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Employment Security in Egypt in Light of the COVID-19 Pandemic: Rethinking Policies and Practices

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A Policy Paper in Contribution to the Research Project:



Social Protection in Egypt: Mitigating the Socio-Economic Effects of the COVID-19 Pandemic on Vulnerable Employment

The Pandemic and Post-Pandemic Research and Innovation
Initiative at the American University in Cairo

Principle Investigator:

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Amr Adly, Samer Atallah, Hania Sholkamy, Nadine Sika

Abstract

Crises such as COVID-19's have inequitable impacts on different countries, various population groups and diverse sectors of society and the economy. Areas of work and employment were met with a lot of challenges worldwide, and in particular in countries like Egypt with a large sector of vulnerable and precarious workers. This policy paper addresses the question of employment security both in response to crises such as COVID-19, and on the long term. To do so, the research maps 'vulnerable work', including informal labor, labor in the gig economy, self-employed and other types of precarious work. It then assesses Egypt's policy responses to COVID-19 with regards to the issues of unemployment and informal labor, including by assessing the efficacy of the irregular workers' fund and the diverse methods used to finance the crisis.

Although some of those responses were in the right direction, their shortcomings revealed much deeper structural obstacles within employment relations and existing labor market vulnerabilities. This research thus provides policy recommendations, both on the short term in response to the crisis, as well as longer term to address vulnerability and precariousness in the world of employment in Egypt.

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Part 1. Introduction

The crisis of COVID-19 represents both a moment of rupture as well as a continuity for vulnerable labor in Egypt and worldwide. Globally, the International Labour Organization (ILO) has reported an average loss of working hours of 10% in the second quarter of 2020, compared to the last quarter of 2019, which amounts to the loss of 305 million jobs worldwide.³ This large number nonetheless obscures the unequal brunt born by young people, informal workers, and female labor globally, and particularly in Africa and Central Asia. In the Middle East region, in particular, where informality amongst the youth is estimated at 71%, young people find themselves more vulnerable to income and job losses in times of crises, including as a result of the states' responses to the coronavirus.⁴ Women workers were also hit the hardest by the crisis, especially as large numbers of women continue to work in the informal sector, and continue to earn less than men, on a global scale. As a result, women have experienced higher rates of job losses than men, even in developed economies.⁵ The compounding effects of gender, sector of employment, age, as well as country of employment draw a variegated map of vulnerabilities and unequal effects of the pandemic on the areas of work and livelihood. This paper examines the impact of the COVID-19 crisis on vulnerable employment in Egypt, conducting an assessment of the government's response to the pandemic and presenting recommendations for policies to address the specific impact of the pandemic, as well as the long-lasting structures of work vulnerability in Egypt.

The impacts of the COVID-19 crisis have been vast in Egypt, particularly in the areas of work and incomes. The official unemployment rate has increased from 7.7% in the first quarter of 2020 to 9.6% in the second quarter of the same year.⁶ This statistic eclipses the shrinking of the labor force from 29 million in the first quarter, to 26.689 million in the second quarter, a decrease by 8% that the Central Agency for Public Mobilization and Statistics (CAPMAS) justifies by the inability of millions to even search for jobs, rendering their response to the unemployment survey question on whether they are actively searching for jobs an automatic no. Clearly, such a decrease in the labor force is not an increase in the willingness to work, but rather an increase in the ability to work, and thus, these populations should have been added to those unemployed, as opposed to excluded from the workforce. If we were to add this group of workers who were excluded from the labor force both back to the labor force, and to the numbers of unemployed, the unemployment rate would reach 16.87% in the second half

³ "As jobs crisis deepens, ILO warns of uncertain and incomplete labour market recovery". The International Labour Organization, 2020. <<https://bit.ly/3oub6N6>>.

⁴ "ILO Monitor: COVID-19 and the world of work. Fourth edition Updated estimates and analysis". The International Labour Organization, 2020. <<https://bit.ly/3tbldsi>>. P.7.

⁵ Ibid.,

⁶ CAPMAS. 2020. Press Release: Because of the coronavirus, unemployment rates increase to 9.6% in the second quarter. https://www.capmas.gov.eg/Pages/GeneralNews.aspx?page_id=1

of the quarter, thus more than doubling from the first half.⁷ This is, of course, notwithstanding the ongoing research critiquing the CAPMAS methodology of casting unemployment surveys that challenge the pre-pandemic unemployment rates. In raw numbers, we are looking at 4.89 million Egyptians now newly unemployed in the second quarter of 2020. Needless to say, women continue to be twice as much unemployed as men, although it seems that women were more likely to be removed from the labor force estimates in the second quarter as well, thus resulting in seemingly less disparity than usual in official unemployment rates. Finally, it is worth pointing out in light of the vulnerabilities of youth worldwide, that youth in Egypt (defined as those between 15 and 29) make up 60% on average of all unemployed.⁸

Here it is important to note the findings of the CAPMAS income and expenditure data to show the significance of work and income to the survival of Egyptians. According to the report, Egyptians living below the poverty line (set at L.E 735.5 monthly) have increased 4.7% (about 5 million individuals) between 2015-2018, raising the percentage of the poor to 32.5% of the total population. In other words, more than one-third of the Egyptian population live below the national poverty line, which is not sufficient to cover their basic needs, especially after the liberalization of the currency (associated with economic reform) in 2016 and the surging inflation that ensued. In addition, there are more than 6 million additional individuals (about 6.2% of the total population) who live under the extreme poverty line (set at L.E 490.18 monthly). Finally, there are further 10% of the population who live on L.E 400 monthly or less. In total, about 90% of Egyptians spend around L.E 1458 monthly. This reflects many variations of vulnerabilities experiences by Egyptians, including the lack of sufficiently rewarding jobs that can help citizens alleviate their living conditions and cover their basic needs. The phenomenon of underemployment by which individuals have less work than they need to survive continues, thus pointing to the lack of savings or means of survival, which resulted in Egyptians having to resort to eating less or borrowing money once the pandemic hit.

A recent report by CAPMAS on Egyptian families found that 73.5% of survey respondents reported a decrease to their incomes. The hardest hit were workers without university degrees: 87.3% of those workers reported income decrease, compared to only about half of workers with university degrees.⁹ The report surveys Egyptian families' coping mechanisms with the coronavirus and the ensuing crisis, and finds that about 50% of households had had to resort to credit to cover their monthly needs, 17% resorted to the help of charities, while only 5.4%

⁷ Researchers' own calculations based on the CAPMAS estimates of labor force in the second quarter of 2020.

⁸ CAPMAS. 2020. Press Release: Because of the coronavirus, unemployment rates increase to 9.6% in the second quarter. https://www.capmas.gov.eg/Pages/GeneralNews.aspx?page_id=1

⁹ CAPMAS. 2020. Impact of Coronavirus on Egyptian Families till May 2020. https://www.capmas.gov.eg/Pages/GeneralNews.aspx?page_id=1

had received the government grant to workers in the unregulated economy. In addition, changes to consumption patterns to survive the coronavirus included Egyptian households decreasing meat and poultry consumption by 25%, and decreased fruit consumption by 17.5%. According to the survey findings, one third of Egyptian families have reported their income insufficient to fulfill their basic needs, as a result 36% of families have had to resort to decreasing their meal sizes, 20% have had to decrease the number of meals, 14% have had adults decrease their food intake to make food available for kids, 4.6% have had to leave the family home and spend time with extended family to find access to food, while 2.8% have had to spend periods of time without any food.

Despite the striking findings of official data, these numbers eclipse many sectoral, gender and legal inequalities that result in the absence of entire hidden worlds of labor from those statistics on employment and the labor force. In this policy research, we seek to bring some of those hidden activities back to the forefront, as many of them are indeed encompassing the most vulnerable and precarious of Egyptian workers. In other words, we do not frame the problem of work as merely an issue of employment and unemployment but seek to widen the scope to understand the problem along the lines of vulnerabilities. This new approach addresses the problems of insufficient incomes, insecure jobs, underemployment and irregular work, all of which coalesce to create vulnerability and precariousness in the lives of Egyptians. In a country where informality dominates work relations, questioning the structures of existing working conditions and employment security becomes imperative, especially at times where secure access to a sustainable and adequate income are jeopardized. In other words, investigating the continuing vulnerabilities through existing structures and legal/policy frameworks alongside the specific crisis responses is imperative, in order to arrive at both structural and direct response policy solutions for the post coronavirus era.

This research paper addresses policies pertaining to employment security¹⁰ on three tiers: First, after mapping the areas of 'vulnerable work', including informal labor, labor in the gig economy, self-employed and other types of precarious work, we explore the structural changes needed in the fields of employment security and labor relations that would ensure that workers in various sectors, particularly the most vulnerable, are protected by laws and policies. Second, the research addresses the policy responses in times of crises, like COVID-19, to the issues of unemployment, particularly in the most vulnerable sectors of work. In doing so, we conduct an assessment of the existing responses, and how the responses could have been done differently or better. Although some of those responses were in the right direction, their shortcomings revealed much deeper structural obstacles within employment relations

¹⁰ Employment security refers to the protection of workers and their earned incomes against fluctuations in the economy and society, and can include protections against dismissals and pay loss. For more information, refer to "Employment security". The International Labor Organization, n.d. <https://www.ilo.org/global/topics/employment-security/lang-en/index.htm>.

and the government's grasp of citizens' security, and registry of the extent of vulnerabilities. Finally, the research will attempt to provide concrete and grounded policy recommendations, both on the short term in response to the crisis, as well as suggest longer term restructuring, which we believe is necessary to address the current vulnerability and precariousness of the world of labor and employment in Egypt.

