

# CHARACTERISTICS AND STRUCTURE OF THE UNION MOVEMENT IN LEBANON

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# INTRODUCTION

The period preceding the onset of the civil war in Lebanon in 1975 saw the publication of numerous studies and dissertations on the evolution of the working class and the Lebanese union movement. Available literature reflects to a great extent the stark deterioration of the socio-economic conditions of the working class during the pre-war period, coupled subsequently with the growing protest and militant role of the trade unions in the same period, which showed a certain extent of independence vis-à-vis the government and the main political ruling elite.

During the 1950s and 1960s, the labour movement in Lebanon became increasingly mobilized, demanding the amendments of Article 50 of the 1946 labour code – which gives the employer the right to dismiss workers for any reason and with short notice – as well as the establishment mechanism for wage increase, the establishment of a social security fund, paid holidays, the reduction of working hours, and the right of workers to establish labour unions without government intervention. In the early 1970s, Lebanon witnessed a wave of strikes from workers, teachers and students as a result of the increasingly acute social crisis. In 1970, more than 250,000 workers went on strike demanding the activation of the medical coverage of social security. In 1972, 16,000 public school teachers organised a national strike demanding a wage increase, the right for trade union organisation, and retirement after 25 years of service. Even students organised demonstrations counting more than 25,000 in some cases in Beirut and other cities. A series of protests was organised by industrial workers as well. Demands of industrial workers included legislation for working hours, minimum wage, equal pay for men and women, family allowances, maternity and sick leave, the right to trade union organisation, opposition to arbitrary layoffs, National Social Security

Fund coverage for agricultural workers, etc. The strike of the Ghandour factory constitutes the crowning point of this struggle. This wave of collective action was abruptly halted by the outbreak of the civil war in 1975. It is important to note that the civil war was partially attributed by some to the social crisis which was mainly characterized by the high cost of living, high regional disparities, and the swelling of Beirut's poverty belts.

Research on the workers' movement during and after the war largely dwindled due to the concentration of research on civil war itself with a focus on the different aspect and repercussions of sectarianism and the sectarian political system sanctified by the Taef agreement in the post-war era. Hence the working class and the union movement was insufficiently addressed recently, while a considerable number of studies and surveys were conducted on many other fundamental social issues including poverty, social safety nets, social public expenditures, pension systems, local development, the labor market, gender..

The developments that accompanied and followed the civil war left visible marks on Lebanon's economic structure and social composition and produced significant trends that cast a shadow over the last three decades. In the post-war period the structure of the workforce did not reflect on the structure of the trade union and workers' movement in terms of the type and number of trade unions, membership, ways of work, socio-economic demands and achievements. Also, during and after the war the workers' movement continued to be subject to arbitrary and coercive interference, by the new post-war political elite that assumed the reins of power after the Taef Accord and attempted to usurp its decisions. The conflict between major political stakeholders exacerbated the intervention in the workers' movement action and structure leading to increasing weakening of the movement and its ability to impact policy making and the public and workers' opinion.

After the war, the absence of dialogue between the different socio-economic actors was omnipresent and can be illustrated by the complete paralysis of the Economic and Social Council provided by the Taef Accords which stipulates: "the establishment of an economic and social council that guarantees the participation of representatives of the various sectors in the

development of the economic and social policy of the country through the provision of guidance and recommendations” (section D, article 3 - other reforms). The law that established the Council was enacted years later (Law 389, dated January 12 1995). However, the Council was a still-born and has never been able to achieve its intended objectives due to the absence of political will, financial, and human resources, in addition to its short period of regular activity. Economic and social councils, which exist in more than 80 countries, may constitute a democratic institutional platform for necessary social dialogue among socio-economic actors<sup>1</sup>.

The paralysis of the formal trade union movement facing the increasing weight of the social crisis, the deterioration of living and working conditions including the freezing of wages, increasing debt, and the deterioration of social protection services, triggered the sporadic mobilization and the rise of a usually silent segment of the workforce such as the public sector employees, and daily wage earners. More precisely, the weak performance of the formal trade union movement led the teachers in public and private schools and the civil servants to work jointly in a new structure, the Union Coordination Committee (UCC) between 2012 and 2015 calling for wage adjustment, the right to organize for public sector employees and collective bargaining. This experience underlined the structural deficits of the formal trade union movement in Lebanon to express the aspirations of all workers, its inability to represent working people effectively in social and economic policy debates in general, and to achieve economic and social justice. The recent experience of UCC has clearly showed the pressing and important need to assist the labour movement in Lebanon build its structures freely in order to effectively face the challenges of economic and social changes. The improvements on the legal framework to allow all workers enjoy their basic trade union rights, and the establishment of new mechanisms for collective bargaining is crucial to secure social stability and decent work for all.

Against this background, this study aims to be a significant contribution to narrowing the gap in knowledge about the transformations taking place in

<sup>1</sup> Common Space Initiative, “The Economic and Social Council of Lebanon: Concept, Vision and Main Functions”, December 2014.

the situation of workers and union activity in Lebanon, striving to draw essential lessons and conclusions from the experience of the UCC and other experiences within the worker's movement in Lebanon, and a call not only for the trade union movement but to all partners and stakeholders to rethink their interventions, approaches and strategies to assist the labour movement in Lebanon to play its role in defending the interests of workers and their families, influence the socio-economic policies and achieve social justice.

**The study is divided as follows:**

- **Section One - Characteristics of the Workforce**
- **Section Two - Structure of the Union Movement**
- **Section Three - Field Survey: Gauging the Opinion of Wage-Earners**
- **Section Four - Pillars for a Future Road Map**

# SECTION 1

## CHARACTERISTICS OF THE WORKFORCE

This section of the study attempts to answer – through a narrative and analytical presentation – key current questions relating to the deep-seated transformations that took place over the past two decades in the structure of the workforce in Lebanon, especially among the wage-earner segments, the characteristics of which in fact define to a certain extent the weight and size of the workers' movement today which will be addressed in the following section.

Drawing upon these objectives, this section will first briefly overview the main characteristics of the Lebanese economy, will then reflect on aspects of the Lebanese labour market, followed by a focus on the characteristics of wage-earners in both the public and private sectors, and migrant workers. The section will end with a brief highlight on key challenges of the labour market.

### 1. MACROECONOMIC CONTEXT

Post-war Lebanon was largely marked by drastic developments in both the economic and political spheres that directly affected the scope and potential role of the workforce. In fact, the actual economic response – after the civil war took end – was by far below expectations, in terms of growth rates, administrative reforms and adjusted public policies. The major determinants of growth were to a great extent biased towards an exaggerated role played by consumption and imports for consumption, at the expense of a more productive and diversified role assumed by exports and investments. Furthermore, even when investments to GDP recorded high rates ranging between 28% and 32% in some periods (mainly the reconstruction one), the developmental content of such levels of investment – that are fuelled by high inflows of remittances and FDI's – remains relatively low, due to the fact that these inflows were mostly allocated to real estate activities and speculations, in addition to highly monopolized economic activities. More importantly, it should be noted that public investment which registered historical picks during the reconstruction era in the mid-nineties, tended to decrease thoroughly to

less than 2% of GDP on yearly average (and 7% of total investment) in the last decade, thereby paving the way for the severe deterioration of available public goods and services and of major infrastructural sectors.

Compared to the pre-war period, the share of both industry and agriculture out of total GDP and total employment, decreased by half, in favor mainly of the construction sector and especially low and medium value added tertiary activities. Another important factor that strongly reshaped the economy over the last three decades (and thus impacted the workforce), resulted from the huge and growing public deficit and its implications on the monetary and fiscal policies, that became quasi exclusively tied to the urgent need of managing the public debt issue and especially the increasing public debt services. Among these implications, one can note the emergence of a crowding out phenomenon, the mobilization of more bank resources in order to cover public deficit and public debt services, the progressive financing of the main spirals of economy, the pronounced distortions in internal and external prices, and the increasing share of non-tradable goods and services out of total economic output. The by-product closely connected to these prevailing macroeconomic conditions, manifested itself clearly in the social sphere, where a greater deterioration was registered, knowing that social issues in the Lebanese case have been always addressed not as an integrated component of the process of economic growth, but rather looked at only as a residual parameter in this process. This social deterioration is manifestly illustrated in many spheres: aggravation of unemployment rates, especially among youth and university graduates; high increase in poverty, labor informality and self-employment; defection of major public services that have been subject to different forms of de-facto privatization (education, health, electricity, water, transportation,...); decreasing role of the different social protection schemes and safety nets, including the National Social Security Fund (NSSF); ascending gaps between the minimum and average wages and the increasing cost of living, due mainly to the monopolistic structure of the local markets and to historical inconsistencies in wage adjustment policies.

It should be however noted that the aggravation of the economic and social framework cannot be considered only as a "given", or simply as a "neutral" outcome of neoliberal policy orientations that predominate during the

post-civil war era. In fact, in addition to the tangible effects of these orientations, it should be recognized that the high over-cost of the ruling political forces and their nepotism and clientelism, bear effectively a great share of responsibility in deteriorating the overall economic and social situation. Many arguments and phenomena can be developed in this respect in order to illustrate the multidimensional faces of this over-cost: the total absence of a global economic vision (with its correlated strategies and programs) that re-defines the role of the Lebanese economy in a changing Arab world, and optimizes its mode of integration in the process of globalization; the huge weaknesses in sectorial policies, especially those pertaining to agriculture, industry and high value-added services, including new trans-sectorial technologies; the very bad governance in most of public entities, especially those concerned with public finance issues (mainly fiscal policy and public expenditures policy), and which have finally deprived the country from having an annual formal budget since more than a decade; the effective State failure in providing public goods and services, despite the increasing trend of public expenditures and taxation; and above (and before) all that, the systematic “sectarianisation” of the political and daily life, as a means to perpetrate the predominance of the same political ruling forces and the overall communitarian establishment.

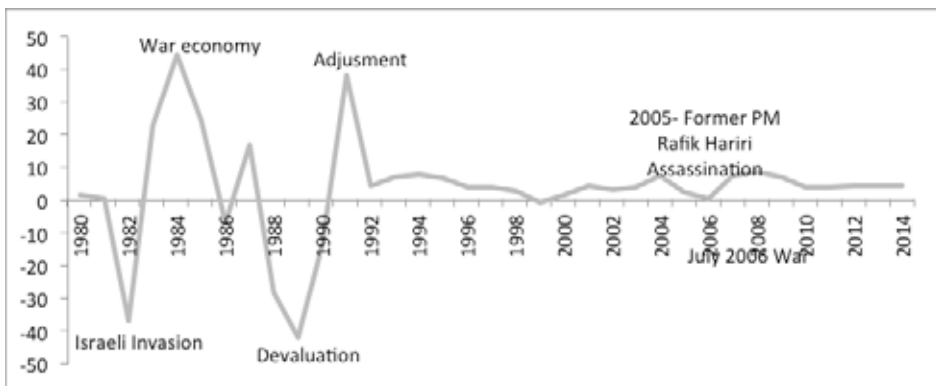
### **1.1. Characteristics of the Lebanese economy**

Lebanon is a middle-income country with a liberal market economy – as stated in the Constitution – mainly based on trade and services, the adopted economic policies have historically focused on the predominant role of consumption as a major determinant of growth, knowing that consumption, which depends mainly on imports, is financed to a great extent by remittances of Lebanese migrant workers. Investment which is another key agent of growth representing on average around 30% of GDP between 2007 and 2012, falls however mostly under the construction sector (more than 70% of total investment). This fact has great implications on the size and the profile of businesses, whereby small and micro enterprises employing between 1 and 4 workers account for around 91% of total number of enterprises. The Lebanese economy is also characterized by the stark impact of public debt deficit, coupled with bad governance and the deficiency annual budget ratification since 2005.

After the war, GDP growth was moderate and only partially reached the rate expected by post-war reconstruction programs. In fact, the average real GDP growth between 1993 and 2010 did not exceed 4%<sup>2</sup>, while the target rate was around 8%<sup>3</sup>. Growth during this period was not steady and fluctuated between 6% during 1993 - 1996, reached a peak in 2004 of 7.5%, and witnessed almost no growth in 2005 and 2006. Growth rates picked reached 8% on average between 2007 and 2010.

It must also be noted, average annual growth rate in post-war Lebanon also remained below the long term growth rate of 6% that prevailed before the civil war period, mainly in the sixties and early seventies. This could be explained by the significant losses in capital and in revenues due to the war, as well as the drastic changes that affected the role of the Lebanon economy in the Arab and Gulf countries, and that materialized in a decreasing trend in external demand on this economy.

**Figure 1 Real GDP Growth Rate (1980-2014)**



Source: IMF World Economic Outlook, October 2014; and for the period 1997-2010; Presidency of the Council of Ministers, Economic Accounts

The Lebanese economy is characterized by a long term decreasing trend in the share of industry and agriculture. Today tertiary services and trade account for more than 70% of GDP (services with more than 33% of GDP and trade 27.5% in 2010), registering the most dynamic growth with 4.5% per year for trade and 4.2% per year for services.

<sup>2</sup> For the period 1993-1996: IMF World Economic Outlook, October 2009; and for the period 1997-2010; Presidency of the Council of Ministers, Economic Accounts

<sup>3</sup> MOSA/UNDP, 2010, The National Social Development Strategy for Lebanon



**Table 1: GDP composition by sector in 1997 and 2010**

	1997	2010	1997	2010	1997-2010
	Value (LBP billion)		% of GDP		Yearly average growth
<b>Agriculture and livestock</b>	1626	2650	6.7%	4.7%	1%
<b>Energy and water supply</b>	224	-1473	0.9%	-2.6%	
<b>Industry</b>	3037	4002	12.5%	7.2%	1.5%
<b>Construction</b>	2140	8515	8.8%	15.2%	4.3%
<b>Transport and communication</b>	1310	3084	5.4%	5.5%	8.9%
<b>Market services</b>	8113	18721	33.5%	33.5%	4.2%
<b>Trade</b>	5137	15395	21.2%	27.5%	4.5%
<b>Government</b>	2663	5071	11.0%	9.1%	2.8%
<b>Total GDP</b>	24250	55965	100%	100%	4%

Source: Presidency of the Council of Ministers, Lebanon's Economic Accounts 2004-2011

Taking into account the outbreak of the Syrian refugee crisis since 2011, a recent UNDP study, prepared by the Consultation and Research Institute, found that USD 800 million in humanitarian aid that were funneled into the Lebanese economy in 2014 brought a 1.6 multiplier. In other words, every USD 1 in aid leads to USD 0.60 in additional spending. Assuming that other factors are constant, humanitarian aid contributed to the GDP growth rate by 1.3 percent. On the other side, when the study takes into account a 23 percent actual decrease in tourism volume and a 7.5 percent decrease in exports, along with the injection of USD 800 million in humanitarian aid, the combined effect translated itself by a negative GDP growth of 0.3 percent instead of the initial result of 1.3 percent of growth induced by the humanitarian aid. However, without this aid injected into the Lebanese economy, GDP growth would have petered out down by 1.6 percent <sup>4</sup>. The study also measured which economic sectors were most affected by the distribution of

<sup>4</sup> “Misplaced Blame. Inflows of humanitarian aid into Lebanon have helped mitigate economic losses”, Jeremy Arbid, Executive magazine, Issue number 188, March 2015, Beirut

humanitarian aid. Apparently, aid was primarily spent on food (27 percent), real estate including rent (14%), chemicals including gasoline (9 percent) and education (7 percent). In conclusion, while humanitarian aid helped alleviate the repercussions of the Syrian refugee crisis, humanitarian aid did not offset the impact of the crisis.

It is in this context that one must reflect on the structure of the Lebanese labour market. The following section will attempt to shed light the key aspects of the labour market that can explain to a certain extent the current conditions of the workers' movement.

## 2. THE LEBANESE LABOUR MARKET

Some aspects of the structure of the Lebanese labour market can define to a certain extent the size and scope of the workers' movement today. As will be discussed below, first, Lebanon is marked by a stagnant and low activity rate and continuous migration flows. Second, while half of Lebanese workers are salaried employees, the share of the self-employed is progressively growing as a percentage of total active population, knowing that the former are rarely associated in a union structure. Third, labour demand is mainly characterized by a predominant share of micro and small enterprises: The small size of the majority of enterprises infers a limited capacity of association of workers that operate in micro and small enterprises. Fourth, the high share of informal employment in the Lebanese market is another factor affecting the size of the workers' movement as organizing workers in the informal economy is difficult and need the adoption of new structures, bylaws and nontraditional approaches and strategies by the trade union movement.

### 2.1. Labour supply: Low activity rates and migration

**The activity rate in Lebanon is stagnant and low which implies that a large share of the population is inactive and therefore outside the workers' movement.** The resident population in Lebanon was estimated in 2004 at 3,755,030<sup>5</sup>. The working age population, which ranges between 15 and 64

<sup>5</sup> Central Administration for Statistics (CAS) 2006. Living Conditions of Households 2004. With the exception of the population residing in the Palestinian camps.

years, constitutes 65% of the total population<sup>6</sup>. The active population in Lebanon was estimated at 1.2 million in 2004, which implies a total activity rate of 44%. This is a low activity rate in comparison to neighboring countries such as Jordan, Syria, Morocco and Algeria. The weak activity rate actually indicates a constantly low female activity rate (20%) as opposed to a higher rate for males (68%) during the same year<sup>7</sup>. Women tend to remain largely outside the labour market and a significant share of young men and women tend to migrate seeking better job opportunities overseas.

In fact, recent studies estimate that 45% of Lebanese households have a migrant family member during the period 1992-2007. The migration rate for the same period is of 10.3% with the higher rate registered in Beirut (15%) and the lowest in the Bekaa governorate (7.4%). Around 70% of outward migrants between 1992 and 2007 are workers and only 6% are students. The activity rate of Lebanese migrants (abroad) aged 15-64 is higher than the activity rate of Lebanese residents. The difference is more striking among women. Indeed, the activity rate of Lebanese migrant women aged 15-64 stands at 34.8%, compared to 20% of Lebanese resident women in 2004. Youth account for the highest share of outward migrants during 1992 and 2007. In fact around 77% of outward migrants during this period are aged between 18 and 35 years at the moment of departure and at least 32% are aged between 24 and 29 years<sup>8</sup>.

This is however not new. A low activity rate is endemic in Lebanon for at least the past four decades. Similar to the rate today, in 1970, the activity rate was as low as 45.3%. It is to be noted that the same female disadvantaged is inherent at least since the 1970, whereby with a female activity rate was at 15 per cent compared to 75% for males<sup>9</sup>.

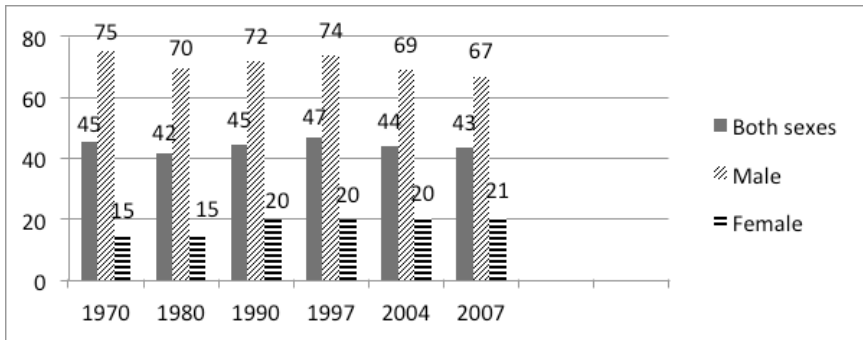
<sup>6</sup> The World Bank, World Development Indicators, World Databank, [Available online: databank.worldbank.org]

<sup>7</sup> Central Administration for Statistics (CAS) 2006. Living Conditions of Households 2004.

<sup>8</sup> Kasparian C. 2009. L'Emigration des jeunes Libanais et leurs projets d'avenir. Les jeunes libanais de la vague d'emigration de 1992 a 2007, Volume 2, Beirut: Presses de l'Universite Saint-Joseph, pp.19-20

<sup>9</sup> Direction centrale de la statistique. 1972. L'enquête par sondage pour la population active au Liban Novembre 1970, Volume 2 : Tableaux des résultats, July 1972, Beirut. p.106.

