



#### **D. Foreign Labor**

The World Summit for Social Development devoted a separate section to deal with the issue of migrant labor, considering it a major development issue. In the contemporary world of the globalized economy, markets, information and culture, poverty and unemployment are becoming less and less bound by geography. Hence, the need to formulate rules to deal with migrant or foreign labor at the level of individual countries and internationally. Such rules would recognize the basic individual and social rights of migrant labor who contribute to the development of the country of destination and are, from a developmental point of view, an integral part of that society though they do not hold its nationality or enjoy the right to participate in political life as citizens.

Foreigners residing in Lebanon can be classified into two main categories. *The first category* includes foreigners and their families residing on a permanent basis. These can be found in different regions and cities where they live and work under similar conditions as the Lebanese population. According to the Population and Housing Survey of 1996, these number 26,968 families, or around 4 percent of all families, and represent 132,000 individuals, or 4.2 percent of the population.

*The second category* includes foreign workers who often live at construction sites, place of work or with their employers, and Palestinian refugees in camps. This category, which does not lead a stable family or professional life, is the subject of this section.

Foreign labor in Lebanon is characterized by massive presence, which by itself constitutes an issue. Developmental considerations require to look into the impact of foreign labor to assess its positive and negative effects on the process and course of development in the country.

##### 1. Status of foreign workers

*a. Legal status.* Foreigners need a visa to enter Lebanon. This is the primary mechanism of control and supervision on the entry of foreigners to the country. This requirement, however, is not applicable to Syrian nationals who by far constitute the largest number of expatriate labor in the country. As to the Palestinians who are refugees in Lebanon, new procedures came into effect recently that require them to obtain a visa to enter the country.

A permit from the Ministry of Labor is required to work in the country. The Ministry, however, lacks the resources to carry out this task effectively. This restricts the control it can exercise on foreign labor, and the number of permits it grants, to those that are controlled at the official points of entry which is far below the actual number that enter the country.

The Lebanese law entitles foreign workers, who are in possession of a work permit from the Ministry of Labor, to enjoy full social rights. In its application, however, the law is not strict. This enables employers to take advantage and not register foreigners with social security, or offer them any social and health insurance.

*b. Number of foreign workers.* Estimates of the number of foreigners in Lebanon vary widely from one source to the other. Hence, the need for caution in interpreting figures on the subject.

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The Ministry of Labor regularly publishes figures on the number of permits issued to foreign workers in the country. According to reports by the Central Administration for Statistics, based on the number of permits issued by the Ministry of Labor, the number of foreigners who obtained work permits in 1995 was 41,969. These figures, however, are incomplete as they do not include all foreign workers and do not differentiate between new and renewed permits. Indeed, work permits do not reflect the true number of workers as the majority among them work without permits, particularly Syrian workers who constitute the large majority in the country and Palestinian workers. However, figures of work permits may be indicative for some categories of foreign workers and their distribution by nationality and profession.

According to a report prepared by the Council for Development and Reconstruction, the number of foreign workers was estimated at 250,000 in 1992, of which 200,000 were Syrians, 35,000 Asians and 15,000 from other nationalities. It is to be noted that none of the estimates reported is comprehensive and accurate. However, there can be no doubt about a rapidly rising presence of foreign workers in the early 1990s, which in the past couple of years has tended to stabilize. In this connection, figures published by the General Directorate of Public Security put the net inflow of Syrians into Lebanon at 1.6 million between the beginning of 1993 and the end of 1995 (it is to be noted, though, that information on Syrian workers leaving the country is not reported accurately, which implies that the actual figure is considerably less).

Based on the views of a number of experts in the economic and social fields, and drawing on estimates of the number of residents in relation to the volume of consumption of selected some basic commodities and limited field surveys, the number of foreign workers is estimated to have been 600,000 at the end of 1995, of which about 450,000 are Syrian workers.

*c. Professional qualifications* According to the Central Administration for Statistics, of foreign workers holding permits issued by the Ministry of Labor only 3 percent have high academic qualifications, 5 percent have qualifications in commerce and services, and 92 percent lack experience and/or qualifications. This is indicative of the nature of work that most foreigners perform in the country.

Foreign workers in the country can be classified by sector of activity as follows:

- *First:* Nationals of Sri Lanka, the Philippines, India and African countries provide household services and similar functions in business establishments.
- *Second:* Nationals of Egypt, Sudan and Syria (some) work as janitors, cleaners and porters in buildings and commercial establishments.
- *Third:* Nationals of Syria and Egypt (some) work in construction, farming, road construction, car-servicing, cleaning and garbage collection, repair and maintenance workshops, and as peddlers and porters.
- *Fourth:* West Europeans, and some Arab and other foreign nationals, are engaged in sectors that require scientific skills or financial means.