Notes on methodology

The research is partly based on analyzing data preceding the pandemic in Egypt, and particularly CAPMAS reports that survey the impacts of COVID-19 on labor relations and on families. Although the data is still scarce, the available resources draw an image that allows us to assess both the policies undertaken and their impacts on various groups of workers and labor in Egypt. In addition, we have conducted several interviews with experts in the field of labor rights and labor law in Egypt, asking for their expertise on specific sectors of female employment, agricultural workers, domestic workers, informal and construction workers. We have benefited a lot from their grassroots insights on how workers were (and continue to be) affected during the pandemic, how they perceived the EGP 500 grant, and what they faced in their respective sectors of labor. In particular, we are very thankful to our friends at Center for Egyptian Women's Legal Assistance (CEWLA) and Egyptian Association for Collective Rights (EACR) for sharing with us unpublished reports and works in progress related to farmers, domestic workers and female labor during the pandemic. Finally, we reviewed literature and laws pertaining to labor rights in Egypt and tried to draw the ways that structural insecurities in the labor market have been exacerbated by the pandemic.

Part 2. Mapping Vulnerabilities and Precariousness in the Egyptian Labor Market

Egypt's labor market is large, messy and has many invisible sectors and populations. The acute presence of an informal economy has meant that a majority of the economy, economic activities and structures fall outside the scope of registration. It is important here to note that this policy research will not focus narrowly on the so-called informal economy but will rather pay attention to mapping vulnerabilities in the world of work. Not only is the binary formal-informal very narrow and misleading, especially in its combination of unrelated activities such as domestic labor and drug activities, but it also assumes a clear division between formality and informality, when in fact a large segment of the economy falls in-between. Suffice to say that with the proliferation of labor/ 'manpower' supply companies many large corporations in Egypt and worldwide have outsourced their labor relations to third parties and are thus often reliant on informal workers and non-contractual work relations. The spread of labor supply companies in Egypt has reportedly reached both craftsmanship, blue-collar work, as well as white collar activities.¹¹ This, in turn, has endangered work relationships, and denied workers hired through these labor supply companies from basic protections, including basic protections provided by the Egyptian Labor Code. This also results in a feature of uncertainty that one of our experts dubbed "the revolving workers", where workers are moved by their supply company from one job to the next, sometimes multiple times a year, which results in workers' inability to build any relationships, demand rights and protections, or even better their skills and advance their careers. This is notwithstanding the fact that workers forego a percentage of their pay and are usually underpaid in comparison to their counterparts who are directly hired through contracts by the same companies.¹² The existence of such companies is an ongoing structure that muddies the field of work, and makes precariousness even more salient and widespread across various groups of Egyptian workers in various sectors. More research is needed to quantify the impact of these supplying companies, and more regulation is a must to ensure that the Egyptian labor code is not being emptied of its content by such shadow structures and labor relations. This example, however, speaks to the futility of thinking of the labor market, and workers in Egypt, in terms of formal versus informal, and instead highlights the need to focus on the vulnerabilities in labor relations and in labor activities, in an attempt to map the various sectors that are often invisible, ignored or eclipsed by existing laws and policies.

A final note before we delve into the mapping of vulnerable Egyptian workers concerns

¹¹ For those unfamiliar with the concept or operations of such labor supply companies, we present an example of a supply company in Egypt for your review. Note the variety of jobs and laborers offered through this website. <https://alrawan-eg.com/worker/en/>

¹² Interview conducted by researchers with a Labor expert in Egypt via phone, July 2020.

the subjective experiences of vulnerability or precarity. As one social scientist once famously noted, “we are all precarious”.¹³ Neoliberalism produces vulnerabilities and precarity on a structural level: the so-called flexibilization of work relations, de-regularization of industries and shrinkage of state roles result in uncertain jobs, anxious presents and intangible futures for everyone. In other words, when we highlight the most vulnerable in this research, we are not trying to say that others are not precarious, are not vulnerable. Instead, we are trying to highlight the worst livelihoods, the most uncertain, those most likely to not survive crises such as the coronavirus. In our research, the public sector and governmental employees are an excellent example to this. Those public employees suffer from low salaries, from worsening work conditions and from structures such as the Civil Service Code, which renders them vulnerable and insecure. They remain, however, much better off than their counterparts in the private sector, in terms of their job security, pay security, association rights (however limited) and work conditions, including working hours. According to a recent study conducted by the Economic Research Forum, 93% of those employed by the public sector (and hold a secondary school degree or higher) enjoy social insurance coverage versus only 34% in the private sector. Likewise, 94% of those employed by the public sector enjoy paid vacations compared to just 47% in the private sector.¹⁴ Even in terms of wages/ salaries, CAPMAS estimates that, on average, those employed in the public sector receive L.E 1278 per week in comparison to L.E 877 in the private sector.¹⁵ Of course, government employees are vulnerable bodies, and many of them lead very precarious, uncertain and insecure lives. But they are not the worst in the Egyptian labor market, and still enjoy a lot of structural protections and benefits, we therefore do not look into them in our mapping effort.

A macro-mapping of labor in Egypt

As mentioned earlier, at the beginning of 2020 Egypt had a labor force of 29 million persons ready for work, whether they currently work or not. This number supposedly includes everyone who is willing to work, whether they work or not, and whether they work for a wage or not, work for an employer or are self-employed. This number does not include “dedicated housewives”, full time students, and those unwilling to work.¹⁶ While this official number is lacking in many respects, some of which we will deal with in this paper, we will follow its trails to understand what occupations those workers are in, what sectors do they occupy, and how

¹³ Seymour R (2012) We are all precarious – On the concept of the “precariat” and its misuses. New Left Project, 10 February. Available (accessed 24 September 2015) at: <http://tinyurl.com/85s9rtz>

¹⁴ “ Hal al-iqtisad al masry yakhleq foras a’amalh gayidah? Lays ba’ad”.-Does the Egyptian economy generate good working opportunities? Not yet-. Economy Plus, 2019. <<https://bit.ly/3ozBWmQ>>.

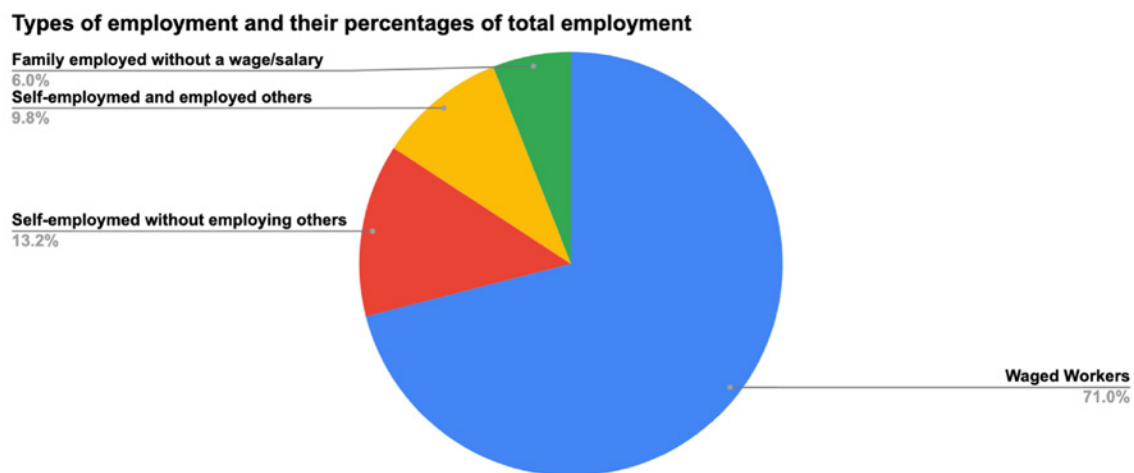
¹⁵ Doubtless, these averages should be treated carefully as it does not take into account the discrepancies caused by the different occupational ranking and their effects on the overall average. See “al-Taqrer al tahlily lil-nashara al-sanaweya l-ihsaat al-twazf wa al-egor wa saat al-’amal ’aam 2018”- The annual report for labour, wages, and working hours statistics in 2018-. CAPMAS, 2019. <https://www.capmas.gov.eg/Pages/Publications.aspx?page_id=5104&YearID=23462>.

¹⁶ CAPMAS. 2020. Bulletin of Labor Force (January-March 2020), p. 17. https://www.capmas.gov.eg/Pages/Publications.aspx?page_id=5106&YearID=23538

they are gendered.