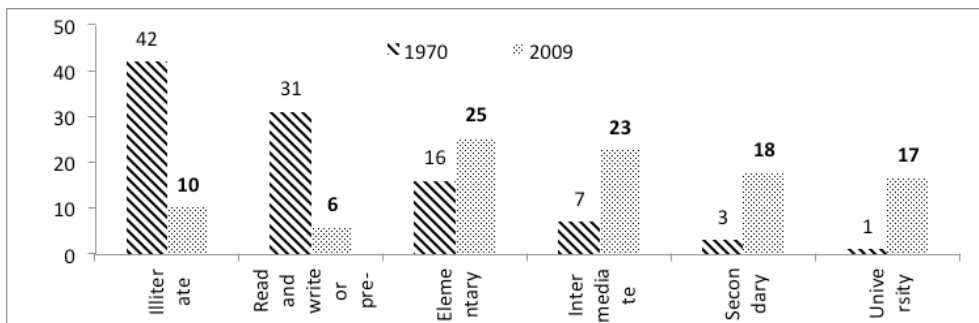
**Figure 2: Economic activity rate (%) for age 15 and above per gender (1970-2014)**



Source: ILO, “Economically Active Population” (6th edition, October 2011); Central Administration of Statistics for (CAS) Living Conditions of Households, for year 1970, 1997, 2004, 2007

**Female participation remains low.** While almost 30% of women could only read and write in 1970, this share drops to 6% in 2009. At the same time, the share of women with a university degree increased from only 1% in 1970 to 17% in 2009.

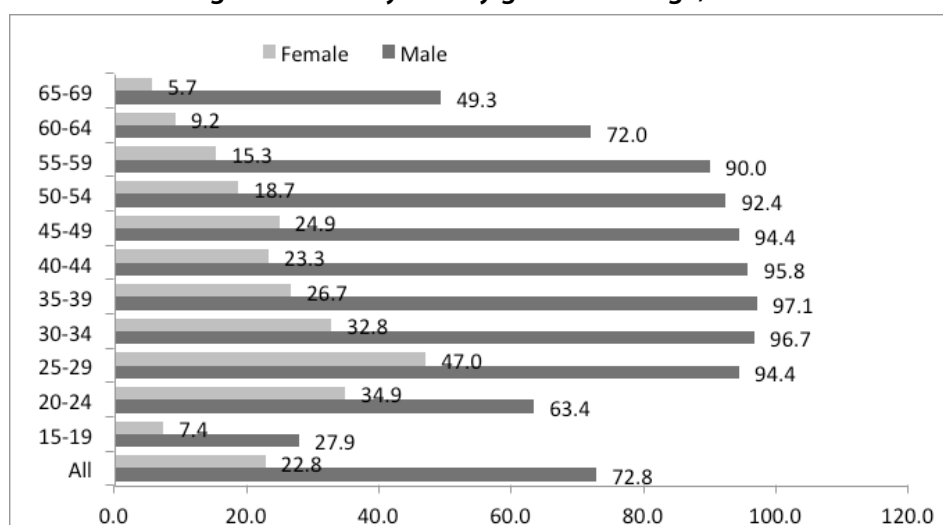
**Figure 3: Distribution of women (aged 3 and above) per to educational attainment 1970-2009**



Source: CAS.1972. L'enquête par sondage pour la population active au Liban 1970. p.84; CAS, 2010. Multiple Indicators Cluster Survey 2009. Note: age category in 1970: 6 and above

In fact, most women are getting married in the 25-29 age categories, which explains to a great extent the sharp drop in female activity rate between the ages of 30 and 49 from 47% to 25%. (we can argue that this rate of 25% which can be still considered as being low, was lower than that in the pre-1970s, which shows that there is an improvement in this respect, but this latter is to some extent weak or marginal).

**Figure 4: Activity rate by gender and age, 2009**



Source: CAS, Multiple Indicators Cluster Survey 2009

It is a matter of fact that the low activity rate in general affects unionization, since a high share of the population remains inactive, outside the labour force, and therefore outside the workers' movement.

### ***Labour supply and education***

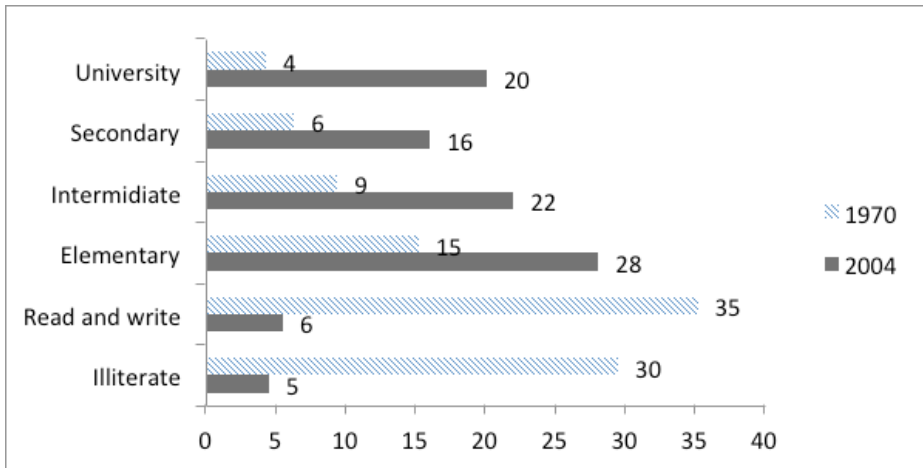
**Labour supply in Lebanon is composed of students and graduates from universities, and VTE establishment.** Graduates from universities constitute one of the main sources of local labour supply. The number of university graduates stood at 32,070 in 2012-13. In the past few years, universities in Lebanon have significantly increased to 40 universities in 2013 knowing that only 25 universities existed in 1995 and 14 in 1972. Despite the low female participation rate, women in Lebanon hold the highest share among graduates constituting 58% of total graduates in 2012-2013.

In the past ten years, VTE has considerably increased in Lebanon. The number of students enrolled in formal VTE establishments (official degrees) increased from 40,039 enrolled in 1996-1997 to 107,418 in 2012-13. The specialties across the different VTE degrees comprise degrees in Electrical studies, Mechanics, Health, Computer, Business, Engineering, Education and Industry.

In addition to graduates and students of universities and VTE establishments, school dropouts from intermediate and secondary education as well as baccalaureate degree holders are also potential new entrants to the labour market.

The workforce today is more educated than during the 1970s. More than 20% of the workforce are university graduates, compared to only 4.3% in 1970. Inversely, 30% of workers were illiterate in the 1970 compared to only 4.5% in 2004.

**Figure 5: Distribution of workers by educational attainment**



Source: CAS.1972.L'enquête par sondage pour la population active au Liban Novembre 1970; CAS.2006.The national Survey of Household Living Conditions 2004

Based on a recent labour supply and demand model, the total gross yearly gap between the estimated labour supply and labour demand stands at 35,800 individuals seeking work. This total yearly gap is examined through the two assumptions of a total yearly migration of 13,540 migrants and a stock of unemployed of 166,800 in the medium scenario. It is to be noted that the estimation of the gap between labour supply and demand is based on the assumption that one fraction of the labour supply meets the actual demand on the market while the other part falls into the unemployment stock. The estimation of the gap does not take into account the supply which does not meet the actual demand in terms of skills and qualifications but simply adjust to it for the sake of employment <sup>10</sup>.

<sup>10</sup> ILO, "Review and Assessment of Labour Market Information", commissioned to and prepared by the Consultation and Research Institute, Beirut: 2011

These results explain why most of the resident university graduates are thoroughly searching for wider job opportunities outside the strict Lebanese labour market, in order not only to bridge the huge quantitative gap between labor supply and demand in this market, but also to benefit from better working conditions in the countries of destination. In that sense, labour supply in Lebanon is not only directed toward the local market but rather toward the region and other traditional international poles of migration, as indicated by the rather long term high propensity toward migration.

Another challenge facing the labour market is the quality of education. This is an issue that needs to be addressed with a special focus on basic and technical education. Indeed VTE establishments suffer from limited curricula – despite the last major curricular reforms in 1997 – and the absence of very well defined accreditation standards. Also VTE establishments suffer from poor training as a result of lack of equipment, laboratories and volatile relationship with business community. This poor quality of training has serious repercussions on the labour market, especially in light of the high share of VTE graduates (formal and informal) in total labour supply (around 50%). The status of VT education might impact the mismatch between labour supply and demand<sup>11</sup>.

In addition to low activity rates, the migration of youth could also be considered as a factor shaping the size and weight of the workers' movement. As mentioned above, youth account for the highest share of outward migrants during 1992 and 2007. More than third of outward migrants between 1992 and 2007 took the Arab countries as destination<sup>12</sup>. It should be however noted that the high migration among Lebanese, has always been accompanied by a progressive increase in the flows of cheap foreign labor originated from Arab (especially Syria) and Asian countries, and seeking for work mainly in precarious informal activities in Lebanon.

<sup>11</sup> These challenges are identified by the Consultation and Research Institute in preparation of the study ILO. 2011. Review and Assessment of Labour Market Information, Prepared by the Consultation and Research Institute, Beirut: ILO

<sup>12</sup> Kasparian C. 2009. L'Emigration des jeunes Libanais et leurs projets d'avenir. Les jeunes libanais da la vague d'emigration de 1992 a 2007, Volume 2, Beirut: Presses de l'Universite Saint-Joseph, pp.19-20

According to national account, transfers account for at least 20% of the GDP. In fact, a recent survey<sup>13</sup> shows that more than half of Lebanese migrants transfer funds to Lebanon of which around 25% undertake regular transfers versus 18% that conduct irregular transfers to their relatives residing in Lebanon. It goes without saying that more than 70% of migrants that actually send remittances to their relatives in Lebanon are workers. It is estimated that Lebanese migrants who actually undertake remittances, transfer around 5,700 USD per year on average to their families in Lebanon. More than 43% of Lebanese migrants transferring funds to Lebanon are actually residing in Arab countries. More than 60% of households receiving remittances from migrants declared to spend these amounts on food expenditures and 46% of households declared to spend remittances on health expenditures.

## **2.2. Labour demand: Predominant share of micro and small enterprises**

Labour demand is characterized by a predominant share of micro and small enterprises. The small size of the majority of enterprises infers a limited capacity of association of workers that operate in micro and small enterprises.

According to the latest “Census of Establishments” (2004), the total number of establishments stands at 176,279. Micro, small and medium enterprises which are all enterprises of less than 50 workers constitute the bulk of these enterprises. Around 90% of establishments have less than five employees and less than 0.5% of enterprises employ more than 50 employees. In other words, less than one thousand establishments are large enterprises <sup>14</sup> .

More precisely, out of the total 644,004 workers in these 176,279 registered MSE's, 69% (or 399,930) actually work in micro enterprises of less than five workers (2004)<sup>15</sup> . Only 5% of workers belong to large enterprises (of above 100 workers). The share of workers in large enterprises was higher during the pre-war period, at least within to industrial establishments. In general, it is

<sup>13</sup> Kasparian, C. 2014, *L'Apport Financier des Emigres et son Impact sur les Conditions de vie des Libanais*, Presses de l'USJ, Beirut

<sup>14</sup> Hamdan, K., 2004. *Micro and Small Enterprises in Lebanon*. Research Report Series No 0417. Economic Research Forum.

<sup>15</sup> CAS, *Census of Establishments 2004*

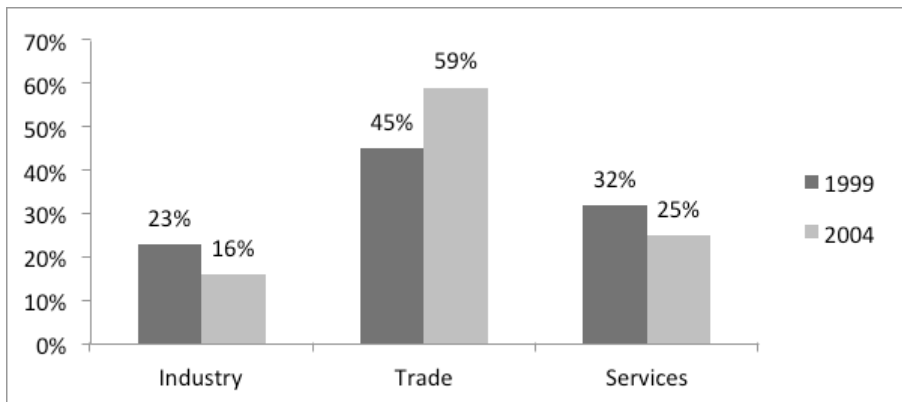


those workers in large enterprises that tend to be unionized in comparison to smaller establishments.

These micro and small enterprises tend to perform repetitive functions rather than engaging in vertical or horizontal integration. The potential expansion of employee base proves to be limited. The added value of such businesses is also limited when compared to larger establishments <sup>16</sup>, especially that most of these enterprises used to target directly the final consumer, lack business-to-business services. This is an obstacle to the translation of growth into job creation. The most severe constraints to growth identified by MSEs, were competition and instability followed by taxes, procedures and administration, and access to capital.

In terms of sector of activity, 59% of Lebanese enterprises are dedicated to trade, and more precisely retail which constitute around three quarters of the trade sector (44% out of 59%). The services sector includes around 25% of establishments.

**Figure 6: Sectorial distribution of enterprises by type of economic activity (1996-2004)**



Source: CAS 1996 Census of Establishments and CAS 2004 Census of Establishments.

The geographic distribution of establishments shows a high concentration of establishments in Beirut and Mount Lebanon governorates. Around 50% of establishments are located in these two regions <sup>17</sup>. This reflects the significant disparity in terms of economic development between “Central” Lebanon and peripheral areas (North, Bekaa and South).

<sup>16</sup> MoSA – UNDP. 2009. The National Social Strategy of Lebanon, Beirut: UNDP p.62

<sup>17</sup> This share varies between 49% in 1996 and 51% in 2004.

**Table 2: Distribution of establishments per sector of activity, in 1996 and 2004**

	Number		Percentage	
	1996	2004	1996	2004
Agriculture	15096	NA	7.6%	0.0%
Industry	28557	26111	14.3%	14.8%
Energy	1060	640	0.5%	0.4%
Construction	2027	1934	1.0%	1.1%
Trade	106633	103723	53.5%	58.8%
Hotel & Restaurants	10366	6833	5.2%	3.9%
Transportation	2020	2169	1.0%	1.2%
Other services	11364	10466	5.7%	5.9%
Education, Health and social services	11352	11284	5.7%	6.4%
Personal services, NGOs	10959	13118	5.5%	7.4%
Total	199434	176278	100.0%	100.0%

Source: CAS 1996 Census of Establishments and CAS 2004 Census of Establishments.

As mentioned above, the omnipresence of small size enterprises in the Lebanese economy determine to a certain extent the potential share of unionization of workers. In addition, the above characteristics of Lebanese establishments should be closely linked to the informality issue. In fact, the size of establishment, the sector of activity and the geographic location may constitute three factors related to informality. It is a matter of fact that dealing with this kind of structural factors cannot be reached through traditional forms of unionism, and consequently the trade union movement in Lebanon has to adapt and develop new forms of unionism.

### **2.3. Informal Economy: high share of informal employment**

Another factor affecting the size of the workers' movement is the high share of informal employment in the Lebanese market. The large share of wage earners that operate within the informal economy tend to remain outside the workers movement. This has a direct effect on the weight and scope of the movement, except if this latter deploy the necessary efforts to integrate informal workers, as a mean to facilitate and encourage the formalization of this category of workers.

Around 19% of workers are informal wage earners that lack access to social insurance and labour regulations. In addition, around 36% of workers are self-employed, of which the majority are low-skilled self-employed in low

productive activities and restricted access to formal insurance schemes <sup>18</sup>.

The complexity of the informal sector is revealed in the different definitions that delineate this phenomenon. In fact, there is no clear delimitation between “formal” and “informal” in Lebanon – especially when it comes to informal enterprises rather than to informal employees – and the area between the two sectors remains ambiguous in terms of definitions and characteristics. It should be however noted that the 17th ICLS defined informal employment as comprising the total number of informal jobs, whether carried out in formal sector enterprises, informal sector enterprises, or households, during a given reference period. The purpose of the conceptual framework developed by the ILO is to relate the enterprise-based concept of employment in the informal sector in a consistent manner with a job-based concept of informal employment, and thereby extend the former concept to a broader one.

First, it is important to distinguish between formal/informal enterprises and formal/informal employment. Formal employment usually refers to employees registered at the National Social Security Fund (NSSF), which implies that they are governed by labour legislations of the country. Conversely, informal employees are those who are not registered by their employer at the NSSF and hence are not covered nor protected by the Lebanese Labour Law.

A 2010 World Bank survey provided interesting results about informal employment. In Lebanon, all employees should by law be registered in the National Social Security Fund (NSSF). In order to be registered an employee contributes 2% of his monthly salary, whereas his/her employer contributes 21.5%. In Lebanon however, like in many other countries, many employees are not registered, thus preventing them from receiving certain benefits. The absence of registration of employees is omnipresent among informal enterprises, but it also concerns some categories of wage earners working in formal enterprises <sup>19</sup>.

<sup>18</sup> Robalino and Sayed (2012). “Lebanon. Good Jobs Needed: The Role of Macro Investment, Labor, Education and Social Protection Policies”, December 2012, Middle East and North Africa Human Development Group, The World Bank. These findings are based on a survey sample that does not discriminate foreign workers. However, the sample targets household members (Lebanese and foreign)

<sup>19</sup> Ibid.

Registration of employees at the NSSF offers employees three benefits, i) health coverage, ii) end of service indemnity and iii) family allowances. Only 46% of employees have a written contract, while 46% have an “oral agreement” and 8% have a written notification. The presence/absence of contract is not necessarily correlated to NSSF registration <sup>20</sup> .

Regarding the self-employed category, the definition of informality is not based on the NSSF registration, but is based instead on the registration in a professional syndicate/order. A significant proxy-variable may be used to estimate informality in the self-employed category: the skill level. It appears that low skilled self-employed constitute around 86% of total self-employed (31% out of 36%), meaning that informality in the self-employed category tends to reach 86%.As the level of skills of employees decreases, the share of informality increases <sup>21</sup> .

In conclusion, the labour market suffers from a mismatch between the available labour supply and the actually labour demand. The resulting high unemployment rate can also be considered of an impact on the structure of the workforce.

#### **2.4. Mismatch in the labour market: high unemployment rate**

Unemployment witnessed significant fluctuations since 1970: unemployment rate increased from 6% in 1970 to 8.5% in 1997 and 7.9 in 2004 and dropped to 6.4% in 2009 according to CAS. According to the 2010 World Bank survey <sup>22</sup>, around 11 per cent of the labor is unemployed in 2010 and is particularly high for women (9 per cent for males and 18 per cent for females).

<sup>20</sup> Ibid.

<sup>21</sup> Ibid.

<sup>22</sup> Ibid.

**Table 3: Unemployment rate by gender, age, and education 2010 (%)**

Age categories	Women	Men
Gender	Male	9
	Female	18
Age	15-24	34
	25-34	11
	35-44	6
	45-54	3
	55-64	2
	65+	2
Education	No Formal education	10
	Primary education	7
	Secondary education	15
	Tertiary education	14
<b>Total</b>		<b>11</b>

Source: World Bank, "Lebanon. Good Jobs Needed: The Role of Macro Investment, Labor, Education and Social Protection Policies", December 2012

Drawing upon the same survey, unemployment is high among youth and reaches its highest rate at age category 15-24 years (34%). Unemployment reaches 14% among university graduates (tertiary education) which is, together with secondary education, the highest rate among other educational attainments.

The high unemployment rate of youth and university graduates is partially affected by the mismatch between the requirements of labour demand and the characteristics of labour supply. More precisely, these results indicate that high educational attainment of a part of the labour supply does not meet the predominant labour demand of micro and small enterprises.

