred within the next three days to the Arbitration
Commission concerned, if both parties agree to that (Articles 9 and 10).

(b) The Arbitration Phase.

Each party must state its case in writing and send it with all the evidence within fifteen days from the day of the transfer to the Arbitration Commission (Article 10 as amended in 1957).

The Arbitration Commission is composed of the following:

a. Head of the Court of Appeal as Chairman.

b. Head of the Department of Labor or his representative from the top officials of the Department.

c. A representative of either the Ministry of Industry or Ministry of Commerce appointed by the Minister of the particular one.

Those who will attend the sessions but have no votes are the representatives of the Chamber of Commerce or the Chamber of Industry, a businessman who is not directly involved in the dispute, chosen by the employer, and a representation of a union not involved directly in the dispute and chosen by the workers or the union concerned (Article 11 as amended in 1957). The two parties will be present personally at the meetings, or the employer could send a representative.

The Commission listen to the witnesses, after the witnesses take the oath to tell the truth, and it may send representatives to have a look at the site of the dispute and examine the
documents, books, and reports that have some bearing on the case (Article 15). The Commission will take into consideration the laws and principles of justice suitable to the economic and social conditions prevailing in the district of the dispute.

Before giving its decisions, the Arbitration Commission will hear the views of both sides. The decision must include the reasons behind the decision and it must be issued by the Court of Appeal and must have a majority vote. The Chairman of the Commission then sends the decision to both parties (Article 16). The file of the case will be sent to the Labor Department for future reference (Article 16A).

Those who disregard the decision are subject to a financial penalty (Article 17). It is interesting to note the difference between penalty as imposed on the employer if he is the one who disregarded the decision and the penalty imposed on workers if they are the ones who disregarded it. The penalty for employer is a minimum of 10,00 and maximum 1,000,000 (Egyptian pounds) while the workers' penalty is minimum 1,000 and maximum 10,000.

The legislator must have taken into account the financial position of each party. If the Commission's decision is in favor of the workers, the employer will have to pay the traveling and dwelling expenses of the representatives of labor, the involved union's representatives, and the union's representatives that were not involved (Article 20).
(c) Strikes.

The Law of Conciliation and Arbitration prohibits strikes—complete strikes or work stoppages of any kind—after the first step toward conciliation is taken. The Law prohibits lockouts or work stoppages for any reason on the part of the employer. For any stoppages, the employer has to obtain the permission of the Minister of Social Affairs, who will give a decision within thirty days (Article 21). To break the provisions of Article 21 would result in a minimum imprisonment of three months and a maximum imprisonment of a year for this particular infringement of the law (Article 22).

It is permissible for the workers to strike if there is a just cause, if the strike does not harm the general welfare of the Country and if no steps toward conciliation and arbitration have been taken. It appears that workers in public services and government workers cannot strike, nor can workers in strategic industries, for the above mentioned conditions will not be satisfied.

5. Education of the Workers.70

The education of the workers comes under Law No. 110, 1944. This law is part of a general program of the government in the fight against illiteracy. It applies to all male workers who

70 Badawi, II, pp. 166-174.
are under forty-five years of age and to women workers if the circumstances allow. It obligates all industrial and commercial concerns and land owners with more than 200 feddans (1 feddan is about 1-1/4 acres) to provide free education for their illiterate workers. The concerns and workers are subject to penalty if they do not obey the law.

Education is used to mean teaching the workers to read and write and the basic principles of arithmetic, balances, measures and monetary units used in Egypt, for a nine months period.

The government is also applying its programs in prisons, in the army and for workers in government public works.

Examinations must be held, and those who fail have to repeat classes for another year. Those who refuse to go to these additional classes are subject to fines or imprisonment.

6. Industrial Accidents.

Law 89, 1950, concerning compensation for industrial accidents lists the type of workers to which this law applies. They are production or industrial workers, mine workers and workers in the extractive industries, ship builders, electrical workers, archeological workers, workers in the building trades, communication workers and agricultural workers that use machines.

The Law states that each worker has the right to be compensated for injury on the job.
(a) Cases whereby the Employer does not have to pay compensation.

The employer has the right not to compensate the worker in the following conditions:

(i) If the injury does not affect the productivity of the worker or does not keep him off his job in the first three days after the injury.

(ii) If the worker injures himself intentionally.

