
Round Table Discussion

International Organization of Employers (IOE)

The Egyptian Businessmen's Association has received a delegation from the International Organization of Employers **IOE** and the International Labor Organization **ILO** namely:

- Mr. Antonio Penalosa, IOE Secretary General.
- Mr. Frederick Muia, Senior Advisor
- Mr. Francis Sanzouango, International Labor Organization (ILO) Desk Officer for Africa.

Mr. Samir Allam, EBA Member and Board Member of the IOE, mentioned that IOE is the 3rd wing of the ILO as it helps and coordinates between governments, workers and employers.

The main message of the delegation is that, in order for employers to cater for the workers needs, more effort should be exerted to increase production to get over the negative impacts of the current economic situation in Egypt.

Mr. Antonio Penalosa, IOE Secretary General, highlighted that Egypt is considered a key player to the IOE, and the latest circumstances that happened in Egypt are very crucial and important for the organization, those changes will directly affect the employers.

He briefly introduced IOE that is recognized since its establishment in 1920 as the only organization at the international level that represents the interests of business in labor and social policy fields. The IOE consists of 150 national employers organizations from 143 countries from all over the world.

Its main mission is to promote and defend the interests of employers.

Mr. Penalosa added that the Egyptian employers are thinking about the day to day realities, and are not involved in the ideological and political battle which is taking place in Egypt, and this is referred to as the vacuum of leadership.

Moreover, he invited the Egyptian enterprises to form a coherent platform in order to study the current problems, facing them for a better unified relation with the workers.

He concluded that the delegation's main mission is to convey a message for the Egyptian workers that their problems will only be solved by concentrating on productivity and efficiency not by attacking or being against the employers.

Dr. Adel Gazarin EBA Honorary Chairman , a founding member of the ILO, stated that the IOE is a world wide spread organization which can help Egypt in many ways.

He suggested to organize a meeting in Cairo with the African Employers organizations to be sponsored by the IOE, this meeting will create connections with the African countries, and unions.

Mr. Hatem Khater , Chairman of Corporate Social Responsibility committee in EBA , said that the current challenges are big, and without security there will be a huge threat.

He explained that there are an ideological problem with the Egyptian workers since the sixties, this conflict is basically between the salaries and the real production needs.

He also added that IOE may help by offering International programs to change mentalities and ideologies of the workers in order to reach fair, and balanced contracts between workers and employers.

Dr. Sameh Shazly, deputy chairman of construction committee, said that we are in conflict between the values and rights of the labor, as we are facing several problems such as: Workers productivity versus Minimum wages.

Dr. Taha Khaled, Chairman of Financial Committee in EBA, stressed on the serious fact that Egypt is losing foreign currency reserve as the central bank since the revolution pumped liquidity in the commercial banks . He also said that employers can not do without labor and vice versa, but the misunderstanding between rights and duties is the main reason for the ongoing strikes.

Mr. Frederick Muia, Senior Advisor IOE, started by confirming the importance of defining the relation between duties and responsibilities. He also added that the message that should be conveyed to the Egyptian workers is that their rights are linked to the productivity and effectiveness of their enterprises.

IOE can help by organizing joint training programs for associations, in order to enable and help in changing the working culture and educate workers.

Eng. Alaa Diab , Chairman of Agriculture Committee , said that the Egyptian union of labor will become a real power after the revolution.

He suggested to organize with IOE, ILO and International trade unions a sequence of events with a precise time frame including the main stakeholders namely, Government, Labor Union, Business organizations

Eng. Khaled Hamza, highlighted an important factor that the Egyptian education system does not support the working culture, and he suggested the presence of

ministries of education, and higher education in introducing new solutions and future plan. As the treatment needs to build up the working culture from scratch and educating the working culture in each phase.

During the Open Discussion the following topics/ ideas were raised:

The first Step to fix the employers/ workers relationship is to create a strategy on how they will work together, and who will do what, through:

- **Issue a new labor Law**
The Egyptian government should announce and clarify that it will issue a law to protect labor rights (wages, social and medical insurance, etc...) and the business community should engage in the change of law and have a valuable Business input.
- **Create a unified, coherent business community platform**
in order to have a powerful voice of business integrated by itself not by the government nor the system.
- **Create Real Unions**
Trade unions should behave responsibly as well as labor unions
- **Have a Balanced Contract**
Create the link between productivity and effectiveness on one side, and salaries on the other side.
- **Change the Culture and conduct a social dialogue**
- **Learn from others' experiences**
Egypt to follow. IOE and ILO can provide a learning curve or an International model for

Recommendations/ Outcomes:

- Organize **An Economic Forum** by the end of June, gathering all key players “stake holders of the Economy” in order to put their ideas and solutions to reach a long term balanced relation, government representatives mainly the minister of Manpower, Business community, media, and labor unions should be involved and present.
- The IOE will discuss the idea of attending this forum as a catalyst/ advisor.
- Organize with IOE, ILO and International trade unions a sequence of events with a precise time frame including the main stakeholders namely, Government , Labor Union, Business organizations