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### **Group of Experts on Gender Statistics**

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Item 2 of the provisional agenda

**Revisiting the gender pay gap**

## **Gender Pay Gap in Egypt**

**Note by Central Agency for Public Mobilization and Statistics (Egypt) <sup>1</sup>**

### **I. Introduction**

1. Women comprise half of our society; they are supposed to completely contribute to the development process and to benefit from its advantages as well. Based on that, there is a need to detect the different types of predominant gender gaps and to identify how much they affect the society's development course in order to take the actions required for women's empowerment and equality, not only in terms of burdens and responsibilities, but also in sharing resources and benefits.

2. The economic empowerment of Egyptian women is one of the most important issues in the list of priorities of the Egyptian government and the various actors (government, research centers, NGOs, and donors). In spite of the great efforts to support the economic empowerment of Egyptian women there are still several challenges negatively affect the ability of Egyptian women to participate effectively in economic life. The most significant obstacles are: low participation of women in the labor market; high unemployment rate among females compared to males; inappropriate working conditions for women in the labor market, especially in the informal private sector in which women are deprived from the contractual protection, labor rights and benefits; in addition to the double burden on women's quality of life and their efficiency at work. Society's perception toward women's work is another challenge as society perceived women as taking employment opportunities from men.

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3. Gender discrimination in wages between men and women is another challenge in the gender gap. Although Egypt is one of the first Arab countries, which gave women the right to run for election and voting (in 1956), and in spite of ratification of Egypt to the United Nations convention Against All Forms of Discrimination against Women in 1981 (Convention for the Elimination of all Forms of Discrimination against Women CEDAW) there is discrimination against women in wages, particularly in the private sector. Although the concentration of women in the professions, which is located at the bottom of sequence career, especially in the private sector, could justify getting paid less than those earned by men, a study (Haddad, 2009) showed that women receive lower wages than the men, not because men enjoy better skills or more advanced levels of education, but because of discrimination based on sex. It must be noted that the phenomenon of gender discrimination in wages is not exclusive to Egypt, but is a widespread phenomenon in all countries of the world, both advanced, the less fortunate in progress.

4. In this paper we will try to high light on the reality of the gap in wages in Egypt by identifying: Egyptian labor laws; gender discrimination in the Egyptian labor market; the reasons for the gap in wages; sources of collecting wages data, the challenge and obstacles of accessing wages statistics; some labor market indicators. Then review of the main recommendations and proposals to be taken in order to achieve a society ruled by the social justice and equitable distribution of resources among all his children according to efficiency and to achieve the principle of equal opportunities for access to a comprehensive development in all of social, economic, and political fields in order to achieve the third objective of united nations Millennium Development Goals which is achievement of gender equality and women empowerment.

## **II. Egyptian labor laws**

5. . Egyptian labor laws of equality between men and women in rights and duties of employment, wages and salaries, and the law state some of the rules for women. Egyptian labor laws no. (47) For 1978, Law No. (48) For 1987 for the employees of the public sector, Law No. (137) for 1981 for private sector employees, and the Unified Labor Law No. (12) For 2003 for the civic employees stated the principle of equality between working men and women and gave women many rights, including:

- a) The right to leave without pay for child care up to six years;
- b) The right to maternity leaves for three months with full pay to a maximum of two times;
- c) The right of woman to be licensed from her employer based on her request to work part-time working days in the return for half pay due;
- d) Preventing women's working from eight pm to seven am (shift night duty) unless for exceptions;
- e) Preventing employment of women in jobs harmful to health or morals or hard work;
- f) Obligating the employer to establish a nursery for the children of working mothers if the number of working mothers is one hundred or more.

## **III. Gender discrimination in the Egyptian labor market**

6. Rate of women's participation in the labor force is less than the participate of men, where it was only 23, 1% while it is 75, 1% for men in 2010. For the share of women in the paid non-agricultural activities, it is found that the proportion of working paid women to total paid employment with the exclusion of the non-agricultural activities was 17, 5% in

2010. Egyptian labor market suffers from gender discrimination in the economic sector, occupation or unemployment rate. Although unemployment is a general phenomenon in the labor market, the impact of this phenomenon is more severe for females than for males, the unemployment rate among females was 22, 6%, while the rate for males was 4, 9% in 2010. Large proportion of female employees is located in a limited number of occupations. This is in addition to the phenomenon of feminization of the governmental sector, where the proportion of women in this sector increased significantly compared with that of men. Women in the governmental sector are concentrating in the clerical and secretary occupations. In spite of the significant increase in incomes of women working in the private sector women are concentrated in the informal sector, which suffers from deteriorating working conditions. In this sector there is no social security or labor right, in addition to the long working hours, and lack of environmental health in some cases.