Of those employed in the first quarter of 2020 (figures 1 and 2), 71% worked for a wage (66.5% of employed women in the statistic), 9.8% were self-employed and employed others (2.2% only of employed women in the statistic), 13.2% were self-employed without employing others (8.6% of employed women in the statistic) and 6% were family employed without a salary (22.6% of employed women in the statistic.) The key occupations¹⁷ (figures 3 and 4) that these workers are in are important to highlight here: 19.8% of those employed are craft workers (only 1.9% of employed women in the statistic); 18% of those employed in the first quarter of 2020 work in service jobs, including restaurant and shop workers (17.5% of employed women in the statistic); 13.7% of those employed are agricultural workers and fisherman (21.9% of employed women in the statistic); 12.2% of the total are factory workers and machine operators (4.6% of employed women in the statistic); 11.2% are technicians and clerks (19.5% of employed women in the statistic) and finally 11.7% are the professionals (27.6% of employed women in the statistic). Finally, it is important to shed light on what sectors these workers are employed in (figures 5 and 6). Here again, we only highlight the key sectors of employment relevant to this study and their gendered nature: 19.4% of all workers find themselves in the agricultural and fishing sector (22.6% for women); 14.4% are in the wholesale and retail trade sector (14.1% for women); a critical 13.6% find themselves in the construction sector (0.4% for women); while a similar 13.4% are employed in the manufacturing sector (7.7% for women). Finally, employed women in the statistic are visibly present in the health and the education sectors, where 12.6% and 24.1% of women work respectively (compared to a percentage of 3.4% and 7.5% to the total of all employed).¹⁸

Figure 1



¹⁷ This is not an exhaustive list of all occupations, but rather the most important ones for this research. For a full list, please review CAPMAS (footnote 14), p. 45

¹⁸ CAPMAS. 2020. Bulletin of Labor Force (January-March 2020). p. 49 pp. https://www.capmas.gov.eg/Pages/Publications.aspx?page_id=5106&YearID=23538

Figure 2

Female employment

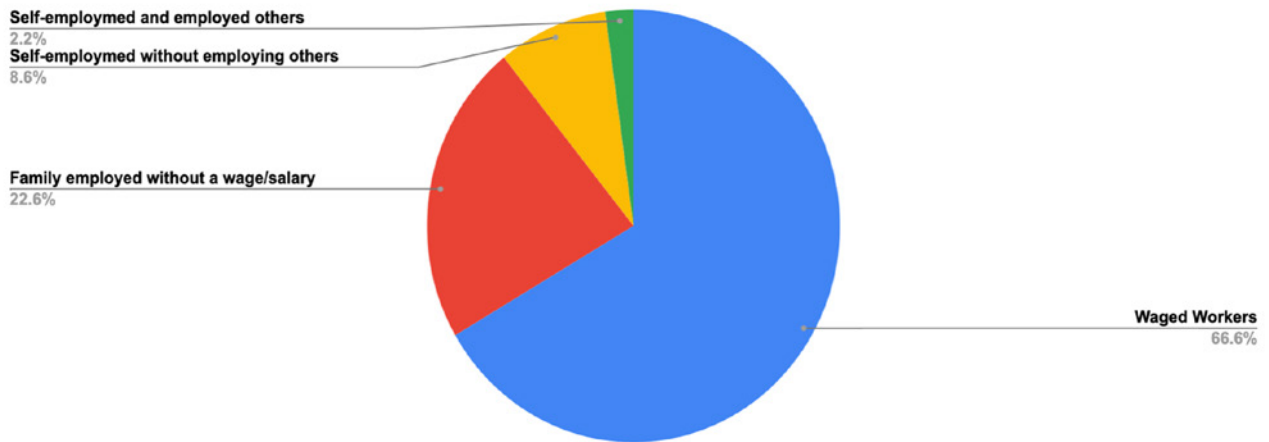


Figure 3

Key occupations

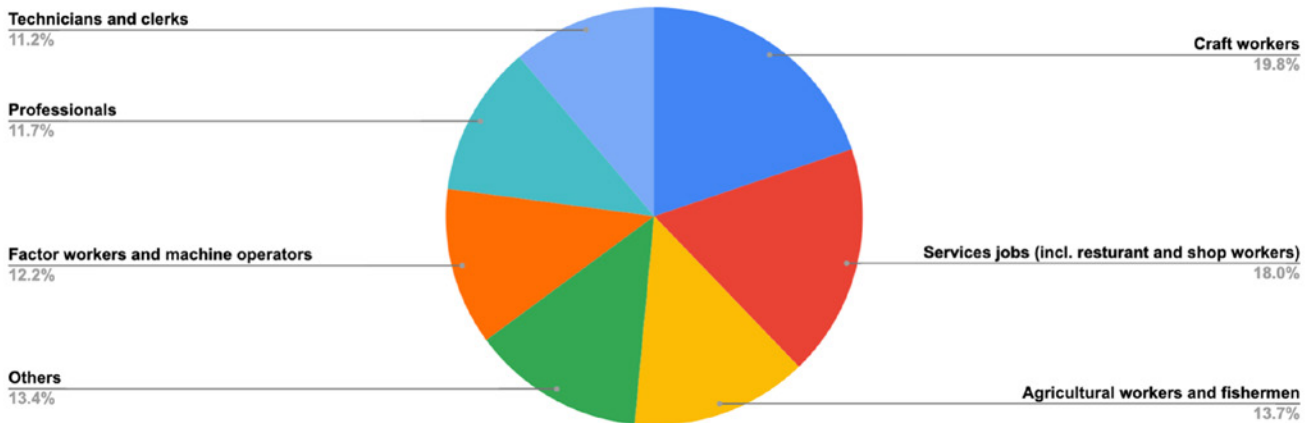


Figure 4

Key occupations for females

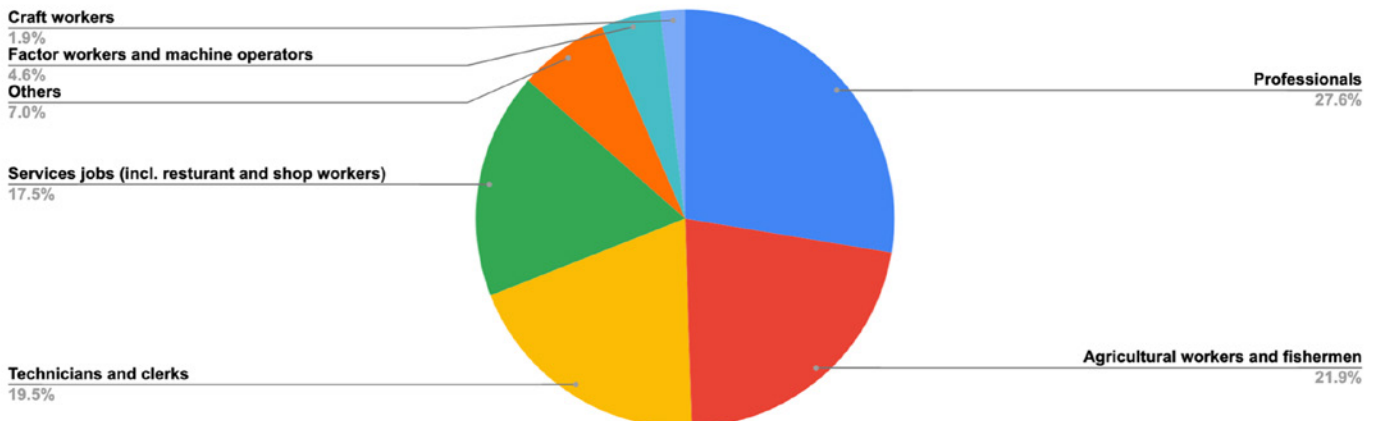


Figure 5

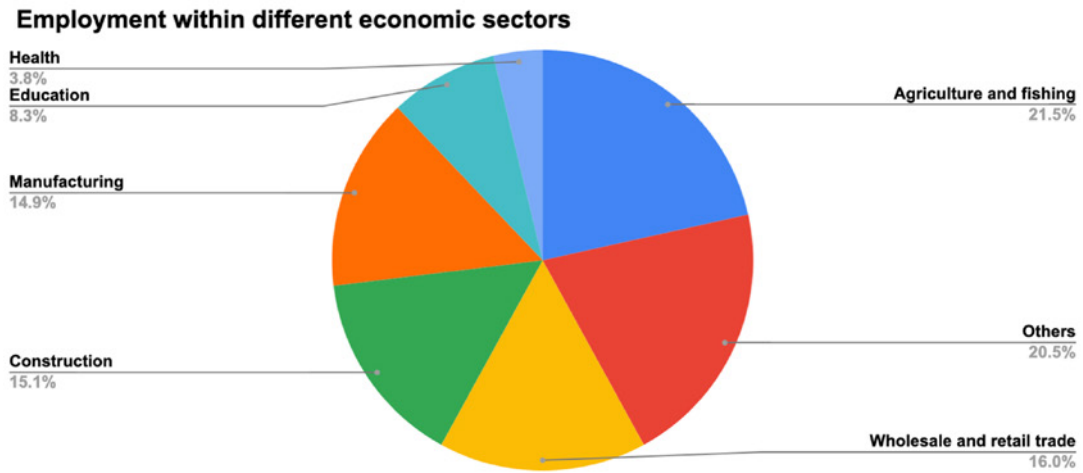
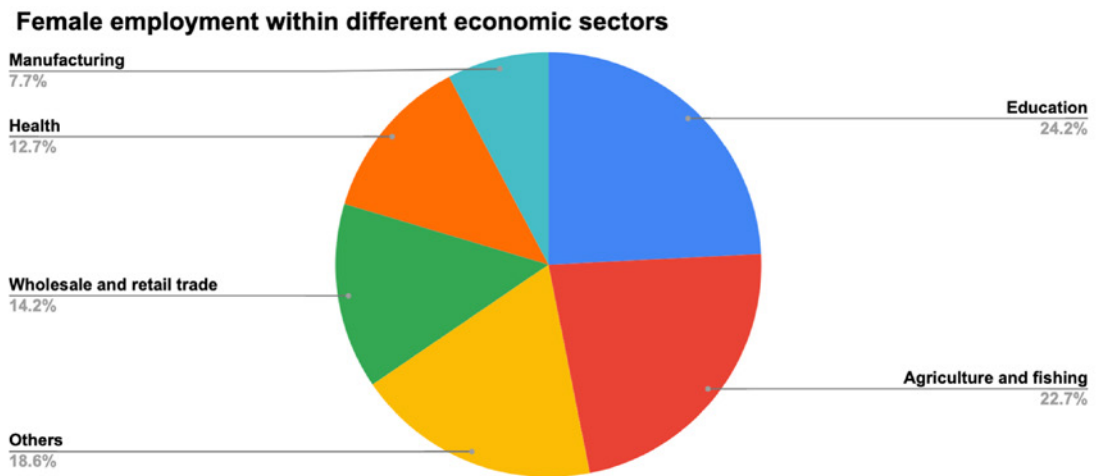


Figure 6



Lastly for the macro-mapping based on CAPMAS data, public sector and governmental employees make up almost 20% of all employed persons in the labor force, while registered private sectors employees make up 35.6% to the total of employment, and private sector employment outside establishments (below the registration requirements) make up 43.5% of all employment. Based on these numbers, it would be fair to assume that the most vulnerable workers are easily falling within the private sector (within and outside establishments), as well as those who are not captured by this statistic, and are not considered in the labor force for a variety of reasons, despite their willingness to work, and their actual undertaking of work. In other words, 80% of Egyptians employed and captured by the statistic are already vulnerable to the fluctuations of the market, are self-employed or employed with lacking protections, including non-contractually employed. One of the ways this is evident is through the continuity of work: while private sector workers outside establishments make up only 43.5% of all workers in the official CAPMAS statistic, they make up 95% of all casual work in Egypt. Similarly, while private sector work (inside establishments) makes up 35.6% of all employment, it is responsible for 81% of all temporary work in the country. In a similar vein, while 94.1% of all public employees have a work contract, only 30.9% of private sector workers in registered establishments have similar contracts.¹⁹ This, of course, is not notwithstanding those who are not captured by these statistics. In the following, we delve into some details for some of those vulnerable sections of society.