In addition, Lebanon suffers from a lack of employment strategies and labour policies in charge pertaining to the transition of youth from school to work. The national Employment Office (NEO) is inactive and existing regulations in this regard are not being implemented.

### 3. UNDERSTANDING WAGE-EARNERS IN LEBANON

#### 3.1. Private sector wage-earners

Most of the Lebanese workers are salaried employees (50.4%) followed by self-employed (30.7%) <sup>23</sup>. Most working women (79%) are wage-earners whereby only a small share is made of self-employed or employers. However, more than 40% of men are employers or self-employed (42%) while 55% are salaried employees (monthly, weekly or based on production).

Table 4: Distribution of workers by work status

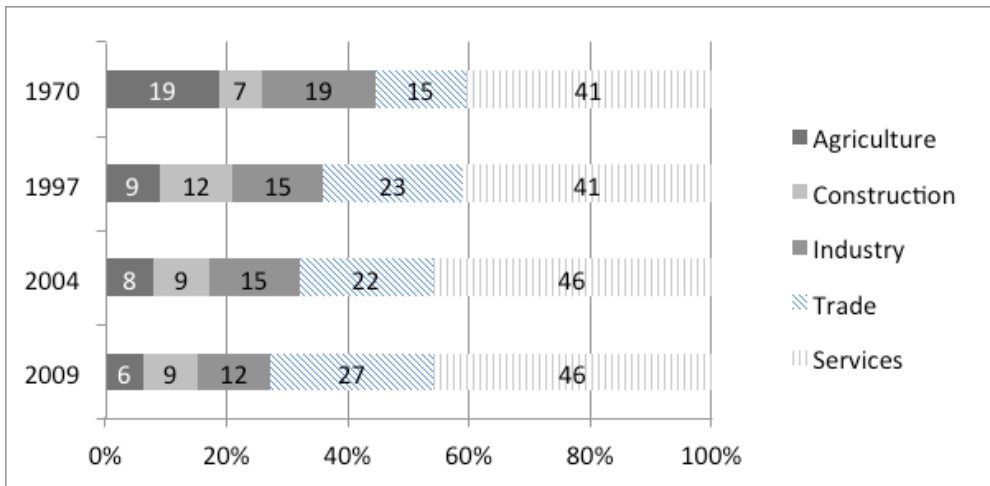
	2004	2009
<b>Employer</b>	5.1%	4.7%
<b>Self-employed or getting help from household members</b>	28.5%	30.7%
<b>Employee with monthly salary</b>	49.1%	50.4%
<b>Employee with daily, weekly wage, or based on production</b>	13.0%	10.2%
<b>Working with family or relatives, with wage</b>	3.3%	1.7%
<b>Working with family or relatives, without wage</b>	0.0%	1.5%
<b>Trainee, apprentice</b>	1.0%	0.7%
<b>Total</b>	100%	100%

Source: CAS, Multiple Indicators Cluster Survey 2009

Around the majority of Lebanese workers (46%) are in the services sector, and 27 % work in the trade sector, which means that the tertiary sector covers by itself around three quarters of total employment. Lebanon is characterized by a loss of jobs in both agriculture and industry and an increase of the share of workers in trade and services. Over the past four decades, the share of trade almost doubled whereas agriculture and industry decreased by 13 and 7 per cent respectively.

<sup>23</sup> “Employer” refers to a person who operates his or her own economic enterprise and hires one or more employees. Self-employed refers to a person who engages independently in a profession or trade (without hired employees).

**Figure 7: Employment by sector of activity, 1970, 1997, 2004, and 2009**



Source: CAS.1972. L'enquête par sondage pour la population active au Liban Novembre 1970. p.84; CAS.2006.The national Survey of Household Living Conditions 2004; CAS, 2010. Multiple Indicators Cluster Survey 2009. Note: Data refers to employment in both public and private sectors

In terms of occupation, skilled workers are the largest group of workers (18.6%) and include artisans, construction workers, and printing workers. The largest share of working women (26%) work as professionals such as university, teachers, doctors or engineers. The number of women in the top category of managers (senior officials, legislators) is still low with only 7% of working women as opposed to 16% of working men.

**Figure 8: Distribution of employed according to occupation and gender**



Source: CAS, Multiple Indicators Cluster Survey 2009

## 3.2. Public sector employees

Civil servants in Lebanon, excluding armed forces, are classified in 5 grades, grade 1 being the highest level and grade 5 the lowest. Each grade is composed of 22 steps, knowing that each step determines a specific salary. Civil servants move one step every two years. Education personnel all belong to grades 3 and 4 and have 52 steps under each grade. While civil servants start at step 1, teachers start at step 15 <sup>24</sup>.

The public sector employs around 30% of total wage earners in Lebanon<sup>25</sup> Public sector workers <sup>26</sup> include civil servants (15,554) <sup>27</sup>, the armed forces (101,890 in 2011) and public school teachers (27,327) <sup>28</sup>. In addition, the public sector accounts for 82,300 public sector retirees <sup>29</sup>, and 52,183 private school teachers <sup>30</sup>.

## 3.3. Migrant workers

Drawing upon CRI estimates, the number of migrant workers in Lebanon, prior to the Syrian refugee crisis in 2011 is estimated at 477 thousand workers including 90,000 Palestinian workers in and out camps, 160,000 Syrian workers and 170,000 domestic workers. After the Syrian refugee crisis, the additional number of Syrian workers is estimated to have reached 104,600 Syrian workers, in addition to 151,890 Syrian unemployed.

<sup>24</sup> Institut des Finances Basil Fuleihan, “Personnel Cost in the Central Government. An Analytical Review of the Past decade”, May 2013, Beirut: IFBF, 2013p.5.

<sup>25</sup> The World Bank, op.cit

<sup>26</sup> This excludes teachers in the public sector that are enrolled on a contractual basis, personnel working in public establishments/institutions (26,000 in 2011), and daily wage earners, who are paid by the hour.

<sup>27</sup> Institut des Finances Basil Fuleihan. “Personnel Cost in the Central Government. An Analytical Review of the Past decade”, May 2013, Beirut: IFBF, 2013

<sup>28</sup> Distribution of teachers per sector and work status for year 2012-2013: 26,084 public school teachers, 14,308 contractual teacher in the public sector, 915 volunteer in the public sector, CERD Online, Statistics Bulletin 2012-2013, available online: <http://www.crdp.org/en/statistics-bulletin;>[Accessed on October 30, 2014]

<sup>29</sup> “Lebanese pensions: save them, don’t tax them”, Al-Akhbar, April 25, 2014, [Accessed on October 3, 2014], Available online: <http://www.al-akhbar.com/node/205214>

<sup>30</sup> 31,681 private school teachers, 19,102 private school contractual teachers, and 808 volunteer. CERD Online, Statistics Bulletin 2012-2013, available online: <http://www.crdp.org/en/statistics-bulletin;>[Accessed on October 30, 2014]



The World Bank estimated that in 2014, Syrian refugees constitute 27 percent to 35 percent of the Lebanese labour force, mainly impacting the employment opportunities of women, youth, and unskilled workers. They projected an unemployment rate increase from 11 to 20 percent during the period 2010-2014. Indeed, there is competition between nationals and refugees in both the formal and especially the informal sectors. Syrians work tend to work for lower salaries, longer hours, and without social security benefits which actually encourage employers to replace low skilled Lebanese workers by low skilled Syrian ones <sup>31</sup> . There are no labour provisions to regulate the situation.

According to the World Bank, a large number of Syrian displaced has traditional skills which will mainly be concentrated in low productivity jobs. The influx is concentrated in the low-education categories, with refugees representing 19 to 25% of workers with secondary education and only 10 to 14% of those with higher education. The World Bank report predicts a 13 to 16 percentage point increase in the unemployment rate of unskilled youth and a 6 to 8 percentage points increases in the share of informal employment for this group <sup>32</sup> .

### **3.4. Wages and social benefits**

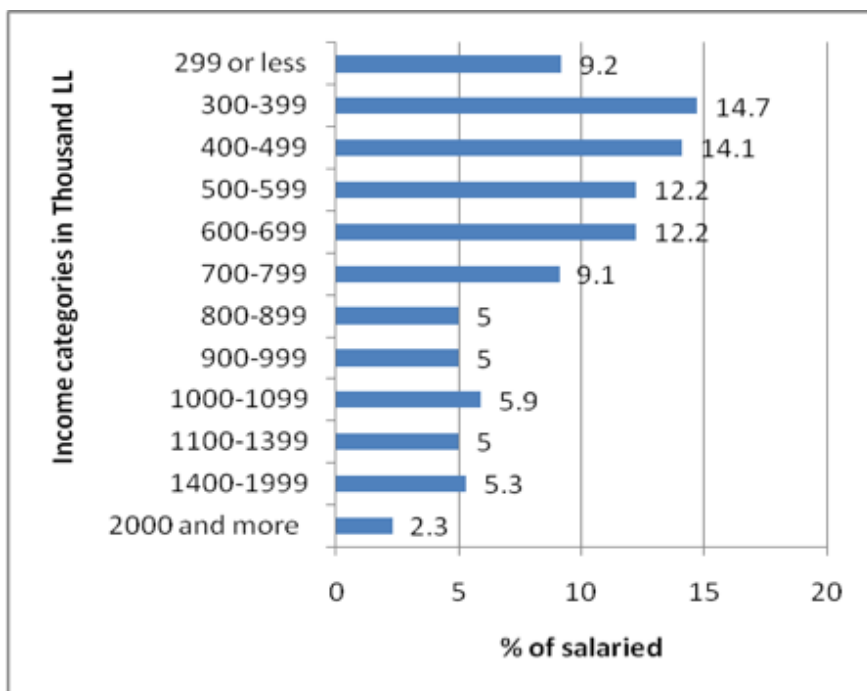
In 2007, half the salaried employees in Lebanon had an income of less than L.L. 600 thousand. At the other end of the scale, 2.3% of salaried workers have a net monthly income of L.L. 2 million or more <sup>33</sup> .

<sup>31</sup> UNDP, 2013, The Syrian Crisis: Implications for Development Indicators and Development Planning in Lebanon, UNDP: Beirut

<sup>32</sup> World Bank, 2013, Lebanon - Economic and social impact assessment of the Syrian conflict. Washington DC; World Bank. <http://documents.worldbank.org/curated/en/2013/09/18292074/lebanon-economic-social-impact-assessment-syrian-conflict>

<sup>33</sup> The sample of the CAS 2007 survey covers households (14,948) in all Lebanon, with the exception of Palestinian camps, regardless of the nationality of the residence's occupant.

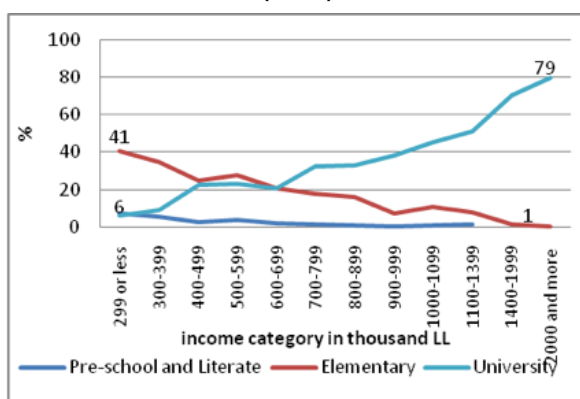
Figure 9: Employed and salaried workers by net income category (2007)



Source: CAS.2008.The national Survey of Household Living Conditions 2007, p.90

Education seems to be an important determinant of income. In 2007 around 80% of workers with university degrees earned L.L. 2 million or more while more than 40% of workers with only primary education earned less than L.L. 300 thousands <sup>34</sup>.

Figure 10: Employed and salaried workers by net income category and level of education (2007)

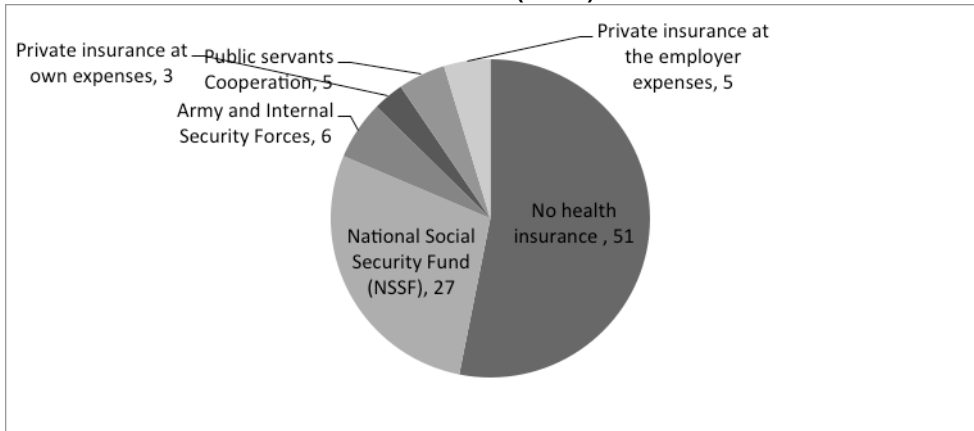


Source: CAS. 2008. The national Survey of Household Living Conditions 2007

<sup>34</sup> Minimum wage in Lebanon in 2007 was LBP 500,000

Only half of workers in Lebanon benefit of health coverage through the NSSF, the Army, public servants cooperative, or private insurance companies. The other half (around five hundred thousand workers) and their dependents are left without any kind of social coverage except for hospitalization and the most basic ambulatory services through the Lebanese Ministry of Public Health.

**Figure 11: Distribution of actual labour force whether beneficiary or not per type of insurance (2004)**



Source: CAS. 2006. The national Survey of Household Living Conditions 2004, p.201

## 4. CONCLUSIONS AND FUTURE CHALLENGES

In the post war period, the government economic policy and choices lacked the inclusion of main socio-economic stakeholders including workers and employers and were oriented towards the interests of commercial and financial elites. At the same time, the failure of the formal trade union movement in meeting the new challenges through enhancing its representativeness, adjusting its structures, strategies and ways of work increased the imbalances in the labour market and confined its capacity to influence the social and economic policies. The reluctance of the formal trade union movement in including workers in the informal economy and public sector and its repetitive constricted demand focusing mainly on wage-increase instead of acting for the amendments of labour legislation and governance led to the deterioration of the working and living conditions for the majority of working people exacerbating the challenging labour indicators.

The activity rate in Lebanon is stagnant and low which implies that a large

share of the population is inactive and therefore outside the workers' movement. There is a striking and relatively stable gender gap in labour force participation with only 21% of women who are economically active compared to 67% of men. This gap is rather typical of the countries in the region and is related both to the cultural definition of gender roles and to the absence of a network of support services that facilitate the task of balancing work and family responsibilities.

The unemployed tend to be young, a phenomenon that is probably related to the mismatch between an increasingly educated youth and the available job opportunities. The resulting high unemployment rate can also be considered of an impact on the structure of the workforce.

The small size of the majority of enterprises infers a limited capacity of association of workers that operate in micro and small enterprises. Labour demand is mainly characterized by a large share of micro and small enterprises with little growth potential and small share of business to business services. The gap between supply and demand is both quantitative and structural, resulting mainly from a mismatch between an increasingly educated labour supply and an underdeveloped economic structure consisting mainly of low productive tertiary activities, and of the predominance of micro and small enterprises.

The large share of wage earners that operate within the informal economy tend to remain outside the workers movement. This has a direct effect on the weight and scope of the movement. Informal employment remains common on both the establishment and worker levels, resulting in a situation where most workers operate without written contracts and often without any social coverage. This does not attract qualified workers and increases the gap between labour supply and demand

The various sources of demand and supply are fragmented with no mechanisms of coordination such as a centralized labour exchange system. Labour related bodies suffer from institutional and financial incapacities, especially that there is a lack of policy statements pertaining to the strengthening of public institutions capable of decreasing the gap in the labour market.

## SECTION 2

### STRUCTURE OF THE TRADE UNION MOVEMENT

The first section of this report underlined the main contextual factors that contributed to weakening the workers' movement:

1. The dwindling share of medium and large enterprises and the proliferation of relatively low added value small and micro enterprises.
2. The increasing migration of high-skilled university graduates who would have otherwise invested their capabilities (as employees, entrepreneurs, or self-employed) in promising activities that may have a positive impact on union activism in general and union leadership in particular.
3. The growth of informal employment which began to absorb an increasing number of Lebanese employees and workers as well as hundreds of thousands of foreign workers.

The three previously described phenomena, which reflect the weakened structure of the Lebanese economy and the number and type of available job opportunities, had a significant negative impact on the structure of the workers movement in general.

In light of the findings of the previous section, this section examines the structure of the trade unions' movement and its basic characteristics that affect its performance. This section focuses on the following:

- Review and analysis of the legal, regulatory and institutional framework situation of existing trade unions and trade union federations, in light of the administrative decisions and legislations and the associated amendments;
- Historical exploration of the evolution of the trade unions' movement – in terms of number of unions and federations – and assessment of their sectorial and geographical characteristics, with the attempt to demonstrate the relation between trade unions' status and the socio-economic conditions;

- Highlight the relation between the evolution of the workforce structure on one hand, and the development of trade union movement of the second. This analysis will be in light of the emerging political, economic and social data, with a focus on:
  - The increase in the authorization of new trade unions and federations during the past two decades;
  - The impact of the significant increase in the number of trade unions and federations, and their distribution across sectors and regions, while identifying the underlying causes of the increase and distribution of trade unions and federations;
  - The informal economy and migrant workers, two categories of the workforce who lack any union framework that takes into account the specificity of their situation.
- Provide a set of recommendations for the medium and long term for the development and expansion of the trade unions' movement.

## 1. LEGAL PROVISIONS

The successive Lebanese governments since 1948 abstained from the ratification of the ILO convention No. 87, the Freedom of Association and Protection of the right to Organize, which ensures the freedom of association and the right of creating and joining a trade union without prior authorization and interference. Article 2 of this Convention underlines the right to organize trade unions without the need for prior authorization. Convention 87 also stipulates the need to simplify the registration process of trade unions, in order to facilitate such initiatives. International studies underscore the importance of Convention No. 87, and consider it as a key convention and a fundamental text that regulated workers' rights.

In Lebanon, the need of a prior authorization for trade unions (Article 86 of the Labor Code) remains an obstacle. Indeed, this system imposes conditions on trade unions that are not usually imposed to establish associations or political parties which are not for instance required to obtain pre-authorization. Moreover, the labour law did not set a deadline for the authorization of the

Ministry of Labour. The absence of deadline reflects the authority of the ministry of labour over trade unions, which authorization depends on the political affiliations of ministers of labour and other discretionary considerations. This situation leads in most cases to forgotten or neglected license applications <sup>35</sup> .

The Lebanese legislation addresses the organization of trade unions in a number of texts, mainly in Title IV of the Labour Law, and Decree No. 7993 of 1952. The main legal provisions include the following:

- Each category of occupations has the right to create a trade union.
- Trade unions are not allowed to engage in politics;
- Trade unions cannot be created without the authorization of the ministry of labour;
- Employees have the freedom to decide whether to join or not a certain trade union;
- Foreign or migrant workers have the right to join trade unions, but do not have the right to vote or to be elected;
- The government has the right and power to solve the union if the latest did not abide by the duties imposed on it or undertook an activity that does not fall within its competences;
- Trade unions have the right to unite under a “federation” of trade unions. The federations are subject to the conditions imposed for the establishment of trade unions;
- Trade unions should commit to the conditions stated by the decree No. 7993 and should be under the supervision of a delegate appointed by the ministry of labour and responsible of inspecting the elections;
- Elections should not be considered as final unless approved by the ministry of labour;
- Labour inspectors should look at the records when making the final account or when there is a complaint from a member of the union’s council;

<sup>35</sup> Diana Kallas, 2012, "The judiciary system plays a significant role in the protection of freedom of trade unions movement despite legal loopholes; does the legislator responds?", Legal agenda, November 2, 2012

- Categories of workers that are excluded from the Lebanese Labour Law are not allowed to organize trade unions. These groups include: domestic workers, workers in agricultural sector, family institutions, governmental departments and municipal bodies.
- The protection against acts of anti-union discrimination in the labour law is limited to Article 50 which protects elected trade union leaders from arbitrary dismissal from their work, and ensure their compensation. However, the actual application of this article - which was amended by Decree No. 9640 dated on 06/02/1975 - remained confined to elected union leaders, which means that the text does not provide any protection for trade union members, as well as, trade union leaders for the period during which they worked on the establishment of the union, i.e. before the achievement of any formal electoral process <sup>36</sup>.