7. There is a typical system for paying both sexes in the public and government sectors. However, the average wages of women are less than those of men as a result of the concentration of females in the lowest sequence career, and limited promotion opportunities for women, as well as they are less likely than men to get the means of production such as education, and skills.

8. Reluctance of women's working in the private sector is attributed to reasons relating to both the private sector and women themselves. Private sector is reluctant to hire women because of the cost of maternity and motherhood, and women are reluctant to work in the private sector because the time of the work is longer than that is in the public sector, or because it requires traveling or mobility, which leads to focus a high percentage of women's employment in the informal sector. This implies depriving women in many cases of social protection and health insurance, and the right to join trade unions or labor unions, and getting the benefits of working in the formal sector.

#### **IV. Reasons for the gap in wages**

9. Wages gap, which shows the clear unjustified bias for man is not based on the differentiation of men in the level of education or experience or skills, often arise in the light of the availability of a set of conditions, including: expectations of low-level performance for women and expectations of women for lower wages than men.

10. Despite what is stated by the Egyptian Constitution of equality between men and women, ban on Unified Labor Law of 2003 discrimination in pay and the explicit provision of Article 35 of the Egyptian Labor Law for the prohibition of discrimination in wages based on sex, none of the Acts and their amendments includes a clause explicitly confirms the prohibition of discrimination in recruitment in general and in-grade or job title in particular, regardless of whether the applicant for the job, man or woman.

11. There are multiple channels of discrimination, particularly in the private sector in terms of wages, bonuses and incentives. The most important channels of discrimination are those that exist at the point of entry to the labor market. The employer may prefer the appointment of men in higher degrees of functionality and the collection with high wages and deprives women from the same privileges even if they are at comparable levels of education and experience with men. Sometimes, women's lack of skills, compared with men probability leads to women employment in temporary jobs and giving them a limited ability to negotiate over wages or working conditions.

#### **V. Sources of collecting wages data**

12. The Central Agency for Public Mobilization and Statistics (CAPMAS) is the official source for providing the data, statistics and reports to all the state's entities organizations,

universities and research centers and international organizations that help in the planning, development, evaluations and studies, policy and decision-making.

13. The main sources of wage data in Egypt:

- 1) The Annual Bulletin of the Statistics of employment, wages and working hours issued by CAPMAS

Objectives of the bulletin:

- a) Estimation of number of employees and average weekly wages in cash in pounds according to the type of the economic activity of the enterprises, geographical and occupational classification.
- b) Estimation of the average weakly working hours for the individual according to type of the economic activity of the enterprises, geographical and occupational classification.

The questionnaires used in the bulletin:

A separate questionnaire is designed for each of the public/business and private sector.

- 2) Some household surveys that include questions about the wages such as: Labor market research:

The surveys of the labor market in Egypt, which were conducted in 1988 and 2006 by the Central Agency for Public Mobilization and Statistics in collaboration with the Forum for Economic Research and funded by USAID. The sample surveys provide more detailed data about wages.

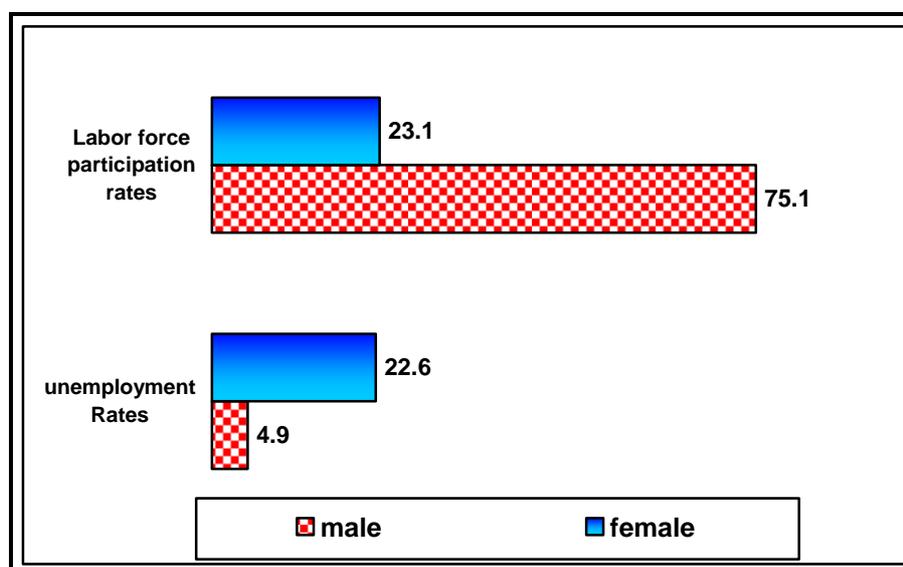
## **VI. The challenge and obstacles of accessing wages statistics**