First, Farmers and the agricultural workers

Agricultural workers captured by the CAPMAS statistic are the agricultural workers who do not own or rent land, cattle or plants. Anyone in the agricultural sector, who owns, or rents land, and/or cattle and/or plants is a farmer and falls outside of the labor force estimates. This distinction is so critical, because it can potentially double the numbers of people in the agricultural sector from the original number captured by the CAPMAS statistic for agricultural workers, which would come to almost 5.8 million workers. It is also critical when considering that most of these farmers are small sharecroppers and include a number of farmers who are tenants, not owners, of land. In fact, the last Economic Census of Egypt from 2017/2018 reveals that out of a total 134,335 agricultural producers/ establishments in Egypt, 115,243 hire less than one person on the land, while 16,144 establishments hire less than 5 persons.²⁰

The latest estimates from the Agricultural census from 2010 show that there are a total of 5.4 million farmers in Egypt, almost 1 million of them do not own land, but own other agricultural

¹⁹ Ibid.,

²⁰ CAPMAS. 2018. Final Results of Economic Census 2017/2018. p. 79 https://www.capmas.gov.eg/Pages/Economicnew.aspx?page_id=2029

assets, including oxen, buffalos and other cattle. In addition, 2.143 million farmers own less than 1 feddan of land, and 1.068 million farmers own just about 1 feddan, while another half a million own less than 2 feddans.²¹ In other words, about 18% of farmers are not landowners, but are also not counted as laborers, because as farmers they own agricultural assets (mostly buffalos) and are registered with the agricultural cooperatives. Another 10% of farmers are renting the land, so they do not actually have any ownership over it. While 40% own small lands that do not come close to 1 feddan. According to agricultural experts we talked to, these farmers are poor, and have very insecure work conditions, particularly in the absence of any insurance against natural disasters. For example, as major flooding hit Egypt in the early weeks of the pandemic in March of 2020, many farmers lost their crops from the November cycle, and thus lost a quarter of their annual income, at least, without any paths for compensation. Then, as the coronavirus paralyzed transport and market, it forced farmers to sell their crops on the ground, selling for losses, and without hope of negotiating prices.²² This precarious state of being brings to light the importance of noting other forms of economic activity that are not counted towards the labor force, but that affect the work-life nexus of Egyptian families, and in this case, affects close to 5 million families, farmer families, who were not eligible for any compensations after the flooding, and had no access to any government grants or assistance during the pandemic.

Second, Women workers

Only 16.4% of all women are in the labor force, according to CAPMAS.²³ 55.2% supposedly are exclusively housewives, and therefore fall outside of the labor force, while another 18% are full time students. The underrepresentation of women in the labor force can be traced back to many variables, but certainly none of them is related to women's lack of work, or willingness to work. Notwithstanding the fact that women's work at home is labor, and is very valuable labor that is central to the reproduction of the labor force in Egypt, women in Egypt like women globally, undertake multiple burdens of working in the house and outside the house, but their labor is undercounted, undervalued, underpaid and often rendered invisible. A labor law expert we talked to explained how women are often assumed to be willingly and exclusively housewives, and thus excluded from the unemployment survey, although many of them are willing to, actively seeking to, and often recently engaged in work. Still, we find that only a total of 5.28 million women have made it to the labor force, and only 4.12 million of them

²¹ CAPMAS. 2019. Statistical Yearbook. Agriculture and Land Reclamation (Fifth book, paperback only).

²² Interview conducted by researchers with an agricultural expert, July 2020.

²³ CAPMAS. 2020. Bulletin of Labor Force (January-March 2020). https://www.capmas.gov.eg/Pages/Publications.aspx?page_id=5106&YearID=23538

were employed in the first quarter of 2020. In addition to the small and unrealistic number of working women in the CAPMAS surveys, we also find that about 22% of these women work for no wages, and a similar number, largely overlapping with it, work as agricultural workers. This 22% would only make up slightly more than 1 million women in the agricultural sector, although another CAPMAS publication, the agricultural census, puts this number at 4,6 million female agricultural workers, mostly casual workers.²⁴ More pressingly, these women are unregulated workers, precisely because the labor law number 12/2003 excludes many female agricultural workers from any legal protections, particularly if they work for no wage and/ or work for their family lands. Article 1 defines the worker as someone who works for a wage, in cash or in kind, which many agricultural workers do not do; and in addition, article 4 of the Labor Code 12/2003 precisely excludes “domestic workers and those with similar work” and “the family members of the employer”. Why the labor code decides to so clearly exclude female domestic workers, and potentially millions of female agricultural laborers is a critical question, but what is clear is that as a result, these women workers are unrecognized, unregulated and unprotected. Without recourse to labor organizations, and no recourse to legal acknowledgements, these women are the most prone to abuse, insecurities and vulnerability in times of crises. To clarify this vulnerability further, the World Bank assesses female vulnerable employment at 32.93% of total female employment in Egypt in 2019.²⁵ Even in terms of wage gap, recent studies estimated it at 22-25%.²⁶ As such, it is not strange to find that in 2016 only 6.3% of firms in Egypt had female top managers.²⁷ By the same token, female unemployment among educated females remains very high (about 25%). In more general terms, female employees/workers face different types of harassment and discrimination that prohibit them from participating actively in the labor market.²⁸ This is despite the fact that the most conservative estimates show that 14% of families in Egypt (approximately 3.3 million families) are headed and financially supported by females²⁹, while other estimates set this number at 30% of all households being headed by females³⁰.

Eclipsing women’s labor and economic activities in CAPMAS statistics comes at a high cost, when women’s contributions and struggles for work are missed, and as a result, they are missing from the government’s plan to address the impact of the coronavirus. In other words, women’s contribution to the survival of Egyptian households, and the share they contribute to household incomes should be guiding the government’s response to the pandemic, and considering how to ensure these women’s ongoing employment, incomes flow as well as

²⁵ World Bank 2020. “Vulnerable employment, female (% of female employment) (modeled ILO estimate) - Egypt, Arab Rep.”. World Bank, 2020. <https://data.worldbank.org/indicator/SL.EMPVULN.FE.ZS?locations=EG>

²⁶ Mentioned in Yasmine Samra. “Egypt’s GDP could jump 32% by achieving gender equality: IFC”. Egypt Today, 2018. <<https://bit.ly/3htkBY>>. Earlier estimates put the gender wage gap at 25%. See Amal Khairy Amin Mahmoud. “An Analysis of the Gender Pay Gap in the Egyptian Labour Market”. *IARIW-CAPMAS Special Conference*, 2015. P. 5

²⁷ See for example, “Gender”. World Bank, n.d. <<https://www.enterprisesurveys.org/en/data/exploretopics/gender>>.

²⁸ Ali al-Raggal. “Informal Economy in Egypt: A Problem of Governance or an Economic Crisis?”. Assafir Al-Arabi, 2019. <https://bit.ly/2VS63L8>

²⁹ Hend el-Behary. 2018. “14 percent of Egyptian families depend on female breadwinners: CAPMAS”. Egypt Independent. <https://bit.ly/2EfYAzN>

³⁰ The New Woman Foundation Dr. Salwa El-Antari estimates the Female Headed Households at 30% of all households in Egypt.

protection in times of crises from dismissals and pay cuts. A grassroots study conducted by CEWLA, based on in-depth interviews with over 120 women of various backgrounds, is a case in point. According to the CEWLA study, only 51% of the women they talked to applied to the grant for unregulated workers. Of those who applied, only 8% got the grant. What we found critical though, is that tens of women did not apply because they did not think that they, as women, were eligible. When the ministry of labor launched a website to explain the jobs that were eligible for applications, they listed all jobs directed at males, including plumber, construction worker, security person, painter and welder.³¹ The gendered nature of the call for grants has had serious consequences in women thinking those were male jobs, a fatal mistake that led a large percent of the sample in this study not to apply to the grant. The CEWLA study sheds light on the real effects of the pandemic on women, and the precarious nature of women's work and lives: Not only did 59% of the women in the sample lose their jobs due to the coronavirus, and not only did all women report a loss of income even when they did not lose their jobs, but women also had to shoulder unequal burdens of caring for children, who are now not going to school, cooking extra meals for a family that is now spending 24-7 at home, dealing with increasing rates of domestic violence and abuse, not just directed at them, but also at their children, and dealing with price hikes and important choices about how to make ends meet, and how to put food on the table. 76% of the women in the sample reported the increased burdens on them due to the constant presence of males in the household, and their unwillingness to help out with housework.³² Finally, 63% of women in the sample reported domestic violence incidents by males in their households during the lockdown; 75% of all cases of violence were perpetrated by the spouse, while 11% was perpetrated by a brother (64) Perhaps more alarmingly, 42% of women who are now facing domestic violence during the lockdown reported that they had never before experienced any domestic violence, thus making the lockdown the beginning of abuse in their households.