*d. Living conditions* Based on the above categorization, the following may be deduced regarding the living conditions of foreign workers:

- The majority of workers in the first category live and work under difficult conditions and circumstances; the treatment they receive depending on the conduct of the employer.
- Those under the second category (doormen, janitors, and warehouse workers) work under exhausting circumstances in unhealthy locations; they

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also live mainly in places lacking in infrastructure and services.

- Workers under the third category can be divided into three groups. The first work on an individual basis performing personal chores in urban locations, such as porterage, peddling, public transport, shoe polishing and car servicing. The second group engage in seasonal and rural activities, mainly in agriculture and works other than construction. The third group is involved in organized activities of a short or long-term nature (large construction projects, rehabilitation of the infrastructure and garbage collection), while some are skilled in specific repair works (tiles, colored glass, erecting fences, etc.). The three groups, however, share in common unsatisfactory living quarters and poor living conditions in general.
- Foreign workers falling under the fourth category constitute an exception in that they are well-paid compared to their Lebanese counterparts and enjoy above average living conditions.

From the above, it would appear that the majority of foreign workers live under very poor conditions, some are subject to exploitation by employers and employment agencies with no deterring laws to protect them. While the situation in the public administration may result in large numbers of foreigners working without permits and licenses, it reflects adversely on them when they suffer work-related accidents or health problems due to absence of insurance to protect them.

*e. Earnings and remittances* Earnings of foreign labor may mainly range between US\$ 75 and US\$ 250 monthly. The volume of foreign workers' remittances sent abroad is a controversial issue. The information needed to calculate the volume of remittances by foreign workers is not available, though there is agreement that the sums involved are substantial, given the size of the foreign work force.

The main issues that confront Lebanon as a result of the large presence of foreign labor have to do with the human and social implications which this presence poses, and its impact on the economy and the labor market, on the one hand, and on human development and social integration, on the other. Both aspects are considered in the sections below.

## 2. Foreign labor and the Lebanese society

Based on the above characterization and classification, a number of questions may be raised regarding the impact of foreign labor on the society from both an economic point of view and a social and security point of view.

- What are the effects of foreign labor on unemployment in the country?
- What are the effects of foreign workers' remittances on the economy?
- What are the security implications of the massive presence of foreign labor in Lebanon (criminal activity)?
- Is there a relation between sustainable human development and foreign labor in the Lebanese context?

An attempt to answer these questions follows. The size of the Lebanese labor force is estimated to be around one million, with large variations in educational attainment in its ranks, indicative of the potential to adapt to different types of economic activity if it were to be rehabilitated and trained properly. On the assumption that the unqualified foreign labor mainly lacking in experience competes with Lebanese workers whose educational attainment is below the elementary level or who are illiterate (about two-fifths of the Lebanese labor force), the issues involved can be cast as follows:

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*First:* Lebanese employers prefer to engage foreign workers since this enables them to save substantial amounts, on the one hand, by paying them wages that are below the stipulated minimum level and, on the other, by evading to register them in the social security system. Employers also consider foreign workers to be more productive in view of their willingness to observe closely technical instructions and working hours, implying a higher value added contribution compared to their Lebanese counterparts.

*Second:* Lebanese workers are not likely in the first place to accept the same terms as foreigners for social considerations (e.g., domestic help which before the war provided employment for a large number of female workers during the phase of migration from rural areas to urban centers, but which has come to be regarded as socially degrading or unacceptable). There are also economic considerations that mitigate against Lebanese workers accepting such types of employment. These have to pay rent and other expenses and, consequently, will not accept the same wages paid to foreigners, or not to be covered by social security. They are also in a better position to pursue their social security entitlements legally and in an organized fashion through their syndicates.

The experience of the last few years has confirmed these apprehensions, with employers taking advantage of the surplus supply of foreign workers to secure cheaper labor to execute projects and increase profits. Problems arise because the labor market is not organized, and the entry of foreign workers is not regulated in line with requirements. As a result, some jobs which would have gone to Lebanese workers were taken up by foreigners.

The encouragement by the Lebanese authorities to Western and Arab companies and individuals to invest in Lebanon reflects a conviction that these can make a positive contribution to the economy through the creation of job opportunities and increased productivity and production. Foreigners with high educational qualifications and experience (experts, consultants, professors) can also benefit the economy, but their earnings greatly exceed those of their Lebanese counterparts, who may be equally qualified.

