



## I. Introduction

Salaries, wages and related benefits payments, which mainly include the cost of basic salaries, indemnities and allowances, increased by LL 2 billion, from LL 358 billion in January 2013 to LL 360 billion in January 2014. Out of that component, basic salaries reached LL 265 billion in January 2014, compared to LL 264 billion paid in the same month of 2013. The main reason behind the minimal increase observed in January 2014 is due to the rise in military personnel cost by LL 9 billion, offset by a decline in basic salaries to education and civil personnel by LL 7 billion and LL 1 billion respectively.

## II. Breakdown of Salaries, Wages, and Related Benefits

Salaries, wages and related benefits represent the largest component of total primary spending, accounting for 26 percent in January 2014 and 29 percent in January 2013, keeping in mind that January figures are not highly reflective of year-end results due to some discrepancy in timing of payment.

**Table 1. Salaries, Wages and Related Benefits Breakdown – January 2013 and January 2014**

(LL billion)	Basic Salaries		Indemnities 4/		Allowances 5/		Other 6/		Total	
	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014
<b>Military Personnel</b>	166	175	7	7	44	54	0	0	217	237
Army	107	108	4	4	38	25	0	0	149	137
Internal Security Forces	45	51	2	2	6	22	0	0	53	75
General Security Forces	11	13	0	0	1	7	0	0	12	20
State Security Forces	3	3	0	0	0	1	0	0	3	5
<b>Education Personnel</b>	67	60	14	5	0	0	0	1	81	66
<b>Civilian Personnel 1/</b>	31	29	6	6	0	0	7	5	44	41
<b>Government contribution to employees cooperative 2/</b>							10	14	10	14
<b>Customs Salaries 3/</b>									6	3
<b>Total</b>	<b>264</b>	<b>265</b>	<b>26</b>	<b>18</b>	<b>45</b>	<b>55</b>	<b>17</b>	<b>21</b>	<b>358</b>	<b>360</b>

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

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

2/ Government contribution to employees cooperative is provided to both the education and civil personnel. However, the allocation between the two types of personnel is not available and therefore this line item is presented separately.

3/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.

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

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

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