Third, Workers in the irregular economy

As mentioned before, it can be very misleading to follow the trails of informality in Egypt, equating it exclusively with vulnerability. Nevertheless, we cannot avoid a discussion of the informal economy, estimated at 40% of the economy³³, particular as the major coronavirus response by the Egyptian government pertained to it. Even though there are millions of non-contractual laborers, millions of informal agricultural workers, and a large estimate of women agricultural workers and domestic workers, the main estimate used for the unregulated economy is the CAPMAS estimate for workers in the private sector working outside establishments.

³¹ Gamal, Sherif. May 18, 2020. "Stories of Women in the Pandemic Days." P. 39. Center for Egyptian Women Legal Aid. [Arabic Only]

³² Ibid., 51

³³ Ahmed al-Desouki. "Al-ta'abaah al-'amah wa al-ihsa: al-qeta'a al-gheer rasmy yastahwez 'ala 40% min al-iqtisad". - CAPMAS: informal sector takes up 40% of the economy-. al-Maal, 2019.<<https://bit.ly/2Mg7jTC>>.

It is unclear why the ministry of labor, in its registry of irregular workers, only pays attention to specific jobs, while completely ignore agricultural workers, who are often excluded from statistics and reports on informal workers. Moreover, the lack of data and registry of those irregular workers is disturbing, particularly considering how quickly the government got 1.5 million workers to apply and register themselves once the opportunity was available for a grant. Nevertheless, according to the Ministry of Labor, the ministry only has a registry of 120,000 irregular workers, despite the fact that CAPMAS estimates more than 10 million irregular workers.³⁴ This brings us to who falls within the definition and count of irregular labor. We already mentioned above that the agricultural workers are almost always excluded from this count, which skews the numbers of irregular labor, and excludes millions of irregular workers from basic protections, as well as from being eligible for grants such as the EGP 500 coronavirus grant, which according to our expert interviews, was not received by any agricultural worker. But other sectors seem to be equally misrepresented and vastly undercounted, especially the very critical sector of construction. According to the head of construction and building contractors' federation, there are about 10 million seasonal or temporary workers in the sector (working in 35000 public and private companies). The federation head identified irregular workers as those working without contracts and who do not belong to the labor force of a certain company (they keep moving from one to another), some of whom are independent workers, and some are employed through labor supply companies. These 10 million are very distinctive, because even though 48% of irregular workers work in the construction sector, this still only amounts to 13% of total employment, thus setting the number of construction workers at around 3.77 million only. Where are the remaining 7 million construction workers that the federation insists exist? This, again, alludes to the importance of looking for the different modes of work that are encompassed within the arena of casual and precarious employment. Only an in-depth examination of these work patterns and the vulnerabilities they produce can be a foundation to targeted policies and intervention towards ensuring employment security.

Finally, looking at what seem to be the most prominent forms of irregular labor we encounter in everyday lives; one can only wonder where the female fruit and vegetable sellers are accounted for? The thousands of food sellers, book sellers, accessory, scarves, shoes and clothing sellers we each encountered on the streets, do they only account for 4.7% of all employment in Egypt?³⁵ Does it make sense that women only account for 3-4% of the informal economy? Where are all the female domestic workers? The same shortcomings we encountered in the call for the EGP 500 grant, is met in the government's surveying and reporting of irregular labor, where irregular jobs are listed as "street vendors, car parkers, car cleaners, bag carriers, garbage collector, oiling worker", all expressed in male nouns, with the exception of "babysitter

³⁴ Ismail, Omaira. 2020. Facing both poverty and the virus, informal workers keep working and losing work. Mada Masr. <https://www.madamasr.com/en/2020/04/21/feature/economy/facing-both-poverty-and-the-virus-informal-workers-keep-working-and-losing-work/>

³⁵ CAPMAS. 2020d. Impact of Coronavirus on Egyptian Families till May 2020. p. 45 https://www.capmas.gov.eg/Pages/GeneralNews.aspx?page_id=1

and elderly nurse”.³⁶

Despite lack of data on these sectors, it seems necessary to mention that workers in military or civil establishments during their military drafts/ service are not considered part of the labor force, even though many of them end up working in military hospitals, factories and establishments.³⁷ Similarly, the labor of prison populations is not counted in the labor force³⁸, despite mounting evidence that prison labor is increasing in its importance for specific sectors.³⁹

Part 3. Assessments of COVID-19 Policy Interventions

With the outbreak of the coronavirus, the Egyptian government has taken steps to contain the spread of the virus, as well as alleviate its negative impacts, particularly on vulnerable groups. Such steps included the allocation of a L.E 100 billion financial incentive package to fund the state’s plan to contain the pandemic and its aftermath.⁴⁰ Until May 2020, L.E 63 billion from the package had been spent on covering some of what were perceived as urgent matters such as providing incentives to the productive sectors; tax incentives; social support (protection) and supporting the health sector among other things.⁴¹ However, these steps did not necessarily fully benefit vulnerable groups nor managed to present a systematic way of identifying and protecting those most vulnerable to the effects of the coronavirus in society. Indeed, these stimuli carried a bias towards serving the interest of capital and helping big companies navigate the ramifications of the crisis. As such, the vast majority of those severely affected were excluded from the support extended by the government, including the support that was targeted at the poor. In fact, in some cases, these steps or decisions taken to mitigate the pressure of the pandemic on vulnerable groups were too limited to actually compensate for the damages caused as will be shown in this section. Thus, although of those decisions and steps taken seemed to be in the right direction, their shortcomings revealed much deeper structural obstacles within employment relations and the government’s grasp of citizens’ security, and registry of the extent of vulnerabilities.

After surveying different initiatives taken in light of the pandemic, we have chosen a number of decisions that relate directly to the field of employment and employment security. Common among these decisions is their inability to fully overcome the disastrous hardships

³⁶ CAPMAS. 2018. “Economic Census 2017/2018: Informal Sector Indicators”. https://www.capmas.gov.eg/Pages/Economicnew.aspx?page_id=2029

³⁷ It is estimated that there are about 200000 conscripts in the Egyptian army. Yet, it is not known how they are distributed amongst various sectors. See “Country policy and information note- Egypt: military service”. Home Office, 2019. <https://bit.ly/2Mja5dF>.

³⁸ CAPMAS. 2020. Bulletin of Labor Force (January-March 2020), p. 15 https://www.capmas.gov.eg/Pages/Publications.aspx?page_id=5106&YearID=23538

³⁹ The numbers of prisoners is estimated at 114,000, including those detained in pre-trial detention according to diverse sources, including “Prison Studies” available here: <https://www.prisonstudies.org/country/egypt> and the Al-Masry Al-Youm report here: <https://www.almasryalyoum.com/news/details/1442357>.

imposed by the pandemic, which again goes back to the explicit limits within the overall structures governing the realm of employment in Egypt. In other words, these response initiatives have to be understood within the wider context of structural issues within the Egyptian labor market, as the latter can explain both their successes and failures. Therefore, none of these initiatives has the ability to genuinely lift those affected from the catastrophic consequences of the pandemic or even to enforce a higher standard of social protection on the long term. This is the case because these quick-fix measures did not seek to ensure structural securities to Egyptian workers, but rather sought to give a shorthanded attempt at dealing with a crisis that exacerbated the anxieties of every Egyptian household. Thus, we have to keep an eye on the economic structures that these measures hit, in order to assess if addressing them could actually help minimize/ eliminate the effects of the pandemic, and how to better their reach and effectiveness.

In the following we start with perhaps one of the most important coronavirus interventions that received much attention nationwide: the irregular workers' fund.

First, On the irregular workers' fund

In April, the Ministry of Labor and Manpower announced that funds had been allocated to grant irregular workers a monthly grant of L.E 500 each for a period of three months as part of the procedures to combat the effects of the spread of the pandemic.⁴² However, certain eligibility stipulations were put for workers to receive the grant. These included primarily registering online for the grant (through the form available online via a website created by the ministry); to have lost a job after the spread of pandemic and not prior to it; and finally not to be a recipient of other benefits from the state.⁴³ In contrast to what some might think, the state's budget did not incur any cost related to the grant.⁴⁴ Instead, the grant was completely funded by the irregular workers' fund, established in 2011 and containing a capital that ranges between L.E 3.5 billion-L.E 4.5 billion.⁴⁵ These amounts were collected from construction and quarries companies in the form of a specific fee (0.0045%) from the total value of any project's total value.⁴⁶ However, according to the former Minister of Manpower, companies in the agricultural sector are not obliged to pay such a fee because of their dependence on temporary workers.⁴⁷ Similarly, companies in the tourism sector did not contribute to the fund.⁴⁸

⁴² Mohamed Hamid. "Amwalhom rodt elihem: man yadfa'a menht al-500 ganesh lil-a'amal gheer al-montazemah?" Their money returned to them: who pays for the irregular labour's L.E 500 grant?-. *al-Manasa*, 2020. <<https://bit.ly/36pwGMB>>. .

⁴³ See the bulletin: beginning the disbursement of the irregular workers' grant-. *Madamasr*, 2020. <<https://bit.ly/2ErpBQm>>. .