(iii) If the worker is injured as a result of misbehavior.

(b) Compensation.

A report of the injury and the compensation must be sent to the Department of Labor. The employer must provide immediate first aid when needed. If the injury is serious enough to keep the worker from his job, the employer must pay due compensation equal to the worker's wages for the first ninety days and half pay after that, on condition that it should not be less than ten piastres a day.

In case of death these amounts must not be deducted from compensation for death, which must be equal to 1,000 days' wages, using the worker's last wages as the base, and the employer is charged with the funeral costs. The funeral costs are specified by the law.

If the injury results in a permanent disability, then compensation should equal 1,200 days' pay. Compensation for
partial disability is a part of the above mentioned pay and is specified by the Law.\textsuperscript{71}

(c) Compulsory Accident Insurance.

Law 86 regarding compulsory accident insurance was passed in 1942. It is applicable to industrial workers only, whether these workers work in the plant originally or have been supplied by the labor contractor if the contractor himself did not provide insurance for them (Articles 1 and 2).

The purpose of this law, of course, is to help the employer meet his obligations in compensating his workers. The employer must not deduct any part of the workers' wages directly or indirectly for compensation or for paying insurance fees (Articles 3 and 17).

The employer is subject to monetary sanctions if he does not fulfill his obligations. The worker is well protected even in cases where the employer fails to pay the insurance fees. The insurance company must pay the worker the compensation even if his employer is thirty days late in paying the insurance fees. The insurance companies are required to send a report on all accidents, compensations paid, and what is to be paid, to the Department of Labor every three months to check and see if the compensations meet Law 89, 1950.\textsuperscript{72}

\textsuperscript{71}Ibid, pp. 116-125.

\textsuperscript{72}Ibid, pp. 125-153.
7. Compensation of Industrial Diseases.

A list of industrial diseases was attached to Law 117, 1950, with the workers' compensation to be paid to those afflicted with them. If death results, Law 89, 1950, regarding compensation for the industrial accidents applies. But if the employer has taken the necessary precautions required by law and has posted the safety instructions regarding these diseases, Article 10, he will not be liable. It will then be considered the worker's fault, for it is assumed that he has disregarded posted instructions or the instructions given to him by his superior. However, if the disease resulted in permanent disability that is more than twenty-five per cent of his total ability or death, then the employer is required to pay the compensation just the same (Article 2).

These amounts of compensation due to the striken worker or to his family, as the case may be, must not be seized; only one fourth of it could go to pay family debts. The rest will be to take care of the family (Article 5).

The employer will remain liable for the worker's safety a year after he leaves, should the symptoms of an industrial disease appear on the worker, whether the worker is employed on a different job that did not create this disease or whether he is unemployed (Article 6).

If the worker has worked for more than one employer in the same type of job during the year before the symptoms
appeared, all of the employers are liable to the worker or his survivors in case of death and must compensate him collectively in proportion to the period spent at each place, unless one of them proves that the disease did not result from working for him (Article 7).

That is why the employer must carry the insurance required by Law 86, 1942, of the Compulsory Insurance for Industrial Accidents (Article 9). Article 12 requires that the employer give a periodic medical examination. The physician must report the case of disease or death to the health authorities or the Labor Department immediately.

The struck worker must report his case to the employer within a week with the doctor's certificate that identifies the disease. In case of dispute, a group of three specialists must examine the worker and decide (Article 13). Article 14 requires from the employer that he take care of the worker medically according to Law 89, 1950 and must give him the financial assistance specified in Article 27 of Law 89, 1950.

8. Social Insurance and Savings.

Egyptian legislation kept aloof from social insurance to workers until Law 64, 1936, regarding accidents was enacted. In that year a committee was created in the Ministry of Commerce and Industry to study social insurance or social security to cover blindness, old age, and death. In 1938 the Department of Labor submitted a report to improve the conditions of labor
and make savings compulsory in the contracts of large companies, but that was not put into effect.

The Egyptian Legislation tried to help the worker by means other than social insurance. An example of that is the Individual Contract Law No. 317, 1952, that obligates the employer to pay and provide medical services free of charge even for sickness resulting from factors outside the plant. Other decrees require that employers must help their workers socially by granting them special family allowances according to the number of their children, and that is combined with cost of living allowances.73

9. Social Security.74

It was not until June, 1950, that Egypt passed its Social Security Law, No. 116. It is non-contributory and covers all segments of the population. It covered the widows with dependent children, permanently incapacitated workers and men and women over 65 years of age. Those who live in rural areas get about three-fourths the amount paid to those living in the urban areas.