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- a) Absence of a clear mechanism of communication between producers and users of data.
- b) In spite of the great developments witnessed in the gender statistics there is still a lack of data and statistics regarding employment mechanism or women's employment in the informal sector, which makes it difficult to identify, analyze and tackle the problems faced by women;
- c) Shortage of the field surveys because of their high cost;
- d) Differences in discrimination concepts and definitions;
- e) Lack of data flow from the community to the statistical system, which results in a severe lack of statistics and information and the reluctance of citizens from making statements as a result of the absence or low statistical awareness.

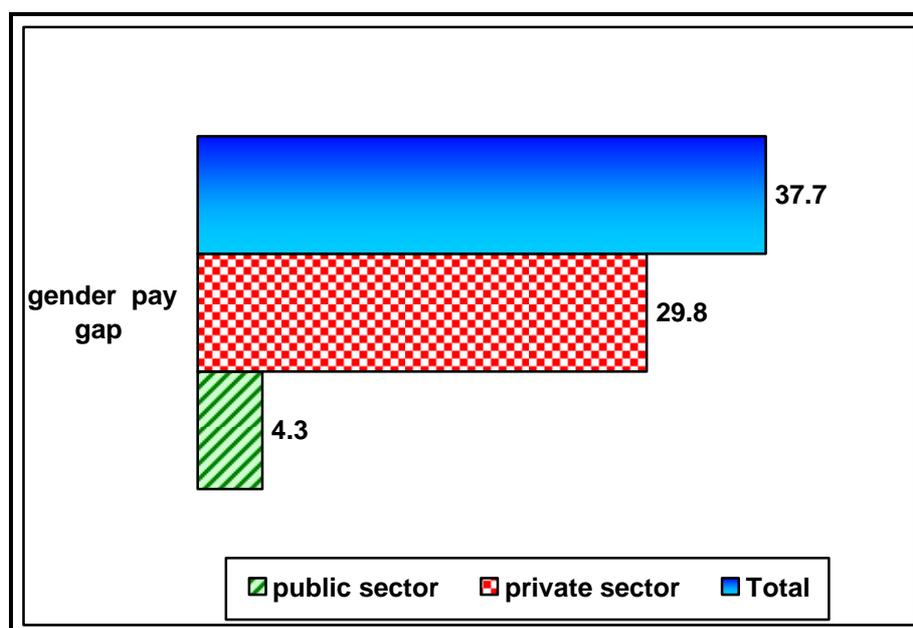
## VII. Some labor market indicators

Figure 1. Selected Economic Indicators, 2010



Source: CAPMAS, Labor Force Survey, 2010

Figure 2. Gender pay gap for workers in the public sector and private sector 2010



Source: CAPMAS, Annual Bulletin of the Statistics of employment, wages and working hours issued 2010

## VIII. Recommendations

1. Due to the lack of data in the wages of gender in Egypt specific surveys should be done to collect data and Conduct several field studies (surveys) to identify the gap and to monitor developments for the benefit of society as a whole.

2. Provide detailed and regular data by gender in order to enable decision makers to accurately define the reality of women's economic participation and the problems they face.
3. Take the necessary measures to ensure the principle of equal pay between men and women through the legislative amendments that prohibit discrimination in hiring, grade or job title because of sex.
4. Provide advisory services to women in the workplace.
5. Remove all obstacles that hinder achievement of equality for women and change the stereotypical image and remove the barriers that stand in the way to achieve this.
6. Increase women's access to career and vocational training within the work or the provision of training opportunities for women when she returns to work after a break as a result of its burdens of the family.
7. Use the latest methods in data collection and analysis of information and coordination between different devices through the latest means of communication and dissemination of data and circulation and not allowing any entity to hiding any information.

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