

Untapping Low Female Labor Force Participation In Egypt: Ending The Marriage Mismatch

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About the author

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In a nutshell

- Despite significant increases in female educational attainment, Egyptian women's labor force participation rate remains one of the lowest in the world.
- This can be partially explained by the fact that while transitioning into marriage is an important phase in a woman's life, it poses a major obstacle to her economic participation. Accordingly, a marriage mismatch exists, whereby marital conditions and responsibilities do not respond to labor market needs and vice versa.
- Considering the fact that women largely seek out government jobs, policies that would make private sector jobs better fit the lifestyle of women, especially married women, would go a long way in improving the situation.
- This can be achieved by creating more part-time jobs and jobs that allow married women to work from home. Moreover, parental leave policies, equal-pay policies and policies that do not impede the growth of the services sector are other solutions.

Despite the significant increase in women's educational attainment, the labor force participation rate of Egyptian women remains one of the lowest in the world, with only 25% of women actively participating in the labor market.

In Egypt, research has demonstrated that marriage is one of the main obstacles causing the low participation of women. Government jobs usually have the conditions married women look for in a job. For instance, they offer short work hours that allow women enough time to get home and carry out their domestic duties. As a result, government jobs have set the bar high for what is acceptable in terms of job conditions. With the decreasing role of the government as an employer, a high share of inactive women are now discouraged from finding jobs and believe there are few jobs available that match their needs after marriage.

The responsibilities that come with marriage and the lack of public and affordable child-care services of an acceptable quality lead to increased inactivity among married women and, in particular, the most educated ones. The objective of this policy brief is twofold. First, it argues that marriage is only an obstacle to non-governmental jobs that make women unable to reconcile between family and professional burdens. Second, it identifies policies that are needed to promote employment in good jobs as the key to promoting successful employment trajectories for youth.

Setting The Bar Too High

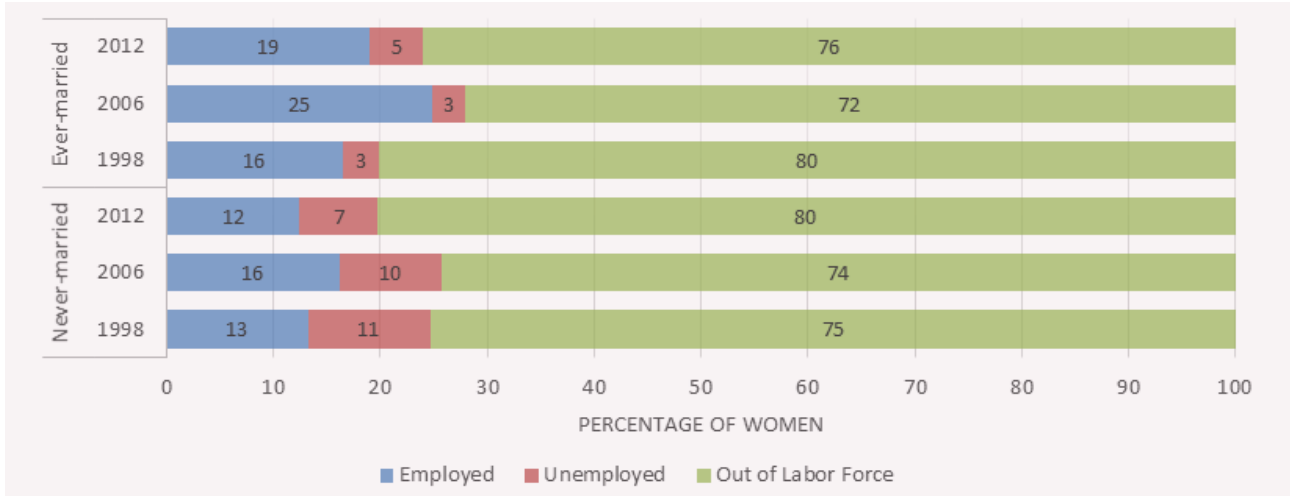
Research has demonstrated that marriage is one of the main causes for the low labor force participation rate of Egyptian women. In this sense, cultural and religious factors may explain the traditional role of women in the household and promote the role of men as the main breadwinners of Egyptian households.