## 2. BRIEF HISTORICAL BACKGROUND OF THE TRADE UNION'S MOVEMENT

The history of the trade unions' movement in Lebanon is characterized by three main phases. The first phase, during the French mandate period, witnessed the birth of the workers' movement. During this period, the Communist Party, established in 1924, played an important role in the creation of trade unions as well as the impact of international labor movements, notably the French predominantly leftist trade union movement. While the mandate authorities sought to control the emerging movement, pioneer associations<sup>37</sup> were created between 1919 and 1924, such as: the association of railway workers and employees, the trade union of printing press workers, and the trade union of carpenters. This period culminated with the creation of "the Confederation of Trade Unions of Workers and Employees in Lebanon" in 1939, headed by the well-known trade unionist leader Mustafa al-Aaris. This period was also marked by labour strikes in many emerging industrial enterprises, for the purpose of reducing electricity prices and tramway tariffs.

The second phase, following independence in 1943, witnessed an increase in the size of trade and services economic sectors, and the relative decline of

<sup>36</sup> Ibid.

<sup>37</sup> during this period "association" referred to "trade union"



the industrial sector which to a certain extent influenced the composition of the trade union' movement. During this period, the labour Law, promulgated in September 1946, dissolved all the trade unions established before that date. Consequently, trade unions were authorized again based on the newly issued labour law that stipulated the need for prior authorization from the Ministry of Economy. In turn, some trade unions – especially leftist unions such as the trade union of printing press workers headed by Mustafa al-Aaris – were not awarded the authorization of the ministry. Following the promulgation of the labour code, several trade unions and trade unions federations were established including the Federation of the League of Trade Unions in 1948, the Federation of United Trade Unions in 1954, the Federation of Trade Unions of the North in 1954 and the Federation of Independent Trade Unions in 1954. Following the successive establishment of trade unions, the General Confederation of Lebanese Workers was founded in 1958 and comprised the Federation of the League of Trade Unions, the Federation of United Trade Unions, and the Federation of Trade Unions of the North. Between 1965 and 1966, the Minister of Labor Jamil Lahoud authorized the creation of a large number of new trade unions and federations, including the left-wing National Federation of Trade Unions of Workers and Employees and the Federation of Trade Unions of the South. During the second half of the 1960s the Intra Bank crisis significantly impacted the economic situation and the workforce conditions. These difficult circumstances enticed all federations to unite under the Council of Federations and mobilized for wage adjustments and the establishment of the National Social Security Fund. In 1971, all federations rallied under the General Confederation of Lebanese Workers (GCLW). During the Lebanese Civil War, the GCLW acted on several fronts including anti-war demonstrations. The largest of these demonstrations was organized in 1987, when tens of thousands of demonstrators walked from both sides of Beirut and met at the demarcation lines.

The third phase, during the postwar reconstruction period, was characterized by growing conflicts within the General Confederation of Lebanese Workers and around it, due to the difficult postwar political situation and blunt neoliberal economic policies. The GCLW organized massive demonstrations in the face of the collapse of the Lebanese pound exchange rate in May 1992 and its effect on the purchasing power of workers and employees. These

demonstrations were followed by the resignation of Prime Minister Omar Karami.

In conjunction with the new map of dominant political factions which emerged after the Taef agreement, and in conjunction with the ultra-liberal economic policies which accompanied the implementation of that agreement, the political, economic, and social effectiveness of the trade unions and the GCLW began to decline gradually at a time when numerous challenges were emerging on each of these three fronts. Among these challenges was the role that the trade unions and the GCLW were supposed to play in addressing the consequences of the Civil War, namely: fostering national dialogue in an effort to replace the habits acquired during that protracted conflict with new habits that are congruent with peace; alleviating the negative consequences of the unfair financial and monetary policies which impoverished the population over two decades. The post war period was also marked by the chaotic increase of newly authorized trade unions, the most dangerous phenomenon facing the trade unions' movement. By authorizing the creation of a large number of trade unions and federations, depending on their political affiliations, the government aimed at controlling the decision making process within the GCLW by guaranteeing a large number of loyalist federations in the council of representatives and therefore the executive bureau. This increase in the number of federations was coupled with major divisions within the GCLW that weakened its struggle facing the state and ruling political elites.

Instead of strengthening its role on these various fronts, through better representation, democratic practices, and reduced dependence on political and partisan leaders, the workers movement and its GCLW became tools in the hands of political elites. Thus, the movement failed in fostering citizen protests in favor of lawful demands and in increasing union membership. These failures are not exclusively related to the circumstances of trade unions themselves, but rather to the drastic change in the map of local political powers which translated into an equivalent change in the structure of the workers movement. Indeed, the political incubator that helped in the relative rise of the workers movement in the early 1970s and whose main component

consisted of Lebanese secular and leftist parties began to decline after the war, to be replaced by a conglomerate of the confessional groups that were active during the war, and which took power in the early 1990s. These changes were reflected in two opposite trends: a negative trend that affected the workers movement in its strict definition (trade unions, trade union federations, GCLW) and a positive trend, especially in the last three years, embodied by the emergence of large social groups from outside the formal traditional labour movement, in addition to unique union groups related to teachers and public sector employees including the anti-regime public protest, the protests led by the Union Coordination Committee (UCC), and the 2015 protests during the solid waste crisis.

The UCC, which rallies under its umbrella the leagues of public school teachers and public administration employees as well as the trade union of private school teachers, provided a new potential trade union structure and a national negotiation platform, against a traditional segmented dialogue. A new practice supporting an overall approach to discuss working and living conditions, where all these leagues negotiated as a group for a pool of demands. It was accompanied with a series of strikes and demonstrations during the period 2011-2014 to approve the adoption of a new salary scale. The experience of the UCC may pave the way towards a shift in the trade union's movement status quo, amid the fact that the GCLW proved unable to play its role in representing the interests of all workers or in leading the workers' movement to achieve its demands.

The weakness of the workers movement and its GCLW was evident in many ways, including the failure to wrest the rightful and long-delayed wage adjustment. Thus, inflation accrued to 121% between 1996 and 2012 with only a lump sum salary increase (200,000 LBP) having taken place in 2008, followed by an arbitrary increase in 2012. The GCLW agreed with the employers association on a minimum wage increase for workers in the private sector was less than the expectations of majority of workers, excluding teachers and civil servants and was lower than the increase that the Minister of Labour was working for. The GCLW also lacked a clear strategy toward reforming the NSSF, knowing that trade unions hold one third of the seats on the NSSF board of directors, which should have allowed them to play a leading role

in social security policy-making. Finally, the GCLW failed to institutionalize its relations with civil society organizations, leading to increasing tensions especially with the UCC which had to lead its struggle alone following several failed collaborative experiences with the GCLW.

The following part underlines the structural factors that affect the performance of the trade unions' movement that is mainly represented by the GCLW.

### 3. THE STRUCTURE OF THE TRADE UNIONS MOVEMENT

The General Confederation of the Lebanese Workers rallies under its umbrella most of trade unions and federations. What are the main characteristics of the trade union structure that affect its performance and mobilization? Before delving into the analysis of the structural composition of the GCLW, the following presents a brief description of the characteristics of trade unions. According to the scant available data, the number of trade unions reached around 420 in 2008 the highest surge being recorded during the 1950s and 1960s Lebanon's independence <sup>38</sup>. After the civil war, mainly in the mid-1990s, another surge was recorded in the number of trade unions, some of which adhered to the General Confederation of Lebanese Workers (GCLW), as a result of political interference.

**Table 5: Evolution of the number of trade unions**

Year	#	Note
1947	26	All unions
1957	74	All unions
1966	117	All unions
1986	172	All unions
2001	210	Unions in the GCLW
2008	259	Unions in the GCLW
2008	420	All unions

Source: For years 1947,1957 and 1966: Albert Mansour, Lebanese Trade Unions, Faculty of Social-Sciences, Lebanese University; For year 1986: The Consultation and Research Institute, 1986, The Trade Unions' Movement in Lebanon; For year 2001; Badran and Zbib, 2007The General Confederation of Lebanese Workers; For 2008: The Lebanese Trade Unions Training Center, [www.ltutc.com](http://www.ltutc.com)

<sup>38</sup> The Lebanese Centre for Union Training, <http://www.ltutc.com/>.

The total number of unions in 2008 (420) does not include those that were licensed after 2008. The Ministry of labour, which holds the details of trade unions and federations, does not publish official statistics that inform the research on the number of trade unions, their members, or geographical distribution.

Despite the lack of official data, the compiled information shows the distribution of trade unions across the major economic sectors. The available data shows that most trade unions in 2008 were concentrated in services sector, followed by manufacturing, then agriculture and fisheries which only accounts for 77 trade unions.

**Table 6: Distribution of trade unions by economic sector, 2008**

Sector	Number
Services & trade	226
Manufacturing & construction	117
Agriculture and fisheries	77
Total	420

Source: Calculations based on the data collected from The Lebanese Trade Unions Training Center, [www.ltutc.com](http://www.ltutc.com)

Union membership seems generally low, with the exception of unions related to independent (public) authorities. Members of trade unions of independent authorities and public agencies and municipalities (which fall under the services sector) constituted around 18% of the total GCLW members in 2001. In 2001, workers and employees that were members of trade unions under the GCLW constitute 7.66% of the workforce <sup>39</sup> .

<sup>39</sup> Badran and Zbib, 2007, The General Confederation of Lebanese Workers

## *Trade Unions outside the GCLW*

Among the largest trade unions that are not enrolled under any GCLW federations are the Trade Union of Employees of the Central Bank and the Trade Union of private school teachers. Public sector leagues are not members of the GCLW. As previously mentioned, public sector employees are legally prohibited from the association under trade unions. In turn, public school teachers and civil servants are unionized under leagues. Every group of public sector workers is now endowed of a league: The League of Public School Secondary Teachers; The League of Public Primary School Teachers; The League of Public Administration Employees. These leagues act like trade unions despite the legal provisions that hamper their actions. These leagues have acted extensively since 2011 under the umbrella of the UCC. Elections within these leagues take place regularly where general assemblies continue to play an important role in the soundness of results and the accountability of the elected boards. Mobilization and demonstrations organized by the UCC since 2011 led to the surface of voices, among both members and leaders, promoting the transformation of their leagues into trade unions and the creation of a Federation of Independent Public Sector Trade Unions despite the legal prohibitions. However, the fruitless protracted three year long struggle led to the frustration of members and a rising conflict between league leadership regarding the effectiveness of the adopted approach and mobilization and the rise new trend for separate mobilization. In this context, the elections that took place in 2015 led to a change in the leadership of leagues who were now reticent to change the structure. At the same time, this environment led to the emergence of an opposition within the league working towards a new independent structure able to organize under trade unions and aiming expand and build solidarity with other workers.

Having reviewed the characteristics of trade unions, the following sub-section examines trade union structure of the GCLW, one of the important factors that exacerbated the decline of the workers movement over the past two decades is the :

### 1.1.1. A weakly representative undemocratic confederation

Ever since its inception in 1958, the GCLW has carried the seeds of its weakness and vulnerability to external shocks, knowing that it did not include all federations at the time and only became comprehensive in 1970. Thus, the confederate structure adopted by the founders was undemocratic and non-homogeneous even though it provided a semblance of federations unity during the first period of the GCLW's life<sup>40</sup>. The weakness permeated several levels, including:

- The lack of representativeness of the GCLW. Two studies have shown that GCLW membership represents only 5-7% of salaried workers, most of whom are concentrated in the trade and services sectors, including public agencies and independent authorities for whom union membership is compulsory. These low shares weaken the democratic representativeness of the GCLW and explain why it became a top-down regulatory tool that does not necessarily reflect the actual demands of the workers.

- The heterogeneous structure of the GCLW. Thus, the 50 union federations include general (formed from trade unions of different sectors), sectorial, and geographic federations, without any mechanisms to regulate the relationship among these various structures.

- The financial dependence of the GCLW and the lack of transparency in its financing. Thus, the GCLW does not collect contributions from its affiliated organizations but relies exclusively on funding from the government and from solidarity fund that may funnel from different sources. This type of funding has negative repercussions in terms of accountability, as the absence of transparency afforded by own-source funding (through contributions) leads to unproductive spending and limits the ability of the executive council and the representatives council to hold the leadership accountable for its spending.

<sup>40</sup> Slaibi, Ghassan. *Fi al ittihadkuwwa (Weakness in unity)*. Excerpts. 1999. Chapter 1.

- The complacency of the GCLW in abiding by the weak and confused set of rules and regulations, while arbitrarily disregarding some positive aspects of these rules. The organizational structure of the GCLW consists of three entities (the board of representatives, the executive board, and the executive bureau) and the latest rules of procedure, which were never implemented for lack of approval by the Minister of Labour, call for a fourth body: the congress. This congress meets irregularly without any regard to quorum or voting mechanisms, limiting itself to voicing opinions and approving reports.

- The absence of a clear separation between the four association representatives appointed to the board of representatives on one hand and the two representatives appointed to the executive board on the other, in violation of the bylaws. Moreover, there is no election mechanism that governs the relationship between the executive board and the board of representatives, the electoral process being limited to the election of the executive bureau by the executive council.

- The absence of two major democratic tenants in this confederate structure, namely the election of upper bodies (board of representatives and executive council) by lower bodies and proportionate representation of associations within GCLW based on the membership size of these associations. This situation is exacerbated by the overlap between the member associations, with some unions being members in a sectorial, geographic, and general association at the same time, which confuses the concept of representativeness.

All the above factors lead to the conclusion that the trade union structure is lacking in terms of democratic characteristics, including the absence of leadership elections based on unity and continuity and in connection to a clear national set of demands. There have been two attempts to change this confederate structure: The first attempt was in 1970 when the internal procedures of the GCLW were amended to call for "applying these rules temporarily for a year during which a new trade union structure will be enacted to reflect the sectorial structure of the economy". Unfortunately, the GCLW did not abide by this text and the structure remained unchanged to this day. The second attempt took place in 1993 when amendments were proposed to introduce significant democratic practices including proportionate elections



and decision-making processes, founding associations based on sectors and geographic locations, establishing specialized committees, imposing annual contributions, etc. These amendments were supposed to be implemented six months following their enactment. However, the newly elected leadership withdrew these amendments before the deadline and hindered their implementation. The fact that the structure of the GCLW remained unchanged tempted political parties, employers, and government entities to encourage the creation of new trade unions and federations with the single aim of controlling the GCLW. Thus, sectarian political parties were able to haphazardly introduce new federations into the GCLW in order to hijack its independence with the implicit approval of the Ministry of Labour which based on article 86 of the law has the authority to license new trade unions and federations.

### **1.1.2. Evolution and Characteristics of Federations**

Fifty federations are enrolled under the GCLW. One of the main causes that led to the multiplication of federations stems from the predominant interests of the political, sectarian, and business elites. The rise of the micro and small enterprises spread across the sector of services and trade led to the establishment of additional federations in that sector.

As previously mentioned, since the Lebanese civil war, some political parties encouraged the creation of affiliated trade union federations within an invigorated sectarian environment. The proliferation of federations is also due to the weight of federations in the electoral process in the GCLW. The establishment of new federations extracted from already existing federations guarantees additional number of votes in the elections of the GCLW councils. By its authorization of new federations, the Lebanese state bared its endorsement of the sectarian and political intervention in trade union affairs.

Detailed data pertaining to trade unions is scanty for several reasons including the lack of computerization within the ministry of labour, which holds the detailed information of trade unions. In turn, the study focuses on federations of trade unions – based on available data – including their distribution according to the date of authorization. This information classifies federations in three periods of time – before the Lebanese Civil War, during the war, and

after the war – as shown in the table below:

**Table 7: Number of Federations under the GCLW**

Period	Before the war (before 1975)	During the war (1975-1990)	After the war (1991-2015)	Total
Number of federations	16	5	29	50
Percentage	32%	10%	58%	100%

The majority of federations were authorized during the post-war period without a related increase in the total number of unionized workers, taking account the dwindling production of the Lebanese economy. More precisely, the share of agricultural and industrial sectors of the GDP decreased by half compared to the pre-war period. The proliferation of federations was not related to the rise of new sub-sectorial characteristics. In fact, the newly created federations are mostly linked to the tertiary sector of limited productivity.

Federations in Lebanon are of four types:

- General federations which include federations from different economic sectors;
- Sectorial federations;
- Regional/Geographical that comprise federations from a specific geographic region
- Federations of independent authorities and public institutions

Federations are distributed according to their types as shown in the table below. Most of federations are of a sectorial type compared to 26 per cent being regional and 24 per cent are general federations.

**Table 8: Distribution of Federations by Type**

Type	Number	Percentage
Sectorial	23	46
Independent Authorities and Public Institutions	2	4
General	12	24
Regional	13	26
Total	50	100

### 1.1.3. Changing the Structure of the GCLW

The history of the workers' movement in Lebanon witnessed a series of initiatives and attempts, some of which serious and some other hasty, to improve the union structure. Towards the end of the 1960s, several amendment projects were suggested by different bodies including the GCLW, the Federation of United Trade Unions, and the National Federation of Trade Unions. Nevertheless, all these initiatives and projects failed to have trade union consensus before any serious negotiations with the Lebanese authorities. In 1983, the ministry of labour presented a project of a union structure without however reaching tangible results. In 1992, the ministry of labor proposed another project for the amendment of the union structure that was shortly rejected by the GCLW. In 1993, the GCLW had enacted new internal regulations which were however revoked by the subsequent elected leadership of the GCLW. In 1995, the Confederation made another attempt that did not manage to collect consensus around it. In the following years, several committees were established in order to work on the amendment of the union structure.

The GCLW is highly conservative of its work traditions and regulations. In several countries, the workers' movement undertook serious retrospectives and assessments of the trade union structure due to the dwindling of the size of unionized workers that accompanied the drastic changes of labour market characteristics inflected by globalization. Conversely, the GCLW conserved its initial methods and structure that had however showed signs of weakness within a politically highly polarized and sectarian environment. Attempts of amendments, as above mentioned, were systematically faced by a decreasing trade union membership and a lack of accountability and evaluation. Consequently, this situation reflects the complications and difficulties of amending the union structure from within the GCLW. Furthermore, the issue of the union structure amendment is no longer restricted to the need of democratic regulations and procedures, but it is also linked to the independence of this structure from any political and sectarian affiliations and interventions.

In turn the status quo of the trade union movement and the increasing deterioration of the working and living conditions for working people will push the need for a change. One of the options would be the creation of an alternative independent and democratic workers' movement. Another option would be the reform of current structure of the formal trade union movement that relies on three necessary conditions:

- To amend the labour legislations in Lebanon in line with international labour standards and taking into account all realities of labour market and workforce specificities;
- To enforce the full respect of the fundamental principles and rights at work, including the enabling of all workers in the private and public sectors, in the formal and informal economy their right to organize including migrant workers.
- To develop social dialogue and collective bargaining mechanisms on all levels; enterprise, sectoral and national as an appropriate channels for unions to negotiate and impact economic and social policies.

#### **4. FOR THE CREATION OF DEMOCRATIC AND INDEPENDENT TRADE UNIONS**

The deterioration of economic conditions and the repetitive failures of the formal Lebanese trade union movement to meet the expectations of workers whether to improve working and living conditions, to reform the internal regulates and by laws to become more representative and democratic, triggered the emergence of new initiatives in the workers' movement. This highlight the need for a viable trade union movement that is able to impact and shape policy making.