⁴⁴ The irregular workers' fund was never mentioned in the budget under title or form. However, according to an official in the ministry of finance interviewed by the author, there are funds and reserves in the ministry of manpower to finance the grant. Yet, in case of needing additional support, the ministry of finance can provide it. Another official stated that there are 27 different bank accounts under the name of 'irregular workers' which follow the manpower directorates in the provinces. Yet,

these accounts were never collected together into a single account to unify the rules of spending the money within. Hamid. " Amwalhom rodt elihem..."., 2020.

⁴⁵ Ibid.

⁴⁶ Accordingly, these firms are prohibited from receiving any due money until the payment of this fee

⁴⁷ Ibid.

⁴⁸ Most of the tourism companies depend on irregular workers or casual workers without contracts, with estimates suggesting that they represent 45% of all workers in the sector. This can be linked to the fact that of 19000 touristic bazaars in Egypt, only 2076 are registered. Ibid.

Overall, a number of discrepancies surround the fund and the grant. To begin with, from 2011 to 2014, the fund's money was not targeting irregular workers as planned, with 70% of the money going to the employees in the Labor Ministry directorates and the remaining 30% going to irregular workers.⁴⁹ Only from 2015 onwards was this trend reserved, with more money going to irregular workers.⁵⁰ This presents both a model for financing support and grants to irregular labor, but also a wake-up call to the importance of having such funds set aside, and indeed set aside and earmarked exclusively for the irregular labor force, not for all workers.

The second consideration related to the grant has to do with the eligibility and beneficiaries. Originally, the Ministry of Labor stated that 2.5 million individuals registered for the grant. However, in August, the government announced that the final number of workers to receive the grant are 1.6 million workers.⁵¹ Here one has to recall that the Minister of Labor announced in April 2020 that 1.4 million irregular workers will start to receive the grant.⁵² Similarly, in June, the Minister of Planning announced that about 4.4 million individuals applied for the grant. However, after reviewing their applications, it was decided that only 1.9 million of them are eligible and deserve the grant.⁵³ The confusion about the actual number of recipients does not stop here. In the report conducted in collaboration between the Ministry of Finance and UNICEF cited above, it was reported that the total cost of the grant was L.E 3 billion.⁵⁴ So, by dividing the total cost of L.E 3 billion by the total of L.E 1500 to be received by each worker over the period of 3 months, the number of recipients will be 2 million individuals, as in 400,000 additional workers in addition to the 1.6 million announced in the latest governmental announcement. In light of this, it is not clear which number of these is the most accurate, especially that the criteria of eligibility remain largely vague and far from being specific. The lack of transparency and information provided to the public about the criteria of eligibility was a critical barrier that created a lot of confusion.⁵⁵ Only once did the Minister of Labor reveal specific criteria in April when he justified the exclusion of 500,000 individuals from the grant due to owning agricultural lands/estates (read: farmers or small land owners) or for registering in the names of children or deceased individuals.⁵⁶ Behind all of this confusion lies a group of bigger problems all related to the nature of the grant.

First, while targeting irregular workers, all the potential numbers mentioned above,

⁴⁹ According to Abu Eita, none of the funds' money went out to irregular workers during his tenure as a minister. Ibid.

⁵⁰ Ibid.

⁵¹ "Sa'afan: 1.4 milyon a'amel gheer montazem yabdaoo saf menht al-500 gneah ba'ad ghad". -The Minister of Manpower: 1.4 million workers to start receiving the L.E 500 grant after tomorrow-. *Economy Plus*, 2020. <https://bit.ly/3gt1XQU>

⁵² "al-Said: 4.4 milyon taqdamo le-menht al-a'amalh gheer al-montazemah wa tabyn an al-mosthqaen 1.9 milyon faqt". - al-Said: 4.4 million applied for irregular workers' grant before figuring that only 1.9 million deserve it-. *Economy Plus*, 2020. <https://bit.ly/2YBcH9y>

⁵³ "Daleel mobasat a'an...". *The Ministry of finance*, No.4, 2020. P. 14.

⁵⁴ Hend Mokhtar. "al-Qowa al-a'amelh tokazeb sha'aet isteba'ad ba'ad al-mosthqaen min menht al-a'amelh gheer al-montazemah". - The Ministry of Manpower denies excluding eligible candidates from the irregular workers' grant-. *al-Youm al-Saba'aa*, 2020. <https://bit.ly/34AGpze>

⁵⁵ Ahmed Farhat. "al-Qowa al-a'amelh: isteba'ad 500 alf mowaten gheer mostaheq li-menhet al-a'amalh gheer al-montazemah". - The ministry of manpower: excluding 500 thousand illegible citizens from the irregular workers' grant-. *al-Borsa*, 2020. <https://bit.ly/34ycJ5R>

including final numbers of recipients, fall short from being a fair or accurate representation of the actual numbers of irregular workers currently in Egypt. In fact, varying estimates are available. To begin with, there is the cited figure of 10 million irregularly mentioned by the Minister of Manpower.⁵⁷ Abu Eita, the former Minister of Manpower, estimates that the actual number of irregular workers in Egypt reaches up to 15 or 20 million and that there are no census on this category as the latter hide out in fear of any attention that might draw some governmental procedures with a negative impact on their income.⁵⁸ There is also the International Labor Organization's estimates which put the informal workers in Egypt at about 63% of an estimated employed population of 30 million.⁵⁹ As mentioned above, this discrepancy in numbers is not coincidental but it can be attributed to the lack of an updated database of irregular workers in Egypt.⁶⁰ The absence of such a database cannot be perceived except as a structural obstacle in the road of alleviating the standards of living.⁶¹ After all, the governmental reluctance to extend the registration deadline beyond the original two weeks period⁶² shows conservatism on the government's part to recognize one of the vital problems within the broader vision upon which the grant was constructed: outreach and making irregular workers finally legible.

Secondly, registering for the grant was not as straightforward as the official media claimed. For instance, accessing the website was not always an easy option for all those trying to register. The high number of visitors attempting to register generated a high pressure on the Ministry's website, which ended up affecting its functionality and complicated accessing the registration forms.⁶³ Similarly, not all those attempting to register had the knowledge or the experience of dealing with the internet or computer. Therefore, they resorted to middlemen (i.e., internet cafes or stationary shops) to help them complete the registration process.⁶⁴ As a matter of fact, some testimonies show that some of these middlemen used to ask for a fee that goes up L.E 100 in exchange of assisting in the registration process while other kept the national identification cards (IDs) of those applying to force them to split the grant when, if, they receive it.⁶⁵

Adding to the above, there is the problem of unexplained de facto exclusions. As already

⁵⁷ Ramdan. "al-Qowa al-a'amlh...". *al-Watan*, 2020.

⁵⁸ Hamid. "Amwalhom rodt elihem...". *manasa*, 2020.

⁵⁹ Ayat al-Tawy. "Coronavirus or hunger: Workers in Egypt's vast informal economy struggle to survive as pandemic bites". *Ahram Online*, 2020. <<https://bit.ly/2EzLu03>>.

⁶⁰ Ahmed Salama. General secretary of the former irregular workers' syndicate: there is no database for workers...there are problems in registering and the financial aid is not sufficient-. *Daaarb*, 2020. <https://bit.ly/2XWKIRR>

⁶¹ Prior to the pandemic, there were only 120 thousands workers registered in the ministry as irregular workers in addition to those registered by their employers. See Omaima Ismael. "Facing both poverty and the virus, informal workers keep working and losing work". *Mada Masr*, 2020. <https://bit.ly/3gBQChg>

⁶² See Youssef 'Afify. The ministry of manpower ends the controversy surrounding a second round of registration for irregular workers' grant-. *Masrawy*, 2020. <https://bit.ly/3gvJsv2>

⁶³ Salama. "General secretary of the former irregular workers...". *Daaarb*, 2020.

⁶⁴ Ibid.

⁶⁵ Ismael. "Facing both poverty and the virus,....". *Mada Masr*, 2020.

mentioned, the criteria of the grant's eligibility is extremely vague.⁶⁶ Yet, it is hard to comprehend why certain categories of irregular workers such as street vendors; shoe wipers and workers not covered by any sort of insurance at both formal and informal institutions were dismissed at the time when others categorized as housewives received the grant.⁶⁷ Here, one has to take note of the structurally gender-related problems, reflected in the grant's distribution process, before assuming that it was genderly just. For example, in Aswan, a survey conducted by the directorate of manpower showed that $\frac{1}{3}$ of irregular workers are females. However, none of them received the grant.⁶⁸

Finally, there is the problem of the grant's amount. It is evident that any additional amount of money in a time of crisis would be welcome. However, L.E 500 is such a small amount that it would not have been sufficient to cover even the basic necessities for a few days before the pandemic, let alone during its peak. As one irregular worker sums it up, "Even if I registered and received [the money], how long would it last -- a few days?"⁶⁹. This is so, even by the official standards, which set the poverty line at L.E 735.5 monthly. In other words, the grant, which amounts over 3 months to a total of L.E 1500, can barely cover a household basic needs for two months and thus it cannot be a dependable and sufficient source of income during the crisis.⁷⁰ In short, even though the grant was an important intervention, it has fallen short on many fronts in helping vulnerable groups in dealing with the effects of the pandemic, and we fear that it would have caused more confusion and anxiety for those in need.

Second, financing the crisis

The Egyptian government has been looking for additional sources of funding the crisis, given its annual huge monetary deficit caused by its accumulated internal and external debts. As such, the government applied for a new loan from the International Monetary Fund (IMF) already in June 2020, amounting to \$ 5.2 billions.⁷¹ Though the loan was approved⁷², it was not enough to cover the growing needs resulting from the pandemic. As a result, efforts have been directed towards finding internal solutions to help financing those needs. After a long period of anticipation, the Egyptian parliament approved the enactment of a new law to cover

⁶⁶ 2020d. Impact of Coronavirus on Egyptian Families till May. CAPMAS, 2020. P. 19.