Reverting to the questions raised about the relation between foreign workers and unemployment and its implications for the national economy, the following may be noted:

- The problem of overt unemployment in the past years has been eased as a result of emigration abroad, the branching out of establishments, the expansion of the parallel economy, the increase in the size of the security forces, and excessive employment in the public administration. In addition, disguised unemployment developed rapidly. Other factors, however, tended to aggravate the unemployment situation. These include the destruction and damage affecting many sectors, internal migration, forced displacement, and the deterioration in agricultural activities. Foreign labor is an additional factor exacerbating unemployment in the sense that it has introduced a situation that uneducated Lebanese workers cannot overcome. However, foreign workers are mostly found in fields that most Lebanese workers would not accept to enter. This may "absolve" foreign workers from being considered as the main cause of unemployment.
- The impact of foreign labor on the economy can not be assessed properly in the absence of broad-ranging studies due to the complex and controversial nature of the relation involved. Such studies, however, can not be carried out at present because of the lack of relevant surveys and facts. It is important to

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bear in mind in this connection that remittances constitute a considerable drain of foreign exchange resources; however, the bulk of remittances represent payments for services needed by the Lebanese economy. In other words, they help to generate value added that would not be forthcoming without foreign labor. The presence of foreign labor also helps to avoid bottlenecks and meet seasonal needs; and in the present circumstances, provides manpower needed to implement the reconstruction and rehabilitation program. Considerable profits accrue to companies, employers, employment agencies and brokers, as a result of employing foreign labor. This, however, does not translate into tangible economic and social benefits for the Lebanese citizen, since the employment of cheap foreign labor is not reflected in lower prices for commodities and services that foreigners help to produce. Finally, foreign labor should be provided with a minimum of social services.

This highlights the need to adopt policies to regulate the inflow of foreign labor into Lebanon, taking into consideration the actual needs of the economy with a view to providing more job opportunities for Lebanese citizens.

With respect to *social - "behavioral"* issues, for some time now observers have noted, even in the absence of accurate data, a relation between the presence of poor foreign workers and certain disorderly behavior patterns. Many of the workers entering the country have to wait a long time before finding a job, which could push them to commit criminal acts. Those monitoring security reports observe a high rate of crime committed against foreigners, by foreigners against Lebanese, and among foreigners themselves.

There is also the bad treatment and excesses that affect mainly foreigners performing household services (withholding passports and salaries, and depriving them of other entitlements such as time off and holidays). This highlights the need for change to ensure basic rights for foreign workers.

### 3. Conclusions: foreign labor and social integration

The above review has clearly shown the urgent need to formulate a clear policy to regulate the inflow and employment of foreign workers and, on a more general level, attempts are to be made to set objectives and elaborate policies to deal with the foreign labor issue in a medium-term perspective. Again, the latter aspect could be considered within the context of the formulation of a national employment strategy. Policies governing foreign labor should be based on accurate information relating to the number and qualifications of foreign workers, and an objective assessment of the problems they face and the means to resolve them in a manner that safeguards their basic rights and the interests of Lebanon.

The civil society bears responsibility to provide a platform for activities that target less privileged groups, including foreign workers, and to make them a part of the social continuum. This dimension in the activities of non-governmental organizations has remained weak. Until now, there is no organization that concerns itself with defending the rights of these categories, and to which they could turn to resolve their problems and lessen the feeling of alienation.

Dealing with this issue does not only serve the interests of foreign workers, but is also in harmony with the essence of the sustainable human development concept and the interest of Lebanese citizens. If legal, administrative and political limitations differentiate clearly between the status of Lebanese and non-Lebanese, this is not

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true of poverty, marginalization and social and security problems which do not recognize the existence of such limitations. Lebanon has experienced, before and during the war, the implications of this overlap in the poverty pockets of Beirut and its suburbs, which consisted of both Lebanese and non-Lebanese. In the post-war era, a new overlap has emerged in the marginal sector and in security breaches, involving labor of Lebanese and foreign nationalities.

The issue of migrant and foreign labour merits increased attention, particularly and in priority entry into the country and regulation of employment, on the one hand, and action guaranteeing basic human and social rights for all those residing on Lebanese territory, based on universal human rights principles. Presence and participation of foreign labour in the longer term are to be considered within the context of the country's development strategy in general, and employment strategy in particular.

**DON'T STOP HERE .. THERE IS MORE TO READ IN CHAPTER THREE  
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HOUSING: SITUATION AND PROSPECTS**