The recent previous years witnessed the rise of several initiatives that called for the established of a democratic worker's movement in Lebanon. These initiatives focused on the importance and necessity of the independence of trade unions from the state, political parties and employers. These initiatives took different forms including:

- The promotion of the transformation of the UCC into an Independent Federation as a prelude to the creation of an independent and democratic workers' movement.
- The creation of an independent trade union of the workers of one of the largest supermarket chains in the country (Spinney's). This was considered as a new initiatives that should be spread to all economic sectors despite the repression exerted by the employer and the state;
- The official resignation of the National Federation of Unions (FENASOL) from the GCLW and its call for the creation of an Independent and Democratic Trade Union Centre;
- The founding of a trade union for domestic workers based on the initiative of the FENASOL and the ILO.

These initiatives, which aim at establishing a new trade union center – that pushes towards the improvement of the work of trade unions and the workers' movement in general – are positive actions that remain timid in case they do not develop to gather a representative function and strengthen its structural organization as well as decision making processes and its leaders. This applies to newly established trade unions as well as alternative trade unions that are emerged within formal trade unions in place in addition to workers' committees that are created de facto in the formal and informal economic sectors and aim to be authorized. These initiatives will need to prove their seriousness and capacity through efforts to enact reforms on its interior regulations and resources. It also need to be able to achieve a set of demands and to gain legitimacy among workers.

Several factors hamper the establishment of independent trade unions in Lebanon. Although regulations guarantee the multiplicity of trade unions, the labour code stipulates the authorization of the ministry of labour which is considered as an impediment. Labour regulations also prohibit trade union activities in the public sector.

The rise of an independent workers' movement in Lebanon requires the capacity to cope with the difficulties and complications that accompany the period of establishment/creation of trade unions as well as the capacity to face the hegemony of political parties.

Historically, in Lebanon like other countries, social and political affiliations reflect on the workers' movement. Concerned political parties have tried and will continue to intervene in the elections of the formal trade union movement, mainly the GCLW.

The increasing and protracted political intervention and the exacerbated polarization, incurred detrimental consequences on the workers' movement:

- Lack of independence of the workers' movement
- Limited democratic organization
- Limited representation
- Lack of a socio-economic vision and agenda leading to fragmented and piece-meal demands
- Increased influence of business association on the socio-economic policy making

Consequently, it can be concluded that any reform to the workers' movement requires a democratic political reform at the national level that allows a progressive independence from sectarian and political affiliations. Trade union reforms is a quintessential part of the political reform at the national level which implies that the workers movement might have to complete tasks and activities that go beyond the trade union level.

## **Concluding Remarks**

Firstly, the work and efforts to unionize workers and employees is a necessary task knowing that workers have a limited trust in trade unions in place, mainly due to an overall inefficient trade union movement. The increase in the number of unionized workers and their collective work is necessary for the achievement of demands. Unionization should not only tackle the formal private sector, but should also aim to include workers and employees in the informal sector, which constitute around 40% of total salaried employees in Lebanon including migrant workers and domestic workers.

Secondly, the respect of the freedom of association as stipulated by international conventions number 87, 98, 189 and 135, is a fundamental objective.

The respect of the freedom of association and trade union freedoms is as important as the fight for a better trade union structure within a state that has only ratified convention number 98 (freedom of association and collective bargaining), and has consistently refused the ratification of convention number 87 (freedom of trade union and the right for trade union organization) and number 135 (Workers' Representatives Convention). The fight for the creation of a trade union for the workers and employees of Spinneys revealed the weakness of legal and political protection of workers as well as the capacity of the employer to repress workers and break their unity. It has also revealed the lack of solidarity among workers.

Thirdly, the freedom of association should protect workers not only towards the state but also towards employers and political parties. As explained above, political parties exert power on most trade unions and federations. Fourthly, emergence of new initiatives must be in line with international labour standards and principles of the democratic and independent trade union movement.

Fifthly, the workers' movement must adjust its structures and bylaws to be more inclusive and democratic, as well as, adopt long term strategies for the mobilization and activities of trade unions that go beyond spontaneous reactions to events and government decisions. Such strategies must include overall long term national objectives in line with social justice objectives that comprise reforms of social and economic policies.

Sixthly, the importance of joining the international trade union movement and learning from its experiences and best practices.

The following section of the study reviews the findings of an opinion poll that targeted wage-earners regarding their views on trade unions and the workers' movement in Lebanon in 2015.

## SECTION 3

### FIELD SURVEY: GAUGING THE OPINION OF WAGE-EARNERS

#### 1. METHODOLOGY

The purpose of the opinion poll was to help support the data, content and recommendations of the desk study. The field survey calls for conducting one-on-one interviews with current employees in a household sample. The survey is focused on employed members and does not include unemployed or inactive members in order to maximize collected response pertaining to trade union members knowing that CRI adopted a sample size composed of 600 households. The sample representativeness requires that the sample distribution is in line with population distribution. Hence the sample was geographically distributed in accordance with the distribution of total population per Muhafaza as it appears in Lebanon Multiple Indicator Cluster Survey 2009 <sup>41</sup>.

**Table 9: Population Distribution**

Muhafaza/Governorate	MICS 2009 (%)
Beirut	10.8
Mount Lebanon	42.8
North Lebanon	17.5
Bekaa	11.8
South Lebanon	10.4
Nabatiyeh	6.7
Total	100

<sup>41</sup> Central Administration of Statistics, The Multiple Indicators Cluster Survey – Round 3 – 2009, Beirut.



Drawing upon the objectives of the study, the survey questionnaire is divided into two main parts:

- Part I is dedicated to collecting basic sociological characteristics of the household and household members (gender, age, marital status, education, occupation, income/wage, etc.);
- Part II probes further through detailed questions to an employed or household member who was randomly selected from among active household members, in order to learn about the various aspects relating to their work conditions and their trade union activity.

The questionnaire is addressed to an employed member of the household who provides first details about all household members and then answers questions addressed solely to his working conditions and trade union members and/or perception. The survey was conducted between October 10 and October 26, 2015.

## **2. SURVEY RESULTS**

### **2.1. Characteristics and Socioeconomic Conditions of Household Members**

The survey targeted in total 619 households, which allows to generate reliable, nation-wide statistical results. The sample is distributed in a way that replicates the population distribution per governorate as shown in the table below. Mount Lebanon comprises 42.9 % of completed questionnaires, followed by North Lebanon (17.5%), Bekaa (11.3 %), South Lebanon and Beirut (10.5 % each), and Nabatiyeh (7.3 %).

**Table 10: Sample Distribution**

Muhafaza/ Governorate	% of questionnaires	# of questionnaires
Beirut	10.5	66
Mount Lebanon	42.9	265
North Lebanon	17.5	108
Bekaa	11.3	70
South Lebanon	10.5	65
Nabatiyeh	7.3	45
Total	100	619

The following is a descriptive of the results obtained concerning the characteristics of the members of the studied sample.

### **Household composition**

Respondents were asked to list the name and details of all household members including gender, relation to head of household, age, social status, nationality, educational attainment, and work status. As shown below, 27.6% of household members are heads of household, 22.6% are spouses and 45.5% are children, indicating that the majority of the targeted population has a typical HH structure. Out of total heads of households, 88% are male while only in 12% of the cases the HH has a female breadwinner. Results show that household composition is relatively similar to results of the household survey conducted by CAS in 2004 <sup>42</sup>. The comparison between both surveys, shown in the table below, underlines the soundness of the selected sample and the survey results.

<sup>42</sup> CAS, 2006, Household Living Conditions 2006, Beirut.

**Table 11: Relationship of members to Head of Household (%)**

Relation to head of HH	Survey results	CAS 2004
Head of household	27.6	23.1
Spouse/Partner	22.6	18.4
Daughter/Son	45.5	52.2
Sister/brother	1.1	
Mother/Father	1.6	1.1
Sister/brother in law	0.1	0.6
Grandchild	0.2	1.4
Parents in law	0.1	
Other	0.2	2.1
No relation	0.1	0.2
Housekeeper	0.8	
Total	100	100

**Table 12: Relationship of the Members to the Head of Household per Gender (%)**

	Male	Female	Total
Head of household	50%	7	28
Spouse	0	45	23
Daughter/Son	48	43	46
Sister/brother	1	1	1
Mother/Father	1	3	2
Sister/brother in law	0	0	0
Grandchild	0	0	0
Parents in law	0	0	0
Other	0	0	0
No relation	0	0	0
housekeeper	0	1	1
Total	100	100	100

## Gender

Around 51% of members are female and 49% are male. These findings are in line with the norms of the Lebanese society.

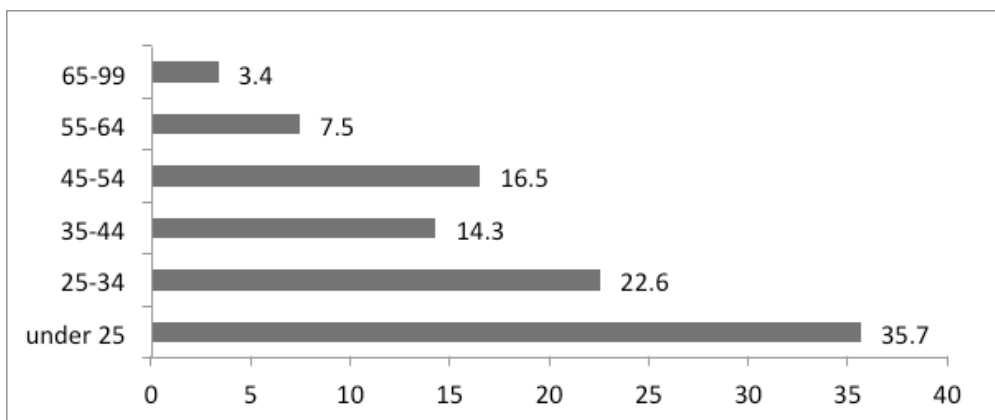
**Table 13: Gender**

Gender	Frequency	Percent
Male	1,085	49
Female	1,117	51
Total	2,202	100

## Age

The age distribution of surveyed household members shows the large share of youth. Around 40 per cent of household members are below the age of 25.

**Figure 12: Age Distribution of Household Members (%)**



## Nationality

Results show that 99 % of sample household members are Lebanese. In fact, the selection criteria of the sample specifies that the respondent member selected from the targeted household must be a Lebanese national and employed.

**Table 14: Distribution of Household Members per Nationality**

Nationality	Number	%
Lebanese	2165	98.7
Syrian	4	0.2
Palestinian	5	0.2
Jordanian	2	0.1
Other Arab countries	2	0.1
USA/Canada	1	0.0
Europe	1	0.0
Other	14	0.6
Total	2194	100

## Social status

Results show that 49% of the members are single and 46.5% are married. The sample distribution by status is similar to the CAS 2004 survey results which confirm the soundness of the opinion poll selected sample.

**Table 15: Distribution of Household Members per Social Status**

Age category	Single	Married	Separated	Total
under 25	97.7	2.2	0.1	100
25-34	50.2	47.1	2.7	100
35-44	11.9	86.1	1.9	100
45-54	3.9	86.1	10.0	100
55-64	4.3	83.9	11.8	100
65-99	1.4	67.1	31.5	100
Total	49.0	46.5	4.5	100
Total CAS 2004	40.4	53	6.4	100

More precisely, the survey shows that women tend to get married between the age of 25 and 34 which corresponds with the decrease of female activity rate at the same age category as shown in the first section of the study. The figure below shows that 28 per cent of females at the 25-34 age categories are married compared to only 18% of males.

**Table 16: Distribution of households by income category**

Income category	Beirut	Mount Lebanon	North	Bekaa	South	Total
Less than 675,000 LBP	1.5%	2.7%	2.8%	0.0%	10.0%	3.6%
[675,000 and 1 million LBP[	20.0%	8.7%	52.8%	22.9%	16.4%	20.6%
[ 1 and 1.5 million LBP[	24.6%	14.8%	19.4%	32.9%	21.8%	19.9%
[1.5-2 million LBP [	20.0%	20.1%	8.3%	25.7%	23.6%	19.3%
[2-3 million LBP [	20.0%	19.3%	4.6%	15.7%	11.8%	15.2%
[3-4 million LBP [	12.3%	15.2%	4.6%	2.9%	10.0%	10.7%
[4-5 million LBP [	0.0%	12.1%	4.6%	0.0%	1.8%	6.3%
[5-6 million LBP [	1.5%	5.3%	1.9%	0.0%	0.9%	2.9%
[6 million LBP and more	0.0%	1.9%	0.9%	0.0%	3.6%	1.6%
Total	100%	100%	100%	100%	100%	100%

## Educational status

The table below shows the educational attainment of all household members. The majority of members (50 %) did not reach secondary education. Only 19 % reached secondary level and 22 % are university graduates. The distribution of educational attainment is almost the same between males and females: 22 and 18 % respectively reached primary education; 5 and 4 % have secondary education and 22% and 23 % respectively have university degrees. These results show that females and males enjoy equal access to education which is however not reflected, as will be shown at a later stage, in their participation in the labour market, where females tend to be significantly less present in the labour force.

**Table 17: Education Level per Gender**

Educational attainment	Male	Female	Total
Reads and writes/Illiterate	3%	4%	4%
Pre-primary	8%	7%	7%
Primary level	22%	18%	20%
Intermediate level - vocational	4%	3%	3%
Intermediate level	15%	16%	16%
Secondary level- Vocational BT-TS	5%	4%	5%
Secondary level	12%	15%	14%
Graduate Vocational LT	3%	3%	3%
University graduate	22%	23%	22%
Postgraduate (Masters)	2%	3%	3%
PhD	1%	0%	0%
Under school age	5%	4%	4%
Total	100%	100%	100%

## Economic activity

The table below emphasizes on the activity of the surveyed members. Out of total members, 50.8% are active, while 49.1% are inactive (including children below working age). The largest share of surveyed household members are “employed” (39.9 %), followed by students (22.2 %) whereas housewives make up to 17.6 % of total members. Only 2.1 % are business owners and 5.5 % are self- employed. Distribution by gender shows that the largest share of females is comprised of “housewives (34.6 %) while 29.9 % are employed. Only 0.4 % are employers and 1.7 % are self-employed. While they have similar education attainments with males, females play a different role in the labour market.

**Table 18: Distribution of members by economic status**

Status	Male	Female	Total
Employers	3.8%	0.4%	2.1%
Self employed	9.3%	1.7%	5.5%
Employee	50.2%	29.9%	39.9%
Family assistance	0.6%	0.9%	0.7%
Unpaid intern	0.2%	0.5%	0.3%
Unemployed	1.2%	1.3%	1.2%
First time job seeker	1.3%	0.9%	1.1%
Housewife	0.0%	34.6%	17.6%
No interest in work	0.3%	1.2%	0.7%
Student	22.6%	21.8%	22.2%
Disabled or ill	1.1%	1.2%	1.1%
Retired	2.1%	0.4%	1.2%
Under working age	7.3%	5.4%	6.3%
Total	100%	100%	100%

**Table 19: Distribution of workers by economic sector**

Economic sector	Percent
Services	47.2
Trade	26.5
Construction	7.1
Transport	4.8
Banking and insurance	4.2
Industry	8.6
Agriculture	1.6
Total	100



Results show that half of the sample is composed of NSSF beneficiaries (51 %). The rest of the surveyed household members declared to have no access to NSSF benefits which indicates to a certain extent the size of employed in the informal economy.

**Table 20: NSSF beneficiaries**

	<b>Number</b>	<b>Percent</b>
NSSF beneficiaries	1099	51
Non- beneficiaries	1054	49
<b>Total</b>	<b>2153</b>	<b>100</b>

The previous sub-section examined the main characteristics of the targeted households. The following sub-section aims at analyzing the answers provided by one selected respondent per household. The selected respondent is a wage earner and a Lebanese national. The questions addressed to respondents delve into their work status, working conditions, and perception of the workers' movement. Whenever the respondent is a member of a trade union or any similar association, further questions are asked about his/her membership

## **2.2. Profile of Respondents**

### **Gender**

The distribution of respondents by gender shows that the selected respondents from the targeted households are mostly males: 65 per cent males and only 34 per cent of females. Knowing that respondents have to be wage earners in order to be selected in the survey, the low share of females in the surveyed sample reflects the low activity rate of females in Lebanon which stands at 23 per cent in 2004.

**Table 21: Distribution of respondents by gender**

	Number	Percent
Male	403	65
Female	216	34
Total	619	100

## **Trade Union membership**

The survey shows that 11 % of respondents are in fact unionized: Out of total 619 respondents 68 are members of a trade union or other work-related association such as professional associations:

– Trade unions include workers and employees. Membership of workers is optional. The mission of a trade union is the protection and amelioration of working and living conditions of workers.

– Professional associations include self-employed of liberal professions such as doctors, engineers, lawyers and nurses. These associations are not endowed with trade unions specificities in terms of mission and regulations. The membership to professional associations is compulsory. The main mission of such associations is the accreditation of credentials.

– Public sector leagues include public sector employees including public schools teachers. Membership to a league is compulsory.

The results of the survey should be read while taking into account the different characteristics of trade unions, professional associations and public sector leagues. The focus of the survey is private sector trade unions.

These results clearly reflect the national estimation of the share of unionized workers which varies between 7 and 10 per cent as mentioned in the previous section of the report. Strikingly, the share of unionized female workers is almost double the share of males: 9% of males are unionized versus 17 per cent of females. This is due to the predominance of females in the education sector which has one of the largest trade unions – trade union of private

sector teachers - and leagues – leagues of primary and secondary public school teachers.

**Table 22: Distribution of Respondents by Trade Union Membership**

	Total		Male		Female	
	#	%	#	%	#	%
Member	68	11%	32	9%	36	17%
Non-member	551	89%	371	92%	180	83%
Total	619	100%	403	100%	216	100%

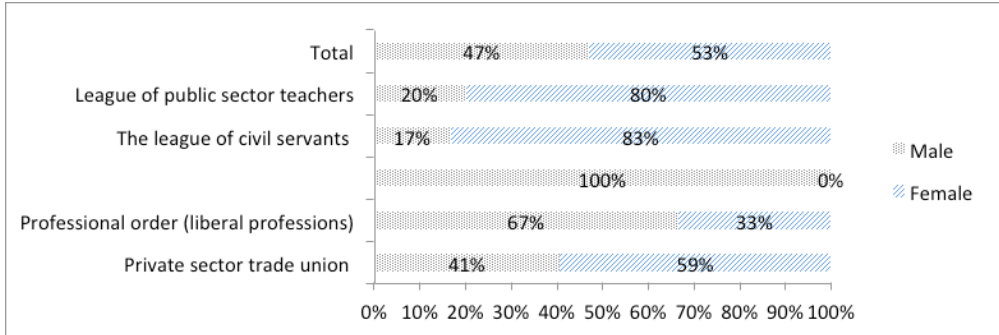
More precisely, the 69 unionized surveyed wage-earners are distributed in the table below according to the type of association they belong to. Professional associations, including Order of Engineers, Order of Doctors, Order of Lawyers, constitute 36% of workers who declared to be part of a workers' association. Members of public sector leagues, including public sector teachers, constitute 16 %.

**Table 23: Distribution of members per type of association**

Type of organization	Number	%
Private sector trade union	32	46
Professional associations	24	36
Workers' organization (committees at the work place)	1	1
The league of civil servants	6	9
League of public sector teachers	5	7
Total	68	100

The figure below shows that 53% of members are female. Females in fact constitute 80% of members of the leagues of public sector teachers and 83% of leagues of civil servants.

**Figure 14: Distribution of members per type of association and gender**



## Educational attainment

The survey results reveal that almost half of respondents did not specialize in any discipline after school (46.4 %). Expectedly, social sciences, business and law hold the highest share among other disciplines (17.6 %) followed by education (7.5 %) and engineering and construction (7.5 %). The distribution by membership status shows that 22 per cent of members pursued education and teaching studies, 19% engineering and construction and 15% health and social assistance. However, these results underline the weight of engineers and doctors organised under professional orders movement: Engineers and doctors have compulsory membership to their respective professional associations. Also, the membership to public sector leagues, including public sector teachers' league, is compulsory to all public sector employees. In addition, teachers have the largest unions in the private sector.