Earnings from jobs or property will be deducted from the pension but not earnings from family and voluntary contributions.

73Ibid, pp. 156-159.

74Hedley V. Cooke, Challenge and Response In the Middle East (New York, 1952), p. 76.
The number of beneficiaries was estimated at half a million persons and one million dependents when it was passed. These pensions will somewhat better the impoverished condition of those receiving them.

"The law sets up a decentralized and simple system of administration."75

10. Law No. 419, 1955 Regarding the Establishment of Insurance and Savings Accounts.

This Law applied to all establishments that come under the Individual Contract Law of 1952 except agricultural concerns, temporary businesses, seasonal businesses, and those with less than fifty workers, but these were to be included gradually in the five years following the establishment of the Organization (Articles 1 and 2).

(a) Organization.

The Organization of Insurance and Savings will be considered as a legal entity bearing that name and is represented by its Director General and it has the right to cover directly all types of social insurances (Article 3).

This organization has a Board of Directors, a Preparatory Committee and an Investment Committee, and it is run like a business. Members of these groups are chosen either by the

75 Issawi, p. 76.
Cabinet of Ministers or by the Ministry of Social Affairs and it has to follow a high standard of ethical practice. The Director General, appointed by the Board, is in the same position as the president in a business organization who works closely with the Preparatory and Investment Committees.

(b) Accounting and Financial Position.

The financial position of the Organization of Insurance will be examined by an actuarial expert every three years, and the books will be examined annually by two certified public accountants (Article 17 and 18).

With the approval of the Ministry of Finance and Economy, the Organization could get a loan with the government's guarantee, to meet the expenses of its establishment and under the conditions of the agreement. The Organization must take the steps necessary to repay the loan from its income.

(c) Subscriptions--How they are collected and paid.

Subscriptions paid in part by the employer are in part deducted from the workers' wages during the Gregorian year, are calculated on the basis of the general wages of the individual worker paid during the month of January of each year. If he is hired after January, subscription would be based on the general wages for that month until the following January when they will be treated as are the rest of the workers' subscription.
By general wages is meant the total of basic wage, added to it are the cost of living allowances, and bonuses computed on the monthly average of the past year. The daily workers' general wages will be computed on the twenty-five-day monthly basis (Article 20).

The employer must pay these subscriptions from the workers' wages and his part in the first fifteen days of the following month. If he is late, he will be subject to six per cent per year compound interest for the past fifteen days plus the additional days (Article 21).

Joining the insurance division of the organization is obligatory to all employers and so is joining the savings division with certain exceptions which will be discussed later. The employers are required by the law to keep records of all subscriptions.

(d) The Insurance Division.

The Insurance Division's income comes from subscription equal to two per cent of workers' general wages paid by the employer, returns on investments, and contributions and donations that the Board of Directors decide are acceptable (Article 24).

Compensation will be paid by the Insurance Division to his beneficiaries if the worker dies before the age of 65, and in case the worker is laid off because of permanent disability before the age of sixty. This does not apply to industrial
accidents or industrial disease or death resulting from them that are covered by Law 89, 1950, and Law 117, 1950. Nor does it apply to those who die or are incapacitated as a result of war.

The amount of compensation will depend on the worker's wages, and age according to a table set up for that purpose. Half of the compensation will be paid immediately and the other half will be given after the inheritance tax has been deducted.

(e) Savings Division.

Income of the Savings Division comes from annual subscription equal to five per cent of the worker's wages and an equal amount paid by the employer, returns on investment and contributions and donations approved by the Board of Directors.

Upon leaving his job the worker gets what was deducted from his wages, what the employer contributed plus interest; not less than two per cent compounded annually. This is paid if the worker is entitled to the severance pay according to the Individual Contract Law No. 317 of 1952 (Articles 29 and 30). He is not entitled to what the employer contributed if he has been fired legally for the reasons stated in Article 40 of the Individual Contract Law 317, 1952; or if he resigns before the end of two years of service. He gets one-third of it if he leaves before the end of five years and he gets two-thirds of it if he leaves before the end of ten years and the complete amount if he resigns after the end of ten years. When he leaves before
the end of ten years of service and gets one-third or two-thirds as the case may be, the rest of what the employer contributed would belong to the Savings Division of the Organization (Article 31).

