

The Evolution of Labor Supply in Egypt through 2023

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