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# Unpaid bonuses: Mahalla (Egypt) Textile Worker's Strike

Wednesday 28 October 2015, by Mada Masr (Date first published: 25 October 2015).

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## \_Kafr al-Dawwar joins Mahalla textile workers on 5<sup>th</sup> day of strike

Several thousands of workers at two of Egypt's largest textile companies — the Kafr al-Dawwar Textile Company and the Misr Spinning and Weaving Company in Mahalla al-Kubra — are on strike over unpaid bonuses promised by President Abdel Fattah al-Sisi.

Sisi decreed last month that the 10 percent bonuses would be paid retroactively from July to all employees in the public works sector.

Thousands of workers at the Misr Spinning and Weaving Company, located in the Nile Delta Governorate of Gharbiya, have been on strike for the past six Thousands of other workers joined them on Sunday, launching an open-ended strike at the Kafr al-Dawwar Textile Company.

In response to the strike in Mahalla, administrators suspended three workers without pay, accusing them of "instigating strike action" and "obstructing production."

Administrators have accused striking workers of incurring millions of pounds worth of losses for the company, which is already in debt to the tune of nearly LE2 billion.

Kamal al-Fayoumy, a worker leader at the company — who was sacked several months ago on charges of instigating strikes — told Mada Masr: "On Thursday, three workers were suspended after administrators accused them of leading work stoppages. However, they have not been officially dismissed from work." He added that there has been talk of reinstating them.

Despite such punitive measures, an estimated 14,000 workers (from a total of over 17,000) at the company are continuing with their strike, with an escalation on Saturday, when they moved from a partial strike to a comprehensive strike.

According to Fayoumy, all the factories and production lines at the Misr Spinning and Weaving Company have come to a standstill, with the exception of the administration, security personnel, and local utilities employees.

Mahalla's striking workers have also been demanding their monthly allocations of LE90 for food, which company administrators have pledged since May.

Fayoumy reported that the administrators of the Misr Spinning and Weaving Company are claiming

that the Holding Company for Textile Industries, which manages 32 state-owned textile mills, are the ones responsible for providing the 10 percent bonus. But the Holding Company is claiming it is the Finance Ministry that is responsible.

"All these state officials and administrators are washing their hands of responsibility for the payment of the bonus decreed by President Sisi," Fayoumy said.

Thousands of workers at the Kafr al-Dawwar Textile Company (located in the Nile Delta Governorate of Beheira) launched a strike, along with factory-occupations and a sit-in on Sunday, demanding the payment of their overdue 10 percent bonuses.

Citing workers at the company, the state-owned Middle East News Agency reported that the strike would continue indefinitely until administrators pay up [1].

Quoting local union committee president, Shaaban al-Baghdady, MENA reported that the non-payment of this officially-decreed bonus is likely to contribute to widening income disparities and "inequality amongst the ranks of public sector workers."

The state-controlled Egyptian Trade Union Federation (ETUF) has reportedly been negotiating with 20 local union committees to encourage them to end the strike.

On Thursday, the privately-owned Youm7 news portal reported that ETUF chiefs had reached an agreement with the unions to halt the strikes [2].

The ETUF executive council's leadership expired in 2011, and since then the Ministry of Manpower has been handpicking and appointing the ETUF's board. In May this year, Sisi issued a decree which further extends the terms of these unelected officials by another year [3].

The ETUF website [4] made no mention of the strikes over the non-payment of the 10 percent bonuses, instead it dedicated several of its pages to congratulating ETUF President Gebali al-Maraghi [5], and two other leaders of the federation, for winning seats in this year's parliamentary elections. Maraghy and the two other ETUF leaders were running under the pro-Sisi For the Love of Egypt list.

## Mada Masr

\* http://www.madamasr.com/news/kafr-al-dawwar-joins-mahalla-textile-workers-5th-day-strike

## Workers strike over unpaid bonuses at Egypt's largest textile company

Thursday, October 22, 2015

Several thousand workers at the Misr Spinning and Weaving Company in Mahalla al-Kubra commenced a partial strike on Wednesday over unpaid bonuses promised by President Abdel Fattah al-Sisi.