⁶⁷ Salama. "General secretary of the former irregular workers...". *Daaarb*, 2020.

⁶⁸ Hamid. "Amwalhom rodt elihem...". *manasa*, 2020.

⁶⁹ al-Tawy. "Coronavirus or hunger...". *Ahram Online*, 2020.

⁷⁰ Since the drafting of this policy paper, a second round of the irregular labourers' grant was launched. See Mostafa Eid. "al-Maliyah: 4.3 milyar gneah igmaly menh al-a'amalh gheer al-montazemah monz bedaiyh corona we hata al-aan".- The Ministry of Finance: L.E 4.3 billion directed towards the irregular workers' grant since the beginning of the COVID crisis". *Masrawy*, 2020. < <https://bit.ly/2YthOs4>>.

⁷¹ Yasmine Salim. "Sanqod al-naqd yakshef tafaseel qard masr al-gadeed bi-qimah 5.2 milyar dollar li-mowagh corona".- The IMF reveals the details of Egypt's new \$5.2 billion loan to fight the Corona-. *Masrawy*, 2020. <https://bit.ly/2FSc5G1>

⁷² Ibid.

the lack of funding problem by monthly deductions from all formal workers and employees nationwide.⁷³ The Law (170) for the year 2020 stipulated monthly dedication of 1% from the net income of employees in all governmental and official institutions as well as 0.5% from the net pensions monthly received has been approved for 12 months, starting August 2020, to help mitigating the economic ramifications of pandemics and natural disasters.⁷⁴ Only those with salaries or pensions below L.E 2000 (the official minimum wage) are excluded from these monthly deductions.⁷⁵ It is worth noting that the law was approved after another legislation was discussed in May and eventually casted away, according to which obligatory donations from all companies and economic activities were to be enforced.⁷⁶ The question here is why the choice was to place the burden of financing the crisis on the shoulders of workers, who are already bearing the brunt of the pandemic? Why is the government unable to exert any pressure on wealthy individuals and profiting corporations solve the funding gap, without asking workers with disparate living conditions to fund the crisis?

Part 4. Policy Recommendations for Employment Security

While the COVID-19 crisis hit the entire world economy, it still presented policy makers everywhere with the opportunity to rethink, reform and re-envision the structures of their economies, including the structures of labor relations. Because employment security and the right to work are important structures of security and social welfare, policies targeting employment security cannot merely be crisis-based, or short-term responses to crisis situations similar to COVID-19. Precariousness and vulnerability are everyday realities that are experienced regardless of the crisis but are exacerbated and deepened by the crisis. In this vein, public policies should target short term interventions to quickly fix, or avert the consequences of the pandemic, in addition to medium and long-term interventions that ensure that the structures of vulnerability are targeted, and precarious workers have better protections, visibility, associational power, and recognitions.

⁷³ The law project was first discussed in the Parliament in April and took about 4 months to be approved. See Yasmine Fawaz. "Khasm nesbah min al-rateb...tashreea'a mortaqb fil-barlman li-da'am al-dawla fi harbha dod al-korona"- Deducting a percentage from the salary...an expected legislation in the parliament to aid the state in its fight against the corona-. al-Maal, 2020. <<https://bit.ly/3gpn7iB>>; and "iqteta'a 1% min rwateb al-a'amleen bi-masr li-mowaght corona".- The deduction of 1% of the salaries of workers in Egypt to confront Corona-. al-arabi al-gadeed, 2020. <<https://bit.ly/2L2neHt>>.

⁷⁴ A fund was created by the Ministry of Finance titled 'confronting the ramifications of pandemics spread and natural disasters account', to which all funds collected from the dedication will be directed. See "Qanon raqm 170 li-sanh 2020 fi shaan al-mosahma al-takafoleyah li-mowaght ba'ad al-ta'adeyat al-iqtisadiyah al-natigah a'an intshar al-awbeh aw hedos al-kwares al-taba'aiyah".- Law No. 170 for the year 2020 regarding the symbiotic contribution to face some of economic ramifications of the spread of pandemics or the occurrence of natural disasters-. The Official Gazette, Vol. 33, 13 August, 2020. P. 5-8. It is estimated that the total annual value of these monthly deductions will range between L.E 8 billion- L.E 10 billion. See "inshaa sandoq li-mowagh al-awbeh yomwal bi-khasm nisbah min mwazafee al-dawla wa al-ma'ashaat". -Establishing a fund to confront pandemics through deducting a percentage from the state's employees and pensions' recipients-. *Economy Plus*, 2020. <<https://bit.ly/2D2w2Jo>>.

⁷⁵ Ibid.

⁷⁶ Ziyad Baha al-Din. "Dararah mosharkh al-sha'ab fi al-qarar al-iqtisadi".- The necessity of the people's participation in the making of economic decisions. *al-Masry al-Youm*, 2020. <<https://bit.ly/3aXZfSf>>.

Finally, precariousness and vulnerability are embodied in the relationality between life and work, between the past and the future, and between the individual and the state. That being said, our recommendations in this section target the precariousness of work life, the security of work relations, and the empowerment of workers to have access to decent work, living wages, and employment security. This is particularly important in times of crises, when precariousness is a general condition of life, but is unevenly distributed amongst people with less secure jobs and incomes. But we are aware that other social protections, access to quality social security schemes, quality universal healthcare and equitable recourse to justice are equally necessary to tackle the vulnerabilities and precarity of human life. Hopefully the collection of policy papers in this volume will comprehensively draw this combined scheme of protecting the vulnerable in our societies, in times of crises and beyond.

1. CRISIS-LEVEL INTERVENTIONS

I. Work-sharing programs

The onset of the COVID-19 crisis negatively impacted the daily business cycle, leading to a decline in some firms and corporations' revenues and profits, affecting their chances of survival. To mitigate such ramifications, or preempt them, many employers resorted to laying off some or most of their workers to compensate for lost revenues. Recognizing the dangers of such a step, however, certain countries interfered directly to prevent such dangers from unfolding through implementing work-sharing programs. Work-sharing programs are a government subsidization of employers' payrolls in exchange for reduced working hours per employee. In other words, instead of laying off workers/ employees, all workers/ employees within any given company agree to share their tasks and work less number of hours for the duration of the crisis.⁷⁷ In exchange, the government offers to cover in part the resulting gaps in their paychecks by entering into agreements with their employers. This type of programs has proven successful in Germany for instance, where about 10 million individuals managed to keep their jobs and receive up to 87% of their original salary/wage during 2020 and despite the COVID-19 crisis.⁷⁸ The creation of a similar program in Egypt would ensure the readiness of both government officials and employers to deal with the repercussions of crises, prioritizing their workers, especially the most vulnerable, while ensuring the survival and flourishing of their economic enterprises.

II. Conditional business stimuli

Similar to the work-sharing programs, is the idea of conditional business stimuli. For example, in Egypt stimuli packages were offered to the firms working within the tourism sector

⁷⁷ Alec MacGillis. "How Germany saved its workforce from unemployment while spending less per person than the U.S.". *ProPublica*, 2020. <<https://bit.ly/39xDN7i>>.

⁷⁸ Similar forms of the work sharing program were implemented in Spain, France and the United Kingdom with the beginning of the crisis. *Ibid*.

in exchange for keeping their entire labor force and stopping any laying off resulting from the crisis. Accordingly, the latter firms were permitted to apply for loans to cover the basic wages/salaries of their workers and employees.⁷⁹ Moreover, it was agreed that all property tax on such firms were to be dropped for 6 months in addition to postponing (or paying in instalments) any previously owed amounts for 3 months without any charges.⁸⁰ However, several questions all related to problems of transparency and lack of clarity are in order here. First, as it was the case with the L.E 500 grant, vagueness surrounds the actual amount to be received by workers in the tourism sector. While some officials declared that such workers were to receive their full monthly wage/salary, others stated that workers will only receive the insurance wage (the wage for which employers pay a monthly insurance).⁸¹ This possibly means, especially with the lack of a clear eligibility criteria, that only insured workers will receive their wages in a sector where at least 26% work on an irregular or seasonal basis.⁸² Another question is the one concerning monitoring the firms' abidance to the earlier mentioned stipulations. Indeed, the government took away the license of one hotel for not abiding to its regulations.⁸³ Still, because firms were still in the process of listing the names and number of their employees while applying to be considered for the package, room exists for manipulation or inaccurate reporting. Hence, this problem does not only reveal pre-existing structural weaknesses, as such lists should have been available before the crisis, but would also make the monitoring process much harder as the authorities will lack the required documents to make sure that the touristic firms abided with new regulations. Finally, it is easy to understand the attention that the tourism sector received, given the high income and hard currency it provides to the state. However, this same attention was not directed towards other sectors where most of the vulnerable workers are employed. Based on the above, it can be said that conditional stimuli can be successful in providing protection to vulnerable groups of workers only if efforts to overcome structural obstacles, lack of transparency and internal biases governing the realm of labor relations were successfully addressed.

⁷⁹ "Ma'ait: qorod bi- 3 milyarat gneah lil-monshaat al-syahiya wa al fondoqeya li-taghteyah igor al-a'amleen"- The Minister of finance: L.E 3 billion in loans for the tourism sector to cover the wages-. *Economy Plus*, 2020. <<https://bit.ly/3r5sxoY>>.

⁸⁰ "Wazeer al-maliyah: al-hekoma tasa'a li-tahweel menht corona ila minha lil-qeta'a al-sena'ai tashgea'an lil-qeta'a al-khas"- The Minister of Finance: the government seeks to direct the COVID-19 grant to the industrial sector-. The Ministry of Finance, 2020. <<http://www.mof.gov.eg/Arabic/MOFNews/Media/Pages/release-a-2-5-2020.aspx>>.