Figure 1 shows the differences in female labor market status by marital status. It is clear that even never-married women are largely out of the labor force. The breakdown of percentages of ever-married versus never-married women based on the six possible employment alternatives is shown in Figure 2.

Government is the primary employer, currently employing around a third of never-married and more than half of ever-married women. Otherwise, ever-married women have a rather large percentage of unpaid family work that they are a part of. Never-married women are less likely to work in unpaid family work than their ever-married counterparts. Essentially, ever-married females are much more likely to work in the public sector, and slightly more likely to work as unpaid family workers (19% of ever-married workers versus 14% of never-married), but much less likely to work in the private sector than never-married females.

This all shows how marriage does not always adversely affect female employment and has a different effect on women’s labor force participation depending on the employment sector. Previous studies showed that the year of marriage represents an important changing point in the lives of women in general and in their employment transitions in particular. The most stunning finding is that while government jobs and inactivity increase with marriage, all other types of private sector jobs are reduced as a result of marriage.

Figure 1: Women’s Labor Market Status by Marital Status, Market Definition, Currently Employed Population, Ages 15-64, 1998-2012 (Percentage)



Note: Using the standard (search required) definition of unemployment.
 Source: Constructed by the author using the ELMPS of 1998, 2006 and 2012.

Figure 2: Women’s Employment by Sector and Marital Status, Market Definition, Currently Employed Population, Ages 15-64, 1998-2012 (Percentage)



Source: Constructed by the author using the ELMPS of 1998, 2006 and 2012.

Government represents the most common employer for working women before marriage, and, unsurprisingly, government work continues to increase and remains high after marriage. Five years after marriage, the percentage of women working in the government is triple the percentage at five years prior to marriage. Meanwhile, married women are half as likely to work in the informal private sector than they were during the years prior to marriage. Marriage is also associated with a drop in formal private wage work. These results further confirm that government jobs are the most preferable for married women, followed by entrepreneurship (employers and self-employed), and unpaid family work, which also slightly rises at marriage. An interesting observation is that women who work in private jobs (whether formal or informal) and get married totally quit the labor force moving to inactivity.

The Marriage Mismatch and Possible Remedies

A marriage mismatch exists when the conditions and responsibilities that come with marriage are not compatible with the needs of the labor market and vice versa. Identifying policies that help overcome this marriage mismatch from both the employer and the married woman’s side are necessary. In the end,

policymakers need to provide more affordable child-care services with an acceptable quality, create more family-friendly jobs and encourage entrepreneurial opportunities for women.

Looking at the demand side, employers in the formal private sector often do not wish to hire married women because they cannot afford to deal with the costs of hiring them. On the other hand, since the private sector usually involves long work hours and is largely male-dominated, married women tend to find such work unsuitable since it limits the time they have to spend on domestic activities. As a result, high barriers to entry for women in the private sector end up pushing them out.

Moreover, the active labor market policies that exist in Egypt that support women are so limited that they are practically nonexistent. There has recently been an update to the maternity leave policy such that an extra month of paid leave is accorded to married women. This gives women four months of maternity leave instead of three. Nevertheless, this is not enough as there continue to be many barriers facing married women’s employment, such as unsuitable working conditions, outdated cultural norms and discrimina-

tory working environments that place women at an unfair disadvantage compared to male employees. In view of this, policies to support women's employment in the formal private sector are necessary as currently the market is not matching the needs of women, especially married women, at all.

In addition to that, since sexual harassment can often be an issue for women in the private sector, policies that protect women from this phenomenon and punish perpetrators could go a long way in making women feel more welcome and safe in this sector.