Workers at the state-owned company are warning they will escalate to a full strike in the next few days if their demands are not met.

With some 20,000 workers, Misr Spinning and Weaving is Egypt's largest textile factory, and one of the largest in the Middle East.

Work stalled on Wednesday after a breakdown in negotiations between company administrators and worker delegations.

According to a presidential decree issued in September, all employees in the public sector should be paid a monthly 10 percent bonus retroactively from July. A majority of the workers reportedly refused to collect their paychecks in the last three days because they didn't include the promised bonus, Tamer Fayez, a worker at the company, told Mada Masr.

Fayez explained that workers at the company had issued administrators a 48-hour ultimatum to pay the overdue bonuses, threatening a company-wide work stoppage.

Administrators informed worker delegates that the company didn't have the money, as they had not received the additional bonus payments from the Holding Company for Textile Industries (which oversees the Misr Spinning and Weaving Company, along with 31 other state-owned textile mills), according to Fayez.

Company board members couldn't be reached for questions regarding the non-payments.

Fayez added that workers also hadn't received their additional LE90 a month in food allowances, which were promised by administrators in May.

"Other than the unpaid 10 percent bonuses, workers are calling for the operation of the Misr Spinning and Weaving Company in its full capacity, the reoperation of stalled production lines, the accountability of administrators for incurring losses, the reinstatement of punitively sacked workers and other demands," added Kamal al-Fayoumy, a worker leader and independent union organizer who was punitively sacked almost a year ago for leading strikes at the company.

However, company administrators blame the recurring labor strikes themselves, which began in December 2006, for negatively affecting production levels and thus causing revenue losses of several million pounds.

In an interview with the privately owned Youm7 news portal, senior manager Ibrahim Bedeir said the company has plans to shrink its losses by LE200 million per year, adding that losses in 2014 amounted to LE640 million.

Fayoumy is doubtful. "The company will continue to be mismanaged and will continue to hemorrhage hundreds of millions of pounds annually, "he argued," unless administrators are genuinely held accountable for such losses."

The company's labor union — which has been serving as a care-taker union since 2007 — "remains silent and is not taking any concrete action to resolve our grievances or to realize our rights," Fayoumy added.

According to Fayez, the local union committee has "only taken token measures with regard to the violations of our rights and the non-payment of our bonuses," such as posting copies of the strikers' statement — which they had sent to the Ministry of Investment and to the Holding Company for Textile Industries — in the factories.

Fayez said this written appeal is the only action the union has endorsed.

## Mada Masr

\* Thursday, October 22, 2015 - 09:50:

 $\underline{http://www.madamasr.com/news/politics/workers-strike-over-unpaid-bonuses-egypts-largest-textile-company}$ 

## P.S.

- \* Other papers about this issue:
- Egypt's Mahalla textile workers say will continue strike on Saturday (30 October), by Al-Ahram <a href="http://www.europe-solidaire.org/spip.php?article36207">http://www.europe-solidaire.org/spip.php?article36207</a>
- Egypte : solidarité avec les grévistes du textile (29 octobre), par Union syndicale Solidaires <a href="http://www.europe-solidaire.org/spip.php?article36199">http://www.europe-solidaire.org/spip.php?article36199</a>

## **Footnotes**

- [1] http://www.egynews.net/00000-0000-0000-0000-0000-0000/
- [2] http://www.youm7.com/story/2015/10/22/\\dagge -\dagge \dagge \dagge \dagge \dagge -\dagge \dagge \dagge
- $\begin{tabular}{ll} [3] $http://www.madamasr.com/news/sisi-allows-unelected-board-members-state-run-trade-union-stay-another-year \\ \end{tabular}$
- [4] http://etufegypt.com
- [5] http://etufegypt.com/archives/26218