**Table 24: Distribution of respondents by discipline (%)**

Educational attainment	Total	Member	Non-member
General education (school level)	46	9	51
Education and teaching	8	22	6
Human sciences and art	3	8	2
Social sciences, business and law	18	17	18
Science, math and computer	7	9	7
Engineering, industrial studies, construction	8	19	6
Agriculture	0	0	0
Health and social assistance	4	15	3
Other disciplines	7	2	7
Total	100	100	100

More precisely, the table below shows that 55 % of members of professional associations pursued education studies and 20 % pursued health studies.

**Table 25: Distribution of unionists by discipline (%)**

	Trade Unions	Professional Associations	Workers' organization/ committees at the work space	League of civil servants	League of public sector teachers
General education (school level)	14			20	
Education and teaching	34			20	25
Human sciences and art	14				
Social sciences, business and law	11	15	100	40	50
Science, math and computer	11	5			25
Engineering, industrial studies, construction		55			
Health and social assistance	14	20		20	
Other disciplines		5			
Total	100	100	100	100	100

When asked about the age when they took their first wage earner occupation, 33.2 % of respondents declared they started work between 18 and 20 years old, 20.5 % reported their debut between 21 and 23 years old while 22.4 per cent start before 18 years old.

**Table 26: Age at first wage earner occupation**

Age at first job	percent
<15	4.1
[15-17]	18.3
[18-20]	33.2
[21-23]	20.5
[24-26]	10.6

Findings underline that 90.9 % of respondents work in a private enterprise while only 6.4 % work in the public sector. According to CAS 2004 survey, 12.9 % of the labour force is employed in the public sector while 85.8 % work in the private sector <sup>43</sup>.

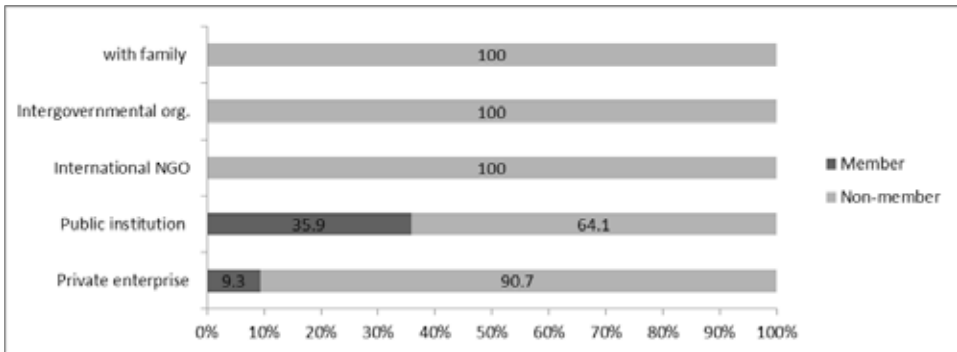
**Table 27: Distribution of respondent by type of enterprise**

Place of work	Number	Percent
Private enterprise	558	90.9
Public institution	39	6.4
government owned enterprise	2	0.3
Local NGO	1	0.2
International NGO	3	0.5
Intergovernmental organization	2	0.3
with family	9	1.5
Total	614	100

<sup>43</sup> CAS 2004, Living conditions, page 199

The distribution of respondents by sector and membership shows that 9.3 per cent workers in the private sector are unionized compared to 35.9 per cent in the public sector. The relatively elevated share of unionized workers in the public sector is due to the compulsory membership of civil servants (without limit contract) in the league of public sector workers and the leagues of public school teachers.

**Figure 15: Distribution of respondents by sector and membership**



In line with the national distribution of the workforce, 27% of respondents work in the trade sector, 12% in industry (which include agro-food industry, textile, leather goods, and paper) and 13% in education.

**Table 28: Distribution of respondents by economic sector**

Sector	% of respondents
Trade	27%
Industry	12%
Education	13%
Telecom/finance/insurance	8%
Tourism/media	7%
Health	7%
Construction	4%
Real estate	4%
Public service	4%
Transportation	3%
Primary sector	2%
Other	11%
Total	100

Results indicate that most of respondents (66.1 %) work in a formal enterprise that holds a commercial registration. However, 16.5 % of respondents declared their work place to be unregistered and therefore informal.

**Table 29: Commercial registration of enterprise**

<b>Commercial registration</b>	<b>Number</b>	<b>Percent</b>
Enterprise with registration	369	66.1
Enterprise in process of registering	15	2.7
Enterprise without registration	92	16.5
Enterprise not bound to register	19	3.4
Not identified	63	11.3
Total	558	100

The registration of the enterprise at the National Social Security Fund (NSSF) is another indicator of enterprise formality/informality. Results show that only 54.7 % of respondents work in enterprises that are registered with the NSSF. Conversely, 28.3 % of respondents work in enterprises that have no NSSF registration and are therefore informal.

**Table 30: NSSF registration of enterprise**

<b>NSSF Registration</b>	<b>Number</b>	<b>Percent</b>
Enterprise with NSSF registration	307	54.7
Enterprise in the process of registering	11	2
Enterprise without NSSF registration	159	28.3
Enterprise not bound to register	20	3.6
Not identified	64	11.4
Total	561	100



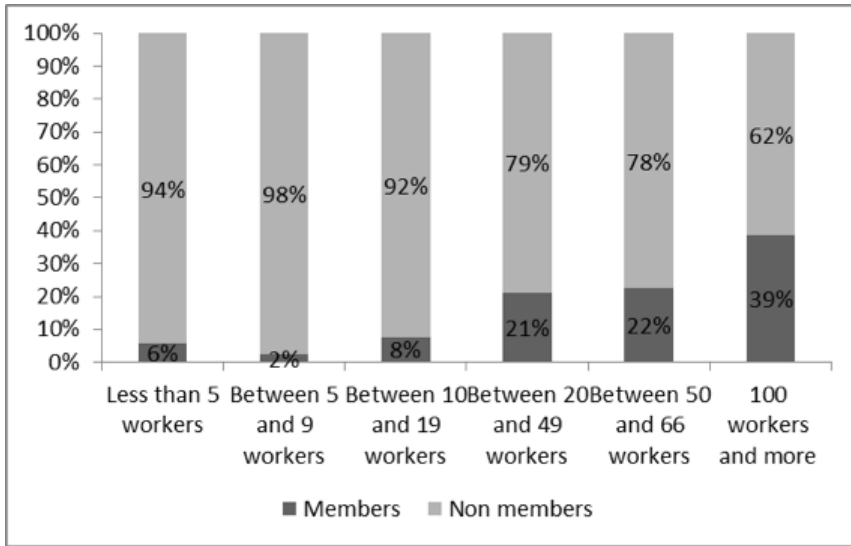
Regarding the size of the workplace, 41.9 % of respondents reported that they work in micro enterprises employing less than 5 workers. Only 12.5 % of respondents work in enterprises with more than 50 workers. As examined in the first section of this report, labour demand in Lebanon is characterized by the predominance micro and small enterprises.

**Table 31: Size of enterprise**

<b>Size of enterprise</b>	<b>Percent</b>
Less than 5 workers	41.9%
Between 5 and 9 workers	14.0%
Between 10 and 19 workers	15.1%
Between 20 and 49 workers	16.5%
Between 50 and 66 workers	8.2%
100 workers and more	4.3%
<b>Total</b>	<b>100%</b>

The distribution of respondents by size on enterprise and membership shows a relation between the size of the enterprise and the share of unionized workers. The larger the enterprise is the larger the probability of unionization. The fact that the Lebanese economy is marred by the predominance of small and micro enterprise influence and shape the structure of the workers movement. However, one should keep in mind that other obstacles hamper workers' unionization, even when working in large enterprises, including structural aspects of the trade union movement and the legal provisions governing the workforce and trade unions

**Figure 16: Distribution of respondents by sector and membership**



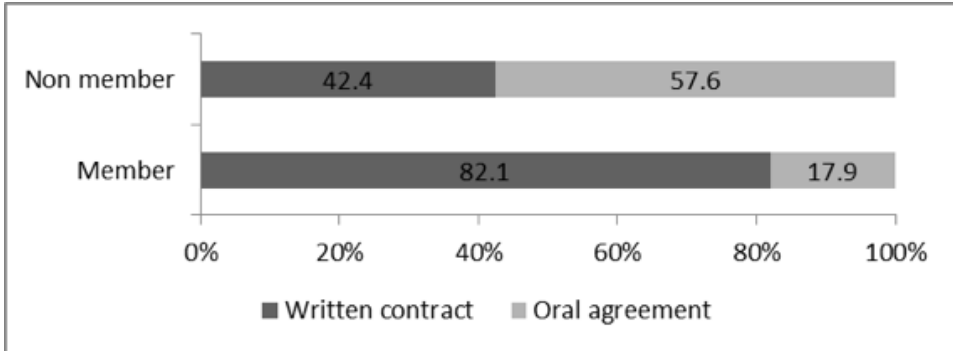
When asked about their type of contract, the majority of respondents reported to have a verbal agreement (53.3 %).

**Table 32: Type of contract**

Type of contract	Number	Percent
Written contract	285	46.7
Oral agreement	325	53.3
Total	610	100

The distribution of respondents by type of contract and membership reveals that most unionized workers have written contracts: 82 % versus only 42% of non-unionized workers. As verbal contracts may indicate informality, this result underline that the large size of the informal sector in Lebanon may be another explanatory factor for a small sized union movement.

**Figure 17: Distribution of respondents by type of contract and membership**



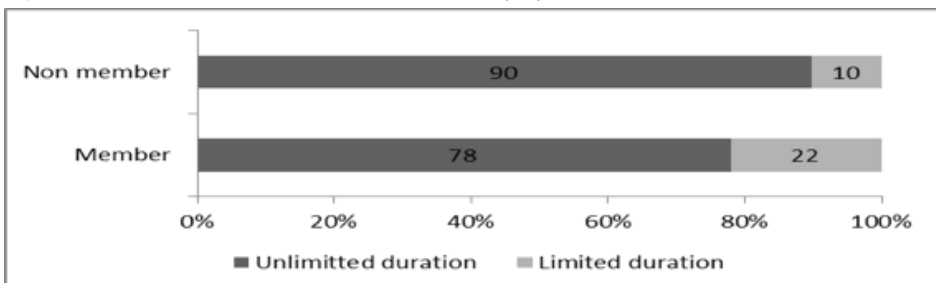
Results show that 88.5 % of respondents work on contracts/agreements of unlimited duration.

**Table 33: Contract duration**

Contract duration	Number	Percent
Unlimited duration	544	88.5
Limited duration	71	11.5
Total	615	100

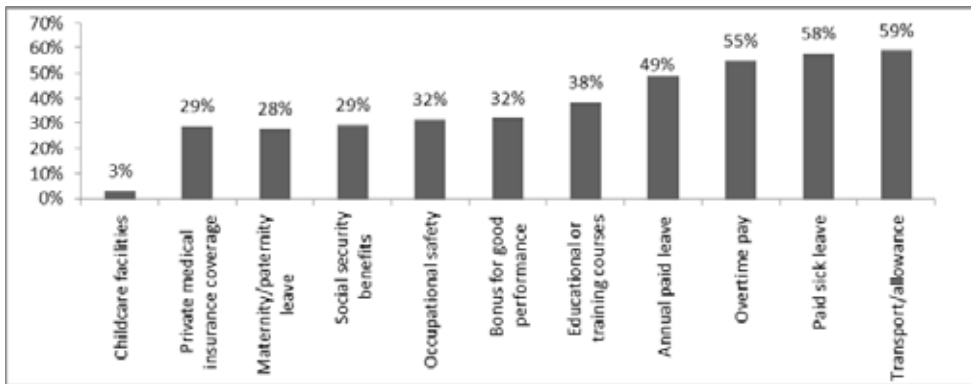
Both members and non-members of unions tend to have unlimited duration contract which in turn does not seem to reveal or affect the tendency to take part of union work.

**Figure 18: Distribution of respondents by type of contract and membership**



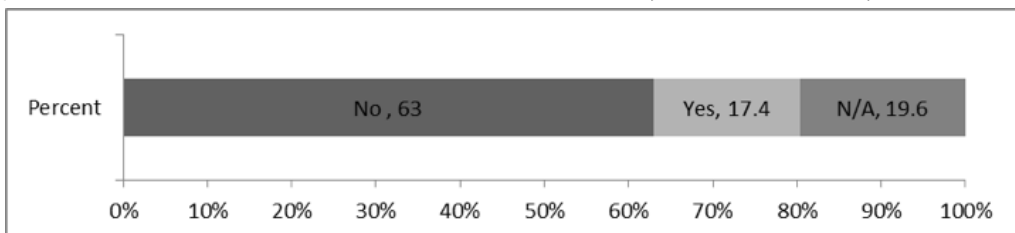
Respondents were asked to declare the benefits they receive at the work place. A list of benefits/services was presented and respondents selected the services they benefit from. According to responses, 96 % of respondents do not have access to childcare facilities, 71 % are not covered by private medical insurance and 70 % are not awarded maternity/paternity leave nor social security benefits. The most common benefits are transport/ transport allowance (59 %), paid sick leave (58 %) and overtime pay (55 %). Despite the difficult working conditions and the lack of essential benefits, the trade union movement in Lebanon is rarely mobilized for the enhancement of working conditions and the demand of essential benefits.

**Figure 19: Work place benefits**



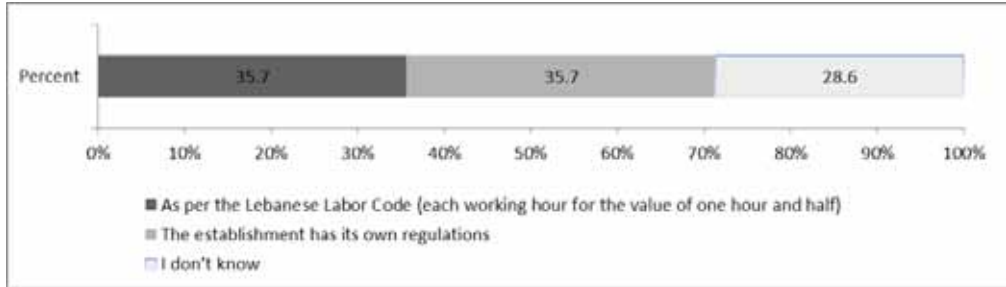
When asked about transport allowance, 63 % of respondents declared that their allowance is not included in their contract compared to 17.4 % whose allowance is included in the contract. Again, such benefits are necessary for workers and the trade union movement remains mostly silent on that front.

**Figure 20: Is transport allowance included in the salary as it appears in your contract?**



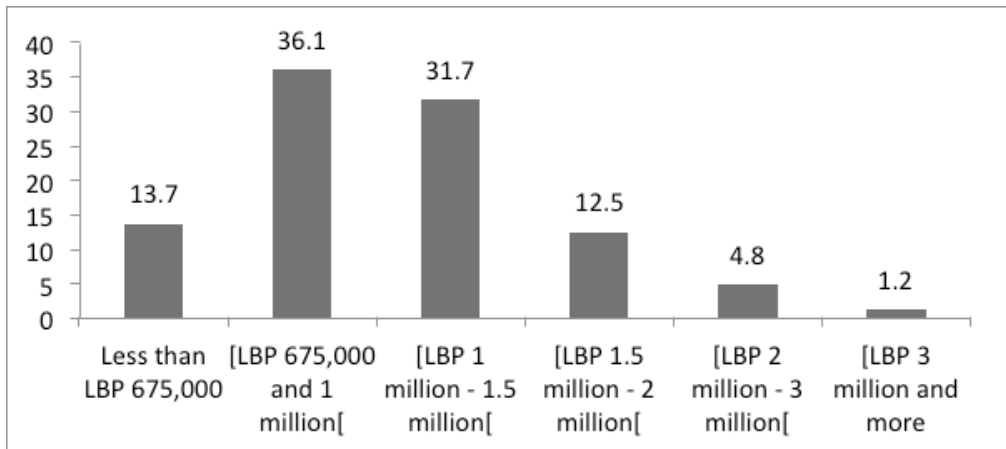
Respondents were asked about the calculation of their overtime at work: 35.7 % of respondents have their overtime calculated on the basis of the Lebanese labour code while a similar share declared that specific regulations at the work place are used for the calculation.

**Figure 21: Basis to calculate overtime pay**



Regarding monthly salaries, 13.7% of respondents (monthly wage earners) reported to earn less than minimum wage, whereas 36.1 % earn between 675 thousands and 1 million. In other words, 80% of respondents earn less than LBP 1.5 million.

**Figure 22: Distribution of respondents by category of salary**



## 2.3. About Trade Unions: Perception and Membership

### Perception of Union Work

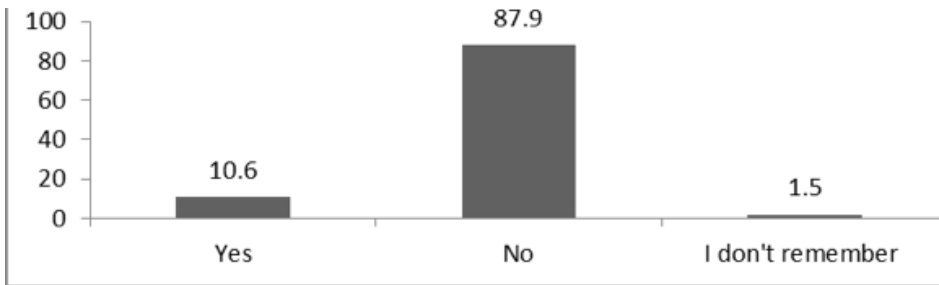
As mentioned above, only 11% of the total surveyed respondents are members of a trade union and other association or labor organization that tackles issues related to their work environment. The survey showed that the absence of involvement of the workforce in trade unions is partially due to their lack of awareness, interest, or consideration of this matter; which raise the necessity of the workers' movement to revise its structure, strategies, communication plans, in order to change the perception of workers and gain their trust. The majority of non-unionized workers reported that they never considered joining a union (26.1%) or were not aware of any union to join (22.2%). The reasons among males and females are almost similar however more females reported their lack of awareness regarding the body to join.

**Table 34: Reasons for non-membership**

Answers	Percent	Male	Female
Never considered joining	26.1	29.6	19
Not aware of any unions to join in my workplace	22.2	21.2	24.2
Never been approached to join	11.9	11.7	12.1
Not interested in public affairs	10.5	11.7	7.8
Do not have time	8.5	7.3	10.8
I have a negative opinion of trade unionism	6.5	6.3	6.9
Not sure what a union can do to help me	5.6	6.3	4.3
No returns on membership fees	3.5	3.1	4.3
My employer discouraged me from joining a union	2.1	2.3	1.7
Felt uncomfortable to join as a woman	1.7	0	5.2
Other	1.4	0.4	3.5
Total	100	100	100

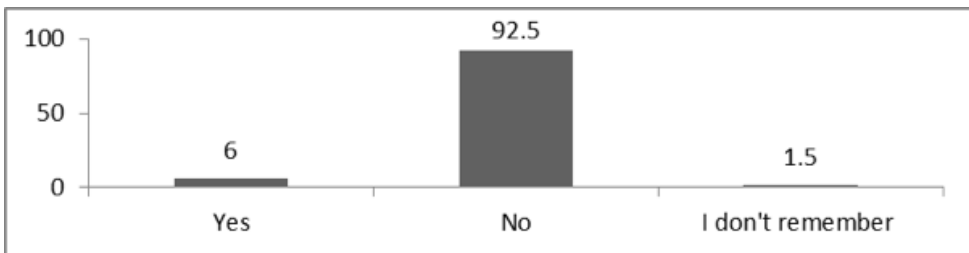
Most respondents have never participated in any kind of mass movement of the employees within their workplace. There are no significant gender differences.