Another main issue married women face is how to balance their time between domestic and market work. The domestic work burdens of married Egyptian women are substantial and do not decrease if they are engaged in market work. Women are burdened with time-consuming domestic chores, such as agricultural activities for household consumption, shopping, maintenance, cooking, laundry, cleaning, collecting water and firewood, caring for the sick or elderly, and caring for children.

In 2012, ever-married women who were employed had 29.3 hours of domestic work, practically the same quantity of domestic work as ever-married and not employed females (29.6 hours). Moreover, ever-married women who were employed worked 36.9 hours in the market for an aggregate of 65.9 hours of work in 2012. Hours of market work for both ever-married and never-married females have decreased by a slight amount over time.

For never-married females, both the least and most educated women tend to spend longer hours on domestic activities. In contrast, a higher level of education for ever-married females means longer hours spent on domestic activities. Employed females who are illiterate or with an intermediate education devote the longest amount of hours to market work amid all never-married females who are employed. For the ever-married group, the number of hours spent in the labor market is lowest for employed illiterate women, highest for women with less than intermediate educa-

tion, and falls more in the middle for those with intermediate or higher education.

As a result, participating in the labor force incurs a high opportunity cost on married women. Without childcare services, it becomes a burden for them to seek out jobs as there is no one to care for their children while they are at work. To stimulate female labor force participation, subsidies to daycare that are conditional on a woman's employment are preferable to child benefits (Jaumotte, 2004). Improving access to childcare will also reduce the key barriers to employment and lead to spill-over benefits in skills, employability, educational attainment and productivity, as witnessed in the case of Scotland (Scottish Government, 2014). Policies that subsidize childcare services in the workplace, especially in formal private sector workplaces, make such jobs more family friendly.

Other solutions could come in the form of providing women with more flexible work hours, either in the form of part-time jobs or work from home jobs. Providing quality part-time work lowers the risk of these types of jobs marginalizing women. However, since this is still a possibility, policies should aim at fostering access to full-time jobs and reducing the negative future career consequences that time spent in part-time work may yield (Jaumotte, 2004). Policies to subsidize female employment could help in correcting stereotypes and prejudices employers have towards women and vice versa.

Moreover, parental leave policies put in place in many countries tend to help. It is important that the leave ranges from several months to around ten months; longer leaves discourage the return to work (Jaumotte, 2004; OECD, 2004). Iceland, the country with the highest levels of female labor force employment, has also implemented policies that involve wage equality among men and women.

Also, policies that encourage female entrepreneurship can help give women more options for work in the market. In this sense, "entrepreneurship can provide outlets for women, including working from home,

and may therefore be more compatible with prevailing conservative norms” (Krishnan, 2014). As a result, policies that encourage this and make it easier for women to meet such an end could possibly work best with the domestic needs of women and with the outdated cultural norms that are more difficult to change.

Finally, other policies that have yielded positive results are ones that avoid regulations that will obstruct service sector growth, immigration policies and welfare distributed through make-work-pay schemes (OECD, 2004). Implementing policies that allow for flexible work hours, quality childcare and parental leave have led to a 10% increase in female labor force participation in OECD countries.

Conclusion

The lack of labor force participation among women in Egypt is a serious problem that needs to be remedied. Since women largely seek out government jobs, policies that would make private sector jobs better fit the lifestyle of women, especially married women, would go a long way in improving the situation.

In this sense, the creation of more part-time jobs or jobs where married women can work from home would fit the needs of women and encourage their involvement in the labor force. Parental leave policies, equal pay policies and policies that do not impede the growth of the services sector are some policies that have yielded favorable results in many countries. Policies that encourage entrepreneurship of women are also vital.

It is important that policymakers tap into this largely untapped market and explore many different methods of encouraging women in Egypt to participate more in the labor force. With their participation, Egypt’s economy can grow at a much faster rate. A greater economy that involves as much of the population as possible can go a long way in providing people with far better living conditions.

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