⁸¹ Abdel-Razak al-Shewekhey. "Ghorfeh al-fanadeq tarfa'a talabat 850 monshaa ila sandoq al-tawareaa li-sarf igor ipreel".-The Egyptian Hotels Association process the requests of 850 establishment to the draw from the emergency fund". *al- Borsa*, 2020. <<https://alborsaanews.com/2020/04/21/1323330>>.

⁸² Mohamed Gad and Safy Sleem. "A'an mawsem al-rabea'a alzy intaha qabl an yabdaa: azmh al-seyaha fi zaman al-corona".- On the crisis of the tourism sector in the age of COVID-19-. *al-Manasa*, 2020. <<https://bit.ly/3tcgbNm>>;

"al-Fanadeq tofawed sandoq al-tawareaa li-saraf 6 ashor rwateeb lil-a'amal"- The Hotel Association negotiates with the emergency fund for 6 months of labourers's wages. *Economy Plus*, 2020. <<https://bit.ly/2NS784l>>;

and "Sa'afan: 3800 monshaa seyaheya taqdamt li-saraf ia'anat motdarery corona hata al-aan".- The Minister of Manpower: 3800 touristic establishments have requested for the COVID-19 grant so far-. *Economy Plus*, 2020. <<https://bit.ly/3ahQHWd>>.

⁸³ "A'asy: sahb tarakhees el fandeq igraa moaqat li-a'adm sadad al-igor hata tasweyah al-awda'a". The Minister of Tourism's Deputy: Permits' rescinding is a temporary until settlement. *Economy Plus*, 2020. <<https://bit.ly/3afGRV5>>.

III. Rent and bill deferrals

One of the key demands of women workers in a study conducted by CEWLA⁸⁴ was the deferral or exemption of poor households from electricity and gas bills in particular. The fact that households across Egypt have lost major components of their income, combined with increases in prices of basic food goods has resulted in the inability of some households to afford food, let alone gas and electricity. Denying poor households' access to gas and electricity due to their inability to pay bills only deepens existing inequalities, and ultimately leaves entire families with a technology divide, lacking access to online education during the lockdown, and inability to cook healthy meals at home. Many countries proposed and implemented deferral programs in response to the pandemic, thus ensuring the basic needs of their most vulnerable households continue to be met. In Canada, for example, a Utility Payment Deferral Program has helped individuals, families and businesses⁸⁵ cope with the financial impact of the COVID-19 pandemic. In Alberta alone, more than 350,000 consumers, representing 13% of the electricity and natural gas consumption base, have made use of the program, which delayed their bills for a period up to a year. In effect, the program ensured that "that no Albertan was cut off from these services or saw their services reduced while the program was in place".⁸⁶

IV. Systematic targeting

Perhaps one of the key shortcomings of the EGP 500 grant was its lack of systematic targeting. The confusion this grant created, combined with a lack of clarity on who was targeted by it, has resulted in its inability to offer security to many subsections of Egyptian workers, however small. In fact, CAPMAS's latest reports estimate that only 5.4% of families in their sample benefitted from the grant. Yet, it is unclear why some were chosen while others were not. Similar grants in the future need to target specific subsections as opposed to the large variegated 'irregular' workforce. There should be an effort to reach out to vulnerable and irregular workers not represented by the ETUF, and not represented by other unions. And the criteria for eligibility should be clear, including income criteria, specific sectors, or specific living situations (e.g. female-headed households), after which everyone in these categories should be equally receiving the grant, not just a random sample.

V. Domestic Resource Mobilization: Temporary Wealth Tax

To respond to crises such as the COVID-19 pandemic, governments need to mobilize resources. One of the modes of mobilizing resources is through international loans, like Egypt's 2020 IMF agreement. More sustainable modes of resource mobilization are like Egypt's 1%

⁸⁴ Sherif Gamal. "Stories of Women in the Pandemic Days.". *Center for Egyptian Women Legal Aid*, May 18, 2020. p. 40 [Arabic Only]

⁸⁵ The program targeted electricity consumers, who consume less than 250,000 kilowatt hours of electricity per year, and natural gas consumers, who consume less than 2,500 gigajoules per year.

⁸⁶ Utility Payment Deferral, Alberta, CA. <https://www.alberta.ca/utility-payment-deferral.aspx>

employee taxes, levied in 2020 on formal employees nationwide for the period of one year. While similar initiatives are a good way of mobilizing resources domestically without further indebting the country, they also risk burdening those barely above the national minimum wage of 2000 EGP, especially that some of them must have lost part of their household incomes with the dismissal of a family member. The 1% employee tax is therefore a step in the right protection but should not be the only attempt at domestic resource mobilization. In addition to it, a similar temporary tax should be levied on wealthy individuals and corporations to ensure that it is not only the workers and employees, even those in more stable jobs, that continue to bear the brunt of the crisis and its handling. In particular, as the coronavirus hit the world, many experts highlighted the wealth tax as a temporary quick way for governments to mobilize resources to intervene on behalf of workers and vulnerable groups protecting them in times of crises.⁸⁷ This can take the shape of a one-time solidarity tax, or a wealth tax levied for a number of months or a year. In times of crises, the poor are the most vulnerable and least protected, therefore countries like Germany and the UK have moved towards temporarily reducing their Value Added Tax in order to lower the burdens on everyday consumers.⁸⁸ Other countries have worked to shift this burden to the wealthiest, including Norway which increased the rates of its existing wealth tax,⁸⁹ and Argentina which introduced a progressive wealth tax of up to 3.5% on its wealthiest domestic individuals and entities, and up to 5% on entities outside the country.⁹⁰

2. LONG-TERM AND STRUCTURAL INTERVENTIONS

I. Minimum wage in the private sector (registered establishments)

Because less than 5% of the working poor in Egypt are employed in the governmental or public/ public business sectors, it is necessary to extend the coverage of the minimum wage to the private sector.⁹¹ This undertaking is not easy, and will meet a lot of resistance, but enforcing it on the private sector within establishments will ensure a raise in standards of living and salaries to a wider population of Egyptian workers, and end some of the abusive practices. In doing so, the minimum wage should be applicable through both private sector enterprises as well as through the 'manpower'/ labor supply companies. Having an enforced minimum wage nationwide is an important policy tool that can be utilized to alleviate the impacts of inflation and soaring prices in response to crises such as the COVID-19 pandemic. In Australia, for

⁸⁷ "Where should the Money Come From?" *Tax Foundation*, 12 August 2020. <https://taxfoundation.org/global-responses-to-COVID-19-pandemic/>.

⁸⁸ Ibid.,

⁸⁹ Ibid.,

⁹⁰ "COVID: Argentina passes tax on wealthy to pay for virus measures". *BBC*, 05 December 2020. <<https://bbc.in/2L7IV96>>.

⁹¹ EIPR. 2019. "three reasons to celebrate the minimum wage, while it is necessary to extend it to the private sector". *Egyptian Initiative for Personal Rights*. <https://bit.ly/3pwVN7J>

example, the national minimum wage was used as a policy tool in 2020 and 2021 by increasing it by 1.75% to ensure workers and employees can still afford to cover their basic needs, despite the inflation caused by the fires and the pandemic.⁹² It is noteworthy that Australia has not only a minimum wage for weekly salaried employees, but also one for hourly labor, which helps ensure various sectors of the economy and various modes of work are covered and protected.

II. Female Workers in Surveys and Laws

Another urgent structural change relates to the elimination of the inherent gendered biases against women's work. The Labor Code, for example, explicitly excludes female agricultural workers and domestic workers from the scope of its protection, and thus any advancements of the rights of workers continue to ignore millions of women employed in both sectors. As such, they are denied the same rights even if they work at the same job (farming for example) and lack the legal protection, however limited, that their male counterparts enjoy. In addition to this, crafts and jobs should be framed in government surveys as suitable to both males and females, to ensure women are included when government policies seek to address vulnerable work. Finally, the unemployment survey should be assessed in terms of its gender bias, particularly in excluding "housewives" from the labor market, thus assuming any self-declared housewives are not job seekers, which feminist organizations have long shown not to be an accurate assumption.⁹³

III. Registries for the extreme poor and the poor

The EGP 500 grant has raised many issues related to targeting the poor and the vulnerable but has also shown the dire need for central databases that make the poor and vulnerable in society legible. These databases should be a collective effort of various government agencies, including the social solidarity ministry, especially the takaful and karama registry, the labor ministry registry, particularly of unregulated workers, the farmers and fisherman as registered by the ministries of agriculture and the fisheries authority, the vulnerable migrant labor, as registered by the immigration ministry, in addition to the civil registry, the health insurance and social security registries, and more. The unification of a registry system will enable a better distribution of resources, ensure there is no duplication of efforts or benefits, and efficiently target those most in need in society.

IV. Freedom of association and right to organize

Union organization and freedom of association and collective bargaining is an important

⁹² "Minimum Wages". *Fairwork Ombudsman, Australian Government*, 2021. <<https://www.fairwork.gov.au/pay/minimum-wages>>.

⁹³ Interview with feminist activist and scholar, July 2020.

measure of ensuring employment security. The guarantee of freedom of association, particularly for the most vulnerable work populations, including female agricultural workers, domestic workers and workers in the gig economy, is a first step towards ensuring their legibility, visibility, and ability to voice their demands, needs, and have them addressed by the state or parliamentarians. This entails amending the Labor code, and the ratification of relevant ILO conventions, and the removal of restrictions on the right to strike and the right to form associations, including independent labor unions. In particular, vulnerable groups' ability to organize and form associations can give them more voice in explaining their challenges, thus enabling policy makers to properly understand the issues at hand and consult with stakeholders on the possible reforms needed.