**Figure 23: Have you ever been involved in any kind of collective action in the workplace or at any other locations?**



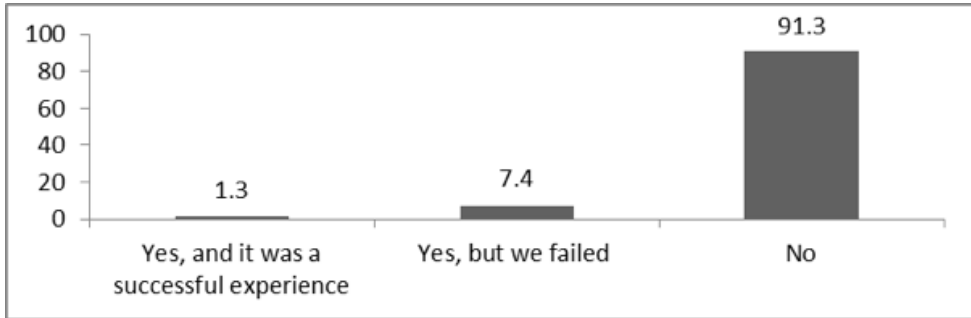
When asked about organization attempts, 92.5% of them haven't even tried to organize with their colleagues or join a trade union. There are no significant gender differences.

**Figure 24: Within your current job, have you tried to organize / join a union?**



When asked if this same attempt was done in their previous workspace, the answers were the same. The results showed that 7.4% of the respondents were actually involved in such movement during their previous job but they failed in achieving it.

**Figure 25: Did you try to organize and associate within previous jobs?**



For the minority who did join such attempts, they confirmed that they have faced obstacles such as threats from the employer (24.3%), legal restrictions (21.6%) and fears of co-workers (21.6%).

**Table 35: What are the main obstacles that you faced during this attempt?**

Answers	Percent
Threats from the employer	24.3
Legal restrictions	21.6
Co-workers' lack of cooperation/lack of interest	18.9
Fears of co-workers	21.6
Other	2.7
No obstacles faced	10.8
Total	100



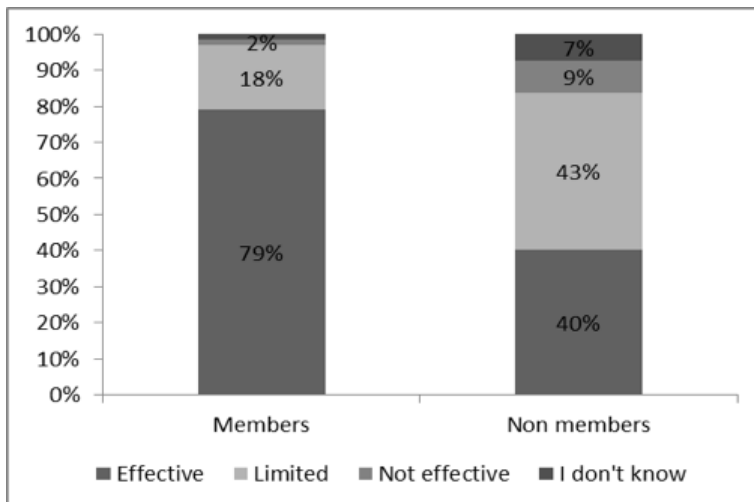
Respondents were asked to assess the role of women in collective actions. While 44.6% of respondents agreed that the role of women in public actions is effective, another 40.7% of them considered that the role of women in such areas is rather limited.

**Table 36: How do you assess women’s role in collective action?**

Answers	Percent
Effective	44.6
Limited	40.7
Not effective	8.1
I don't know	6.7
Total	100

Unionized workers tend to believe that the role of women in collective action is effective (79%). Conversely, only 43% of non-unionized workers believe that this role is in fact limited. This underlines that the perception of non-members is different due to the lack of evidence as they do not experience union work as much as unionized workers. In addition, the fact that unionized workers comprise a high share of female teachers can also explain the good perception of members.

**Figure 26: Perception of the role of women in collective action per membership**



The latter opinion viewed that the limited participation of women in collective action is most importantly due to their lack of time (47.1%), followed by fear (16.4%) and their lack of interest (15.2%).

**Table 37: What are, in your opinion, the reasons for the limited participation of women?**

<b>Answers</b>	<b>Percent</b>
Lack of interest	15.2
Lack of time	47.1
Fear	16.4
I don't know	14
Other reasons	2.3
Patrimonial society	2.8
Social constraints	2.3
Total	100

When asked about gender issues within trade union work, 62.6% of respondents declared that gender does not seem to be an obstacle for the participation of women in collective action and association work.

**Table 38: Do you believe that the gender is an obstacle by itself for the participation of women in trade unions?**

<b>Answers</b>	<b>Percent</b>
Yes	32.1
No	62.6
I don't know	5.2
Total	100

Respondents believe that the main reasons behind the limited participation of women in trade unions are the lack of time and the tendency to disregard their priorities and opinions.

**Table 39: Reasons of the limited participation of women in Trade Unions**

<b>Answers</b>	<b>Percent</b>	<b>Percent of Cases</b>
Lack of interest	7.7	11.6
Shortage of time	20.4	30.5
Fear of employer	8.8	13.2
Lack of work immunity	8.1	12.1
Non consideration of women's opinions	18.6	27.9
Non consideration of women's priorities	26.7	40.0
Relationship with men co-workers	3.2	4.7
I don't know	1.4	2.1
Social constraints	5.3	7.9
Total	100.0	150.0

The following sub-section of the report comprises the answer of the unionized workers only as it tackles issues pertaining to their membership.

### **About Members of Trade Unions**

Out of total sample, only 68 respondents declared to be member of a union. Most of these respondents are members of private sector trade unions and professional orders. The table below shows that unionized women workers are more present in public sector leagues compared to the private sector: 25% of unionized females are in the public sector compared to 6% of unionized male.

**Table 40: Distribution of union members by type of organization**

Type of organization	Number	%
Private sector trade union	32	47
Professional associations	24	35
Workers' organization (committees at the work place)	1	1
The league of civil servants	6	9
League of public sector teachers	5	7
Total	68	100

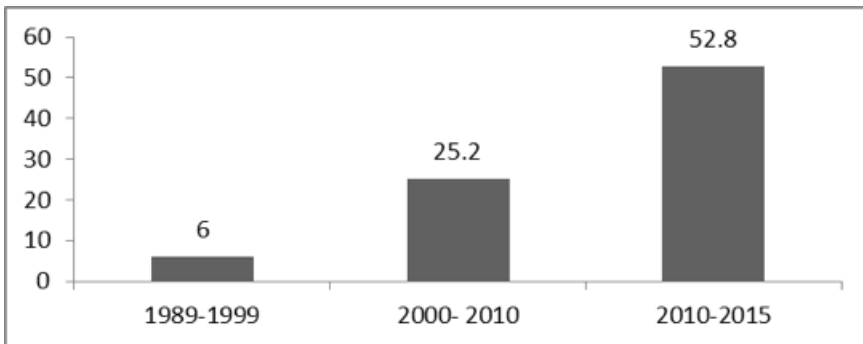
Below is the list of private sector trade unions that respondents declared their membership to. The majority of members of private sector unions are in fact members of the Union of Private School Teachers. These results are in line with the size and weight of the Union of Private School Teachers and Union of Banks' employees on the national level, as these two unions have the highest number of members compared to other trade unions according to the latest available figures (2001) as shown in the previous section of the report.

**Table 41: List of private sector trade union**

Private sector trade union	# of surveyed members
Taxi drivers	1
Private School Teachers	17
Banks' Employees	4
Film directors	1
Construction workers	2
Workers and employees of EDL	1
Workers and employees at the Casino du Liban	1
Lebanese Graphic Arts	1
Hospital workers	1
Importers of medicine and employees	1
Union of interior designers	1
American University of Beirut Employees	1
Total	32

The majority of respondents who are members of private sector trade unions have in fact joined in 2010 onwards. During this period, as explained in the first section of this study, the ministry of labour authorized a large number of trade unions and federations. The second section of the study shows that most trade union federations were authorized during this period. As previously mentioned, the significant increase in the number of federations is more of a political action rather than a reflection of the economic or workforce structure.

**Figure 27: Year of joining (private sector trade unions)**



According to results, the majority of members of private sector trade unions explain their membership by personal conviction in collective work.

**Table 42: What is the main reason for joining trade unions?**

Reason for joining	Count	%
Personal conviction in collective work	18	56
Membership is compulsory	2	6
Because a union exist and it is better to be a member, however I am not convinced by its use	5	16
Seeking support/assistance in resolving problems at workplace	5	16
Politically active in defending workers' rights	1	3
No answer	1	3
<b>Total</b>	<b>32</b>	<b>100</b>

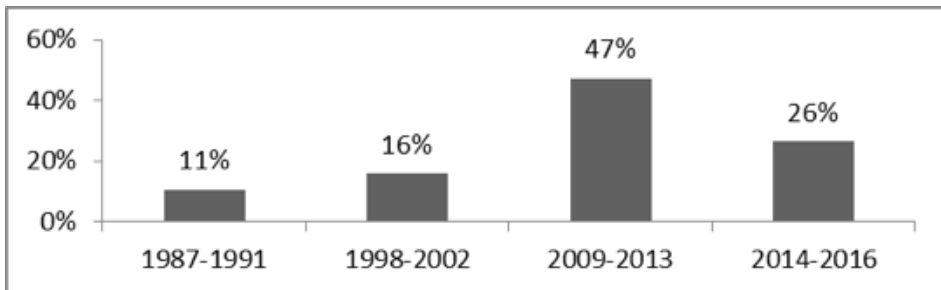
Professional orders comprise the second largest category of surveyed unionized workers. The majority of surveyed order members are part of the Order of Engineers and Architects followed by the Order of Pharmacists, the Beirut Bar Association and the Lebanese Order of Physicians. This distribution reflects the national weight of these orders

**Table 43: Distribution of members by type of Professional Associations**

Order	# of surveyed members	%
Lebanese Order of Physicians	3	13
Lebanese Topography Syndicate	1	4
Order of Pharmacists in Lebanon	3	13
Beirut Bar Association	3	13
Order of Engineers and Architects	10	42
Order of Journalists	1	4
Order of nurses	3	13
Total	24	100

The majority of surveyed members joined after 2008. The period between 2009 and 2013 witnessed the largest wave of membership, which is also the case of private sector unions as shown above.

**Figure 28: Year of joining (professional association)**



The majority of surveyed order members declared to be part of their orders as the membership is compulsory (70 %).

**Table 44: What is the main reason for joining the professional association?**

Reason for joining	Count	Percent
Personal conviction in collective work	4	15
Membership is compulsory	14	70
Because a union exist and it is better to be a member, however I am not convinced by its use	4	5
Seeking support/assistance in resolving problems at workplace	1	5
Politically active in defending workers' rights	1	5
Total	24	100

Out of the total number of unionized members, only one (male) reported to be cadre within his union.

**Table 45: What type of membership do you hold?**

Answers	Percent
Regular member	98.5
Cadre	1.5
Total	100

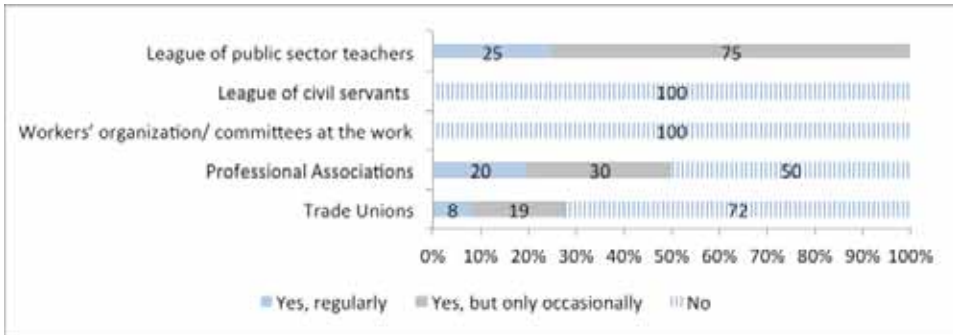
Most of the members (63.65%) do not take part of unions' meetings. Only 12.1% are regular attendees of those meetings: 45.2% of unionized males attend meetings compared to 28.5% of unionized females. The results showed that around 6 to 7 meetings were held during last year.

**Table 46: Do you meet within the union?**

Answers	Percent	Male	Female
Yes, regularly	12.1	12.9	11.4
Yes, but only occasionally	24.2	32.3	17.1
No	63.6	54.8	71.4
Total	100	100	100

A closer look at the results shows that members of leagues of public sector teachers tend to meet regularly. In the past three years, leagues of public sector teachers have been active and played a key role in the mobilization of the UCC in demand of a new salary scale <sup>44</sup>. Only 8% of private sector trade union members declared to meet regularly.

**Figure 29: Do you meet within the union?**



The majority of surveyed union members (68.6%) agreed that the timing of the meetings takes into account the specificities of women who have housewives duties or can only stay late occasionally. While the majority of males believe that the availability of female members are taken into account in the organization of meetings, only 14.8% of females believe so: instead, 85.2% of females declared that their convenience is factored in occasionally.

**Table 47: Do meeting times take into account the availability of female members?**

Answers	Percent	Male	Female
Yes, always	31.4	50	14.8
Yes, but occasionally	68.6	50	85.2
Total	100	100	100

<sup>44</sup> Results distributed by type of association should be considered with caution as the number of surveyed unionized wage earners is low.



Results show that training courses related to trade unions' work are organized rarely. Only 18.8% of surveyed unionized workers reported the occurrence of trainings.

**Table 48: Does the union organize union related trainings?**

Answers	Percent
Yes	18.8
No	46.9
I don't know	34.4
Total	100

Workshops and activities are organised in a limited frequency. Only 37.5% of surveyed unionized workers reported the organisation of workshops and activities.

**Table 49: Does the union organize union functions workshops or activities?**

Answers	Percent
Yes	37.5
No	62.5
Total	100

When asked about subscription, 79% of the surveyed unionized workers reported that they pay their subscription fees.

**Table 50: Do you pay subscription fee?**

Answers	Percent
Yes	79
No	21
Total	100

The fee is either deducted from the salary, or collected through a colleague or a delegate, or paid at the bank or the through the post office. Concerning the subscription fee, the study showed that annual subscription fees are on average 270,000 LBP taking into account the high subscription of professional associations. Most respondents pay their fees annually (66%).

**Table 51: Average annual fees of membership by type of association**

Type of association	Annual Average in LBP
Private sector	120,000
Professional association	580,000
Public sector	26,000
Teacher's leagues	136,000
<b>Total average</b>	<b>270,000</b>

**Table 52: Payment of subscription fees**

Answers	Total	Private sector	Professional Association	Teachers Leagues	Public sector
Monthly payments	28	29	19	33	67
One annual payment	66	68	81	33	
Other	6	4	0	33	33
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

This amount is considered high by a minority of the respondents (20.3%).

**Table 53: Do you consider the subscription to be expensive?**

Answers	Percent
Yes	20.3
No	79.7
<b>Total</b>	<b>100</b>

Around 73% of the unionist are satisfied with internal organization and structure of the union. Those who are not claim that the organization is a chaos and that there are no clear and well-defined internal regulations. They believe that most unions' decisions are driven by political and sectarian beliefs and opinions, which causes a divergence of some actions from the ultimate objectives of the union. There are no significant gender differences.

**Table 54: Are you satisfied with the internal regulations of the union?**

Answers	Percent
Completely satisfied	17.9
Somewhat satisfied	55.4
Not satisfied to some extent	19.6
Not satisfied at all	7.1
Total	100

Results show that members of leagues of public sector teachers and professional associations tend to be somehow satisfied with their internal regulations (60% of members).

**Table 55: Level of satisfaction with internal regulations by type of association (%)?**

	Trade Unions	Professional Associations	League of civil servants	Teachers' leagues
Completely satisfied	10	33	33	
Somewhat satisfied	53	61	33	60
Not satisfied to some extent	23	6	33	40
Not satisfied at all	13			
Total	100	100	100	100

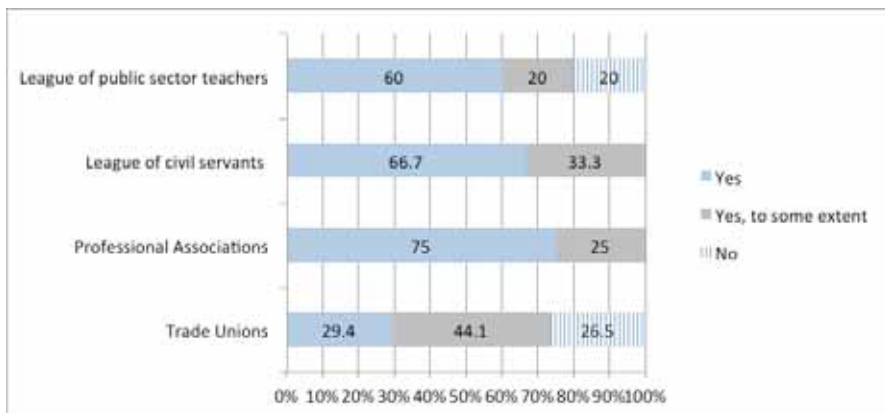
Most of the unionists (around 84%) consider that their membership in such an organization is a source of power for them in their working space. Those believe that the trade union is capable of defending their rights and trust that it is support for them in the face of their employer. For those who have the opposite opinion, trade unions are considered to be weak and ineffective due to political interferences and the sectarianism system of the country. No significant gender differences are detected.

**Table 56: Do you believe that your union is a source of empowerment at the workplace?**

Answers	Percent	Male	Female
Yes	48.4	55.2	42.4
Yes, to some extent	35.5	34.5	36.4
No	16.1	10.3	21.2
Total	100	100	100

The figure below clearly shows the difference between members of different types of association. Obviously, those who are empowered by their association are members of the leagues of public school teachers – 60% feel empowered by their leagues - and members of professional associations. Members of trade unions are those who are the least empowered by their association. These results clearly underline the problems of trust and structure of the trade union movement. Trade unions seem to no longer represent the needs and demands of workers.

**Figure 30: Perception of empowerment by type of association**



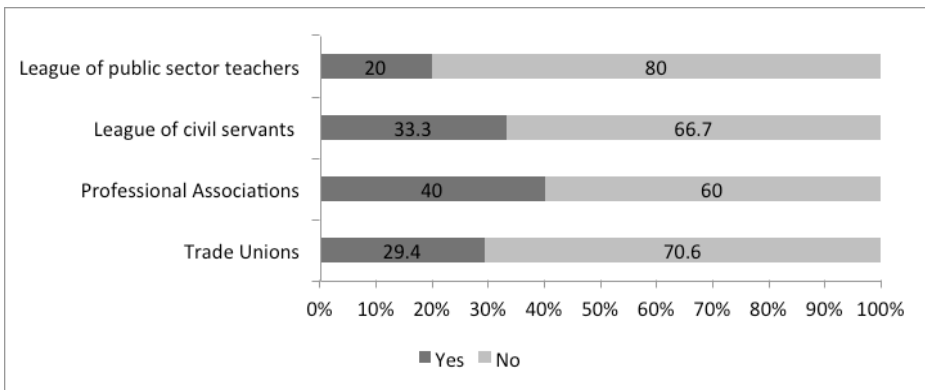
Nevertheless, results showed that 67.7% of the trade unions members have never resorted to their union when have facing a certain problem with their employer. The dominant response considers that most problems can be resolved individually or with the help of their colleagues. Some of them consider the union is incapable of offering the proper help and support. No significant gender differences

**Table 57: Did you ever refer to your union in case of problems with the employer?**

Answers	Percent
Yes	32.3
No	67.7
Total	100

Members of the professional associations are those who tend to refer the most to their association (40%) compared to 29% of members of trade unions and only 20% of leagues of public sector teachers. These results highlight a more efficient structure at the professional association level. The limited referral to private sector trade unions reflects on the performance of these associations and the need for structural amendments that may enhance their efficiency. The fact that members of trade unions do not refer to their association reflect structural problems that need to be addressed.