Other cases where the whole amount is paid to the worker or his beneficiaries according to Article 46 of Law No. 317, 1952 are the following (Article 32):

1. Death or if the worker is completely incapacitated.
2. Retirement from work, after the worker has passed sixty years of age.
3. Breaking the contract legally for the purpose of military service according to the worker's request.
4. If the woman worker resigns six months before the expiration of the contract to get married.
5. Emigration.
6. Leaving the job to go into business for himself.
7. In case of no beneficiaries, the whole amount will stay in the Organization.

If the employee was fired or if he broke the contract or for reasons not mentioned above, he will not get his savings unless he remains unemployed for six consecutive months, but he has the right to get twenty-five per cent of what is due to him on account at any time. If he gets a job before the end of six months and would like to return what he has withdrawn, he can do so.
These amounts paid by the employer to the Savings Division of the Organization takes the place of the severance pay required by Article 37 of Law 317, 1952. If the severance pay is greater than the amount due to him by this law, the worker is entitled to the difference, which will be paid by the Savings Division. In other words, he gets whichever is greater.

In case of delay in paying his part of the subscription, the employer is charged with six per cent interest compounded annually, the same as the penalty described in the Life Insurance Division.

(f) General and Transitionary Laws.

Employers and employees who were following laws that existed before December 7, 1955, in the forms of savings accounts and group insurance plans are exempted from joining this Organization and must follow the following conditions:

i. In regard to savings accounts

(A) Whatever he contributes to these accounts should equal the severance pay required by the law.

(B) The employer's contribution to these accounts must not be less than 5 and 1/4 per cent of the worker's general wages. The employees contribute 5 per cent of his wages to the account.

(C) The employer pays 2 and 1/2 per cent interest compounded annually for the first five years after the law was put in effect. The Minister of Finance and
Economy will decide upon the percentage that will be used after that.

(D). The workers get at least the same advantages as the ones given by the law.

11. In regard to collective contracts and special wage systems whose existence in these firms exempt them from joining the Organization for Savings and Insurance.

The employer in this case pays 7 and 1/2 per cent to this joint account while the worker pays only 5 per cent, and the employer grants his employees the same advantages prevailing in joining the organization. There are other administrative and supervisory provisions to be adhered to.

Income that the Organization with both divisions has and gets is not subject to taxes or official stamps used on legal papers. The same applies to benefits and savings that the worker collects and only one-fourth is subject to seizure for paying a debt.

The employer must pay an additional fee to the Organization equal to 1/1000 of the total general wages, which will be used with the returns on its investment as security to cover losses that the Organization may face.

The employer must allow the employees of the Organization to enter his place of work during working hours for investigations and supervision and for looking at the records that have to do with the execution of the law. These persons have the
power that court investigators have.

Penalties and monetary sanctions are specified and applied in Articles 41 to 44.

The amount of life insurance paid by the Insurance Division was amended by Law No. 597, 1955; for workers up to twenty years of age, the rate will be 250 per cent of their yearly income. With the addition of each year, a drop of five per cent will result, until the age of sixty-five. The compensation then will be twenty-five per cent.


Law 80, 1933, fixed the working hours for women at nine hours a day in commerce and industry. Only in cases of emergency or where some hours have been lost is it permissible to work extra hours, under the following conditions:

a. That the working period will not exceed eleven hours a day.

b. That the extra working days must not exceed thirty a year.

c. That the Labor Office must be notified on the day the work is resumed, telling the reason for lost time and for work stoppage, its date, the total hours lost, the date of the report and the new temporary adjusted hours of work (Article 3).

One rest period of one hour or more must be given to women workers. They must not work more than five consecutive hours,
and they must get a week-end of twenty-four consecutive hours (Articles 4 and 9).

Women are not permitted to take night jobs with the exception of hotel, restaurant, cafes and night club workers; those who work in seasonal industries that are specified by the Ministry of Social Affairs after taking the advice of the Labor Office; and those who work in commercial places in Port Said where the shops remain open for the ships when the debark (Article 5).

