

I. Salaries and wages and related benefits in January-April 2011 in comparison with January-April 2010

Payments in January-April 2011 reached LL1,329 billion, increasing by LL 255 billion compared to January-April 2010, where the same item stood at LL 1,074 billion, as a result of the following factors:

◎ a LL193 billion increase in basic salaries from LL779 billion in January-April 2010 to LL972 billion in January-April 2011 mainly driven by higher payments to the military and security forces (+LL170 billion) and the education personnel (+LL34 billion) which was partially offset by a decrease in payments to civilian personnel (-LL10 billion). The increase in basic salaries was mainly due to the fourth payment of the 1996-1998 retroactive to military and security personnel as well as the one-off payment of field service indemnities that had accrued between May 2008 and February 2011 to them,

◎ a LL 7 billion increase in indemnities from LL61 billion in January-April 2010 to LL68 billion in January-April 2011 as a result of higher payments to civil (+LL5 billion) and education (+LL1 billion) personnel and ,

◎ a L72 billion increase in allowances from LL170 billion in January-April 2010 to LL242 billion in January-April 2011 mainly as a result of higher payments to the Army (+LL58 billion) and the Internal Security Forces (+LL10 billion).

The overall increase registered in January-April 2011 was partially offset by a LL16 billion decrease in "other"¹ as only a LL25 billion transfer was made to Civil Servants Cooperative in January-April 2011 compared to LL40 billion in January-April 2010.

¹ Other includes (i) payments for bonuses, (ii) State contributions to the Civil Servants Cooperatives, (iii) State contributions to the Mutual Funds covering Member of Parliaments, employees of the Lebanese Parliament, judges, judges' aides and Islamic tribunal judges and (iv) State contributions (as an employer) to the National Social Security Fund public sector employees that are not covered by the Civil Servant Cooperative and the Mutual Funds.

Table 1. Breakdown of Article 13: Salaries, Wages and Related Items

(LL billion)	Basic Salaries		Indemnities 6/		Allowances 7/		Other 8/		Total	
	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011
	Jan-Apr	Jan-Apr	Jan-Apr	Jan-Apr	Jan-Apr	Jan-Apr	Jan-Apr	Jan-Apr	Jan-Apr	Jan-Apr
Military Personnel	494	663	23	24	169	240	1	1	686	928
• Army	330	442	16	16	97	156	0	0	357	614
• Internal Security Forces 1/	130	177	6	6	58	68	0	0	158	252
• General Security Forces /2	26	34	0	1	10	11	1	1	30	47
• State Security Forces 3/	8	11	1	1	4	5	0	0	9	16
Education Personnel	180	214	20	21	0	0	0	0	146	235
Civilian Personnel 4/, of which:	105	95	18	23	2	2	51	35	148	154
• Employees Cooperative							40	25	40	25
Customs Salaries 5/									9	12
Total	779	972	61	68	170	242	52	36	857	1,329

Source: Ministry of Finance (MOF), Directorate General of Finance (DGF)

1/ Includes allowances payments made to Internal Security Forces from Guarantees account,

2/ Includes 1996-1998 retroactive payments made to General Security Forces from Guarantees account,

3/ Includes allowances payments made to State Security Forces from Guarantees account,

4/Includes salaries payments made to Ministry of Public Health from Guarantees account.

5/Includes salaries and wages and indemnities payment from guarantees account but excludes payments for allowances which are made from Customs Cashiers and can only be reclassified once Customs has sent the supporting document to the Directorate General of Finance. Battlefield indemnity in March 2011 paid to Customs officers were included as well.

6/Includes payments for family, transportation, overtime as well as various indemnities.

7/Includes payments for maternity and sickness, marriage, birth, death, hospital, education, medical and various social allowances.

8/ Other includes payments for bonuses, contributions to various public sector mutual funds and contribution of the State as an employer for the National Social Security Fund.