**Figure 31: Referral to the association by type of association**



For those who did refer to their association, 42.1% considered that their union was actually able to help them.

**Table 58: Was the union able to help you in this case?**

<b>Answers</b>	<b>Percent</b>
Yes	42.1
No	26.3
To a certain extent	31.6
Total	100

The majority of the unionists are convinced that the unions in which they are a member can protect their rights and ameliorate their working conditions.

**Table 59: Do you believe that your union preserves and improve your work conditions?**

<b>Answers</b>	<b>Percent</b>
Efficiently	50
In a partially efficient way	35.9
Inefficiently	7.8
I don't know	6.3
Total	100

Strikingly, most of the unionists are unaware if their trade union is a member of a federation under the General Confederation of Lebanese Workers (GCLW).

**Table 60: Is this union part of the GCLW?**

<b>Answers</b>	<b>Percent</b>
Yes	17.5
No	19
I don't know	63.5
Total	100

As for the relationship between the trade unions and the GCLW, the unionists see it in general as satisfactory; but some argue that there is a lack of coordination between the two that makes their objectives and work plans different, and sometimes contradictory.

**Table 61: Is the relationship between the GCLW, federations, and trade unions satisfying?**

Answers	Total	Private sector	Professional associations	League of civil servants	Teachers' leagues
Satisfying	16	19	4		60
More or less satisfying. There is room for improvement	22	25	25		
Not yet very satisfying	11	6	21		
Not satisfying at all	9	6	4	33	20
There is no relationship	5	9	0		
I don't know	38	34	29	17	20
N/A		0	17	50	
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

*The following sub-section is addressed to all respondents (Non-members and members) in order to examine their opinions regarding the workers' movement even if they are not unionized workers*

### Opinion and Aptitudes

Results showed that most of the respondents consider that Lebanese labor Code protect the freedom of union movements. As shown in the below table, only 10.6% answered that the freedom of the labor force in organizing unions is not defended by the country's regulations.

**Table 62: Do you believe that the labor code grants freedom of association to workers?**

Answers	Percent
Yes	37.1
Yes, to a certain extent	41.3
No	10.6
I don't know	11.1
Total	100

While explaining the reasons behind the failure of the law in doing so, most of the responses were that the main issue resides in the implementation of the laws and not in their existence of structure. Others suggested that the problem is that the majority of the regulations protect business owners on the interest of the workers which they consider as unfair. Another opinion sees the Lebanese law as rudimentary, old and complicated making it inapplicable and impossible to be in consistence with the actual situation of the workforce and its needs.

A proportion of 48.5% of the surveyed population acknowledges the importance of the trade unions in society. This view is convinced that trade unions are a tool to pressure the government towards accepting the labor force's demands. Unions are seen as the voice that speaks for the workers, preserving their rights and asking for wage increases. People with this opinion rely on unions for improving their living conditions in the absence of proper actions undertaken by the government.

Only 8.9% think that the workers' movement in Lebanon is not important due to the interference of politics and sectarianism. Some respondents believe that unions are only essential and important for some professions (mostly professional orders).

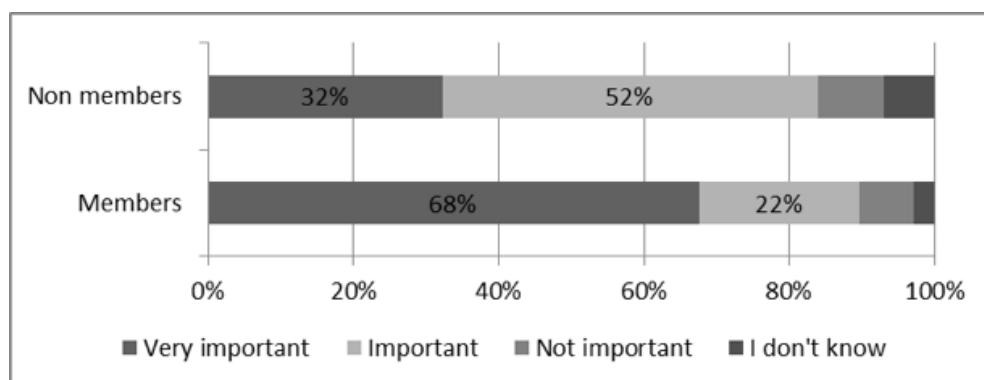


**Table 63: How important is the workers' movement in Lebanon?**

Answers	Percent
Very important	36.2
Important	48.5
Not important	8.9
I don't know	6.5
Total	100

Expectedly, unionized workers believe in the important role of the workers' movement: 68 per cent of members believe that the role of the movement is very important versus only 32% of non-members.

**Figure 32: Role of the workers' movement by membership**



Results revealed that 23.9% of the respondents consider that the workers' movement does not influence decision making in matter of social and economic policies.

**Table 64: Are trade unions influential in shaping socio-economic policies decision making?**

Answers	Percent
Influencing	16.6
Influencing to a certain extent	36.3
Not influencing to a certain extent	16.5
Not influencing	23.9
I don't know	6.6
Total	100

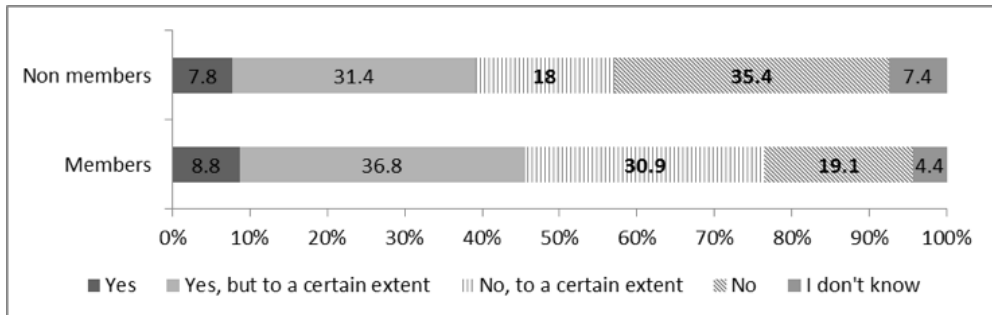
In fact, the majority (around 53%) believes trade unions are not independent and thus do not act autonomously.

**Table 65: Do you think that trade unions in Lebanon have independent decision-making?**

Answers	Percent
Yes	7.9
Yes, but to a certain extent	32
No, to a certain extent	19.4
No	33.6
I don't know	7.1
Total	100

Distribution by membership show that 35.4 per cent of non-unionized workers consider that the decision making process of unions is not independent as opposed to 19 per cent unionized workers.

**Figure 33: Opinion regarding the independent decision-making of unions per membership**



This opinion could explain why the performance of the unions is mostly seen weak as only 32.1% answered that the overall performance is good and 1.5% of respondent consider it perfect.

**Table 66: What do you think about the present performance of trade unions in Lebanon?**

<b>Answers</b>	<b>Percent</b>	<b>Members</b>	<b>Non-Members</b>
Perfect	1.5	4.4	1.1
Good	32.1	39.7	31.1
Weak	55.8	51.5	56.3
I don't know	10.7	4.4	11.5
Total	100	100	100

The majority of surveyed respondents declared to be in general supportive of strikes, instead of taking a stand against them. Expectedly, most unionized workers are fully supportive when strike decisions are made (82.1 %). Although they are not members of unions, 54.9 % of non-unionized workers still support strikes in general.

**Table 67: When you hear of a strike, are your sympathies generally for or against the strikers?**

<b>Answers</b>	<b>Percent</b>	<b>Members</b>	<b>Non-Members</b>
I am supportive	57.9	82.1	54.9
I am against	2.9	1.5	3.1
I am neutral	23.8	11.9	25.3
I don't know	15.3	4.5	16.7
Total	100	100	100

The majority of the respondents (55%) approve that their living conditions could only be ameliorated by individual efforts, which emphasized on the lack of confidence they have in labor force movement and their ability to enforce change in society. Only 22.1% of unionized workers believe in the role of trade unions in improving living standards of workers.

**Table 68: Factors of improvement of living standards**

<b>Answers</b>	<b>Percent</b>	<b>Members</b>	<b>Non-Members</b>
Individual efforts	55	36.8	57.3
Relationship with business owner	19.3	17.6	19.5
Political and religious leaders	6.3	7.4	6.2
Trade unions	8	14.7	7.1
Strict rules and regulations applied by the government	10.6	22.1	9.1
Other	0.8	1.5	0.7
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>

The study shows that there is a general agreement (78.5%) about the absence of protection and improvement of working conditions in Lebanon.

**Table 69: Are the working conditions of wage earners protected and improved?**

<b>Answers</b>	<b>Percent</b>	<b>Members</b>	<b>Non-Members</b>
Yes	21.5	26.5	20.8
No	78.5	73.5	79.2
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>

Respondents were asked to select all the listed causes behind the lack of protection of workers' rights. The highest registered response pointed to the role of the sectarian political system (88%), followed by the power of employers (87%) and the weak union work (81%).

**Table 70: Causes of deficiency in the protection and improvement of working conditions**

Answers	Percent
The regulations are outdated	71.8
The incapacity of MOL to implement laws and regulations	78.9
Bias of the MOL	72.6
The weak union work and its lack of efficiency	80.9
The power of employers and their capacity of ignoring regulations	87.4
Repercussions of the sectarian political system	88.1

The respondents were asked to underline the key cause out of the suggested list. The results showed that the main reasons behind this deficiency is the repercussion of the sectarian and political system (31.4%), followed by the influence of employers and their ability to ignore regulations (23%), and then the weakness and inefficiency of trade union actions (15.8%).

**Table 71: Major cause of deficiency in the protection/ improvement of working conditions**

ers	Percent	Members	Non-members
regulations are outdated	9.7	20	8.4
ncapacity of MOL to implement laws and regulations	11	8.9	11.2
of the MOL	9.2	4.4	9.8
weak union work and its lack of efficiency	15.8	8.9	16.7
power of employers and their capacity of ignoring regulations	23	26.7	22.5
cussions of the sectarian political system	31.4	31.1	31.4
	100	100	100

The surveyed respondents were asked to assess the role of the workers' movement in improving wages, improving the NSSF benefits, and in strengthening the sense of common interest among workers. According to the survey, the workers' movement was the most effective in improving the benefits of the NSSF (13.3%) as well as protecting wages (11.8%). Conversely, the workers' movement is perceived to be ineffective in improving work benefits such as medical care, education and transport (38%) as well as strengthening the sense of common interest among workers (37.4%).

**Table 72: Do you believe that the workers' movement in Lebanon participated in a way or another in:**

Labor movement's accomplishments?	Answers	Percent
Preserving and improving wages	Effectively	11.8
	Partially	51.1
	Without effectiveness	29.4
	Did not participate	3.9
	I do not know	3.8
Improve the benefits of the National Social Security Fund	Effectively	13.3
	Partially	39.2
	Without effectiveness	32.7
	Did not participate	11.0
	I do not know	3.8
Improve other benefits (medical care, education, transport etc...)	Effectively	8.8
	Partially	36.3
	Without effectiveness	38.
	Did not participate	11.3
	I do not know	4.9
Strengthen the sense of common interest among wage-earners and limit sectarian and regional divisions	Effectively	9.5
	Partially	28.2
	Without effectiveness	37.4
	Did not participate	21.1
	I do not know	3.8

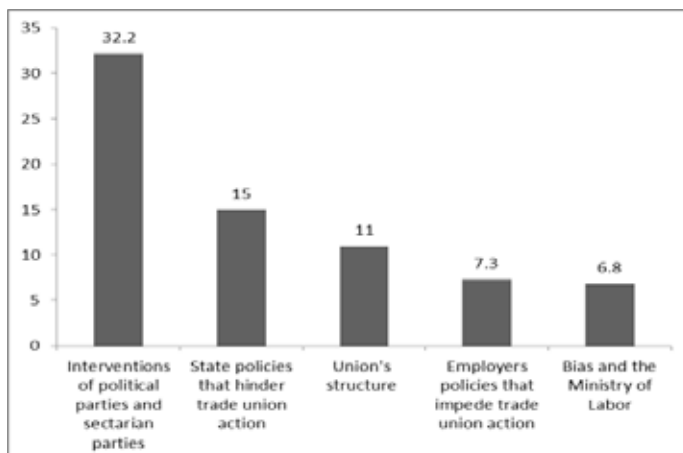
When asked about the reasons that influence the efficiency of union work, the most recurrent answers included the interventions of political and sectarian parties (92.5 %), state policies (89.9 %) and the poor organization of trade unions (84.7 %).

**Table 73: Factors influence the efficiency and achievements of union work**

Answers	Percent
Interventions of political parties and sectarian parties	92.5
State policies that hinder trade union action	89.9
Poor organization of trade union work and poor performance of the union leaders	84.7
Employers policies that impede trade union action	84.2
Subordination of the trade union leaders to the dominance of the employers	83.6
Individualism of the Lebanese citizens	73.2
Bias and the Ministry of Labor	73.4
Labor law, which hampers trade union action	76.5
Union's structure	79.4
Migration of wage-earners, and thus their withdrawal from trade union action	69.8
The absence of unions' strategic vision	78.2
Lack of financial independence	73.8
High rates of informal employment	76.3
The proliferation of small institutions	65.4

When asked to select the top reason behind the lack of efficiency of union work, the intervention of political and sectarian parties came first with 32.2 % of answer.

**Figure 34: Major factor that influence the efficiency and achievements of union work**



The findings of the survey showed that there are two opinions regarding the structure of the GCLW: Some believe that the structure in the way it is partially effective (33.2%), while others consider that it is ineffective (34.8%).

**Table 74: How do you perceive the current structure of the GCLW?**

Answers	Percent
Effective	7.8
Partially effective	33.2
Partially ineffective	24.3
Ineffective	34.8
Total	100

Finally, respondents selected two main reforms to tackle the unions' movement issues: The reform of labor law (39.9%), and the improvement in the structure of the trade unions (37.9%). Only a minority (3.8%) thought that preserving the existing structures while creating a new union with a different structure would be a solution.

**Table 75: Preferred reforms in the workers' movement**

Answers	Percent
Reform of labor law	39.9
Improve the current structure of the trade union federations	37.9
Award more independence to the regional federations within the trade union federations	18.5
Keep the current structures and create another confederation with a new structure	3.8
Total	100



## SECTION 4

### THE NEED FOR A NEW TRADE UNION PARADIGM

The stark economic conditions in Lebanon spawned increasingly deteriorating living conditions, limited social protection, and a labour market characterized by an increasing share of informal workers and self-employed in precarious conditions.

In that context, the study has shown the current weak status of the formal trade union movement and its inability to achieve social justice and to improve the living conditions and the attainment of decent work conditions. More specifically, the study concludes with the following findings:

- The labour force in Lebanon still suffers the lack of respect for fundamental principles and rights at work. The discrimination against workers in the public sector and migrant workers as well as the interference of the Ministry of Labour in the creation and management of unions in the private sector hinder the development of an independent and democratic trade union movement.
- The trade union movement in Lebanon still suffers from outdated labour legislations, limited membership, undemocratic structures, and lack of capacities and resources.
- Political unionism characterizes the different formal trade unions structures in Lebanon. Unfortunately, this increased its intra-rivalry that promoted more fragmentation and absence of solidarity among unions, exacerbating fragility towards the increasing pressure and interference of employers, political parties and government. This decreased its capacity to participate actively in the State's policy- and decision-making processes.
- The trade union movement failed in adapting to new changes and challenges in a globalized economy.

- The reinforcing relation between the current economic structure and the trade union movement, as the economic structure inhibits the growth of the trade union movement which encourages further this economic trajectory. The structural transformations of the Lebanese economy played an important role in weakening the labour movement on several levels. First, the increasing informalization of the labour force coupled with the proliferation of small and micro enterprises has created a highly fragmented and vulnerable labour force difficult to organize. Moreover, the ban of public sector employees to organize further impedes the effectiveness of organized labour. This suggests that among the barriers to the expansion of the trade union movement in Lebanon is the structural breakdown of the labour force and its distribution. Second, the high rate of unemployment and the decreasing decent work opportunities, have weakened the bargaining power of workers in general, and trade unions in particular.

- Weak collective bargaining power, despite the fact that Lebanon had ratified Convention 98 on the “Right to Organize and Collective Bargaining”. Collective bargaining and social dialogue in general are rarely the practice in resolving labour conflicts. Social dialogue institutions exist in Lebanon, especially on the national level through the existence of different tripartite entities. However, these entities still fail to fulfil their purpose as social dialogue in Lebanon is not well developed for several reasons, mainly the absence of political will and the burdening restrictions on Freedom of Association. In fact, labour relations in the private and public sectors are characterized by imbalance and tensions. The past developments have shown that employers and government face labour demands with a high degree of hostility and refusal of dialogue. Thus, tripartite institutions in Lebanon are not serving their goal in fostering genuine and constructive social dialogue. On the contrary, these institutions are not functioning and trade unions are not playing their role effectively with their presence being mainly cosmetic.

- Freedom of association. The formal trade union movement has been defensive in protecting the existing rights, but was passive in promoting freedom of association for the workers in the public sector, domestic workers, agriculture workers and migrant workers. In fact, the deprivation of the right to organize for a large group of the workforce, particularly in the public sector

has negatively impacted the strength of the trade union movement in terms of representativeness and its ability to fight the restrictive enforcement of labour law, and the level of compliance with international labour standards.

### **The need for a new trade union paradigm in Lebanon**

The trade union movement in Lebanon has gone through organizational transformation mainly after the Taef agreement, because of the severe interference of the new ruling elite. However, this transformation has led to more marginalization of the movement and its ability to meet socio-economic and political challenges, such as poverty, social inequality, child labour, underemployment and unemployment. In fact, the slow response of the trade union movement to the technical advancement, economic and social developments has explicitly contributed to making trade unions gradually disconnect with the interest of workers and tarnish the traditional and exclusive role of trade union activities as an institution for workers' protection and collective action.

For several reasons the trade union movement in Lebanon should endeavor to rethink its mission, role, presence and legal environment that dictate its ability to improve, develop and meet the expectations of its members and the working people. First, the trade union movement should take into account the changes occurring in the work environment and the deterioration in working and living conditions and social protection for the majority of the labour force. Second, the movement should address the failure of the recent traditional union structure to meet the aspirations and expectations of workers and their families, as it proved to be less compatible to the new business environment that disregard compliance with labour standards, especially the right to organize and collective bargaining. Multiple evidences indicate that political unionism has served little as a tool to defend and protect the working class, in particular for the civil servants and workers in the informal economy. Third, the movement failed to enhance the collaboration between trade unions and civil society organizations. The non-representative formal trade union movement is requested to build wider alliances with the social movements, human rights organizations, environment groups, and social equality, gender, and child labour activists to have a higher voice with wide

public support, in order to influence socioeconomic and political challenges.

The review of the conditions and situation of the formal trade unions underlined the necessity for a new trade union paradigm in Lebanon. However, drawing upon the findings of this research, two alternatives of core structural reforms appear.

The first alternative encompasses the reform of the current structure of the formal trade union movement that addresses the flaws and weaknesses underscored in the previous section of this study including increasing representation, democratic practice and the definition of a comprehensive socioeconomic strategy.

The second alternative comprises the design of the emergence of a new structure that aims to guarantee the fundamental pillars of the freedom of association, democratic practice, and a strategy that contains a series of demands and actions which are in line with the needs of the workers to achieve decent living and working conditions. A new structure can enable workers to defend their interests in a changing workplace due to increasing labour flexibility, new employment relationships and new industrial relations patterns, and can meet the economic needs of workers, such as job information, replacement, retraining, and benefits.

A new structure that can work to foster the independent and autonomous role of unions in actions and decisions is needed. It is necessary to encourage the organization of new members, especially youth, women, migrant workers, and workers in the informal economy. It is also important to support building genuine workers unity based on the solidarity of interests against political dependency, low membership rates and non-representation, non-compliance of labour rights and weakened bargaining power, as well as insufficient investment of training and education.