The law prohibits women from being employed in the dangerous and unhealthy jobs in industries listed in Article 10. Article 11 prohibits employing them in jobs where they have to carry, push or pull heavy loads specified in a table set up by the Minister of Interior after taking the advice of the Health Department.

The pregnant woman has the right to stop working a month before giving birth if she wishes to do so. She must not work in the fifteen days following the birth day, and she will get half pay for those days. She has the right to take the following fifteen days with no pay (Articles 12 and 13). After the two months' period she has the right to her job. The law forbids the employer from firing her after that period. To take the third month off she is obliged to get a doctor's certificate saying that as a result of childbirth she is unable to return to work (Article 14). To have all these rights she should have completed seven consecutive months on the job before
her pregnancy (Article 15).

During the eighteen months after birth, she must be given two extra rest periods more than half an hour each to feed her baby. This time is part of the working time; i.e., she will be paid for it (Article 17).

Employers who have pregnant women workers must post the working hours and rest periods and must keep a file with their names, absence periods, and dates of birth.


Law No. 48, 1933 of Child Labor nullified the previous Law No. 14, 1909 (Article 20). The new law is applicable to child labor, male or female, in industry and does not apply to workers in agriculture and domestic industries where the employer is the father, mother, grandfather, brother, or uncle (Article 2).

The law prohibits the employment of children under nine years of age. Workers between nine and twelve may be employed in certain specified industries. Their working hours must not exceed seven hours per day, and if they go to school, the time for both work and school must not exceed seven hours (Articles 3 and 4). Those who are twelve to fifteen years of age must not work over nine working hours, must not get extra time and must not be given any work at night (Articles 5 and 7).

Juveniles under fifteen must be given a rest period or more and a lunch period equal to one hour or more. These rest periods must be spaced so that children do not work more than
five consecutive hours. They must also be given a weekend of twenty-four consecutive hours or more (Articles 6 and 8).

There is a list of jobs in unhealthy and dangerous industries from which workers under seventeen are excluded, and another list for workers under fifteen (Articles 9 and 10). Article 12 prohibits the employment of children under fifteen in jobs where there is carrying, pushing or pulling heavy loads that exceed the table drawn up by the Ministry of Interior, after taking the advice of the Health Department.

To check the ages of juveniles, Article 13 demands that each worker under seventeen has to carry a work permit that identifies him, states his age and bears his photograph. Each employer who employs juveniles must post a copy of this law, must have a file with the names of these workers, their ages and the date of their employment. The employer must, as well, post the working hours and the rest periods (Article 14).


Law No. 244 of 1953 applies to industrial employees listed in Article one of Law No. 89, 1950, and commercial employees mentioned in Article one of Law No. 72, 1942. It applies as well to the unemployed who previously had jobs or industrial or commercial positions and those whose education or training entitled them to such jobs (Article 1).

This law will not apply to jobs paying 50,000 (Egyptian
pounds) a month or more, or to temporary jobs that could be completed in two weeks (Article 2).

Each unemployed person should register and file a request for employment in the Employment Office of the Ministry of Social Affairs located in his district (Article 3). The Government will pay the moving expenses for the workers and their families in case a job is found for the worker in a location different from where he was living (Article 4).

It is not permissible to employ an unemployed person if he is not registered as such with the Employment Office or with private employment agencies (Article 5).

The employer must report vacancies to the Employment Office with all the information about them within seven days after the vacancies have been created. If he employs those who were registered he has to report their employment to the Employment Office (Article 6).

The employer is required to send annual reports in January and June:

a. A detailed report of the number of his employees, their types of jobs and professions.

b. Vacancies created, and the ones that have been filled, and the reasons why ones still unoccupied are so, with the wages for each.

c. A report on working conditions and job opportunities and any expected increase or decrease in jobs in his place (Article 7).
Employers are prohibited from taking fees for giving employment. The Employment Office employees have the power of court investigators and can inspect and see that the law is being enforced.

14. New Legislation.76

As this thesis was under way, a new law "on the organization of work in the mines and quarries of the Egyptian Region" was passed in June, 1958. The new law reduced the probation period for workers to three months, forbids the employment of women and juveniles under 17 years of age in mines, regulates medical attention for all workers, fixes each shift at eight hours, including a break of at least half an hour per shift, provides time and a half for overtime during the day and double time for overtime after sunset, and provides for a day off a week at half-pay. "The law further contains provisions on safety precautions and equipment and calls on employers to furnish three meals daily to workers in special canteens. Imprisonment for periods of one week to one month is specified for employers who violate any provisions of the law."

CHAPTER IV

CONCLUSIONS

Anyone studying the labor legislation of Egypt can see that it regulates almost all phases of industrial relations. It is a protective type of legislation that brings with it control by the Government. The writer considers these laws the only way to preserve the trade union movement that is so weak in comparison to the economic power of the large establishments. They are needed, at present, to give time for these unions to mature and be more independent. It is a healthy way, for it hurts no one. This control might slow down the maturity; but when the unions mature, the union movement will be a healthy one.

This is not to say that these pieces of legislation are perfect. They are not, and they could be improved. In the opinion of the writer, there are a few unfair articles. For example, Article 30 of Law No. 317, 1952, says that if the worker is accused of committing a crime, or has participated in an unauthorized strike or advocated it inside the plant, the employer has the right to fire him and report him to the district Labor Office. If it has been proved that he was falsely accused, he will be reinstated, and if the employer or his representatives
were in on the conspiracy, the worker must be reinstated and reimbursed for all time lost to him. It is not fair, in my opinion, that the worker will not be compensated in the first case too. Why should he suffer for something or act that he did not commit?

Article 16 of the same law says that in case the worker was the cause of losing or damaging property, tools, or machines of the plant, the worker should repair them, pay the cost of their repair or replace them. This cost would be estimated either by conciliation or by resorting to courts. In the second case, the employer could deduct five days per month from the worker's wages; if the court's decision is for less than that, the employer should reimburse the worker for the difference. The writer thinks that this article should be changed. It is not fair to deduct that much from the worker's wages on the assumption that it is the worker's fault. Even if it is the worker's fault, the following should be taken into consideration: the worker's ability, whether the act was done with premeditation and with the intent of destruction or whether was it just a slip or was due to lack of training. In any case the employer should bear the total cost until the worker has been proved guilty, because the employer is in a better financial condition.

Some of these laws could not be enforced. A good example of that is the minimum wage law. In many cases it proved economically not feasible. In a few cases establishments could
not afford to pay it. But as their economic condition gets better they will have to abide by the law.

In spite of the new laws the unions in Egypt are very weak. They are not successful in carrying out their functions. This failure and weakness is attributed to the following reasons:

First, the union movement in Egypt is a new one. It is not yet fully developed and it lacks experience. Like any new movement, it encountered obstacles and resistance from employers and government in the first period of its birth.

Second, since most workers in Egypt are employed in small establishments scattered all over the country there is not the same need for unionization that exists in large manufacturing concerns. Egypt is still in a period of transition toward industrialization.

Third, illiteracy—a dominant characteristic of the workers in Egypt—makes them less responsive to and less understanding of the significance of the trade union movement.

Fourth, poverty is another problem that characterizes the working classes in Egypt. Their wages are so slow that the union dues are extremely low and that is one of the main reasons for the weakness of the labor unions. Lack of funds limits their activities and reduces the effectiveness of their protection of labor interest.77

In looking at the period after the World War II and especially the part after the 1952 Revolution we see a measurable advancement in every phase of working life. Though very poor wages are getting better. Hours of work, though considered long by western standards, are getting shorter; and working conditions are improving too. There is considerable improvement in the worker's welfare. I think that has been due to government intervention, needed to prevent any serious consequences if these economic realities were ignored.

There are definite tendencies towards the greater industrialization of the country noticeable in the increase of production and the expansion of industry.

"On the whole, the trade unions, which have had the guidance of the government in their initial stages, may be regarded as having emerged from this stage generally with success and as being ready to play a more important role in industrial relations, and the economic structure. The governments while still giving encouragement, may deem it opportune to give them, in due course, greater freedom in managing their own affairs."78

In the field of collaboration, there is a definite tendency on the part of the government to consult organizations representing the employers and the workers. The tripartite group has laid the foundation for an enduring system of industrial relations. 79

We can conclude that workers in large establishments are better off than those in smaller establishments, and that as the smaller establishments grow, perhaps workers' conditions will be better and they will get more benefits.

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79 Ibid. p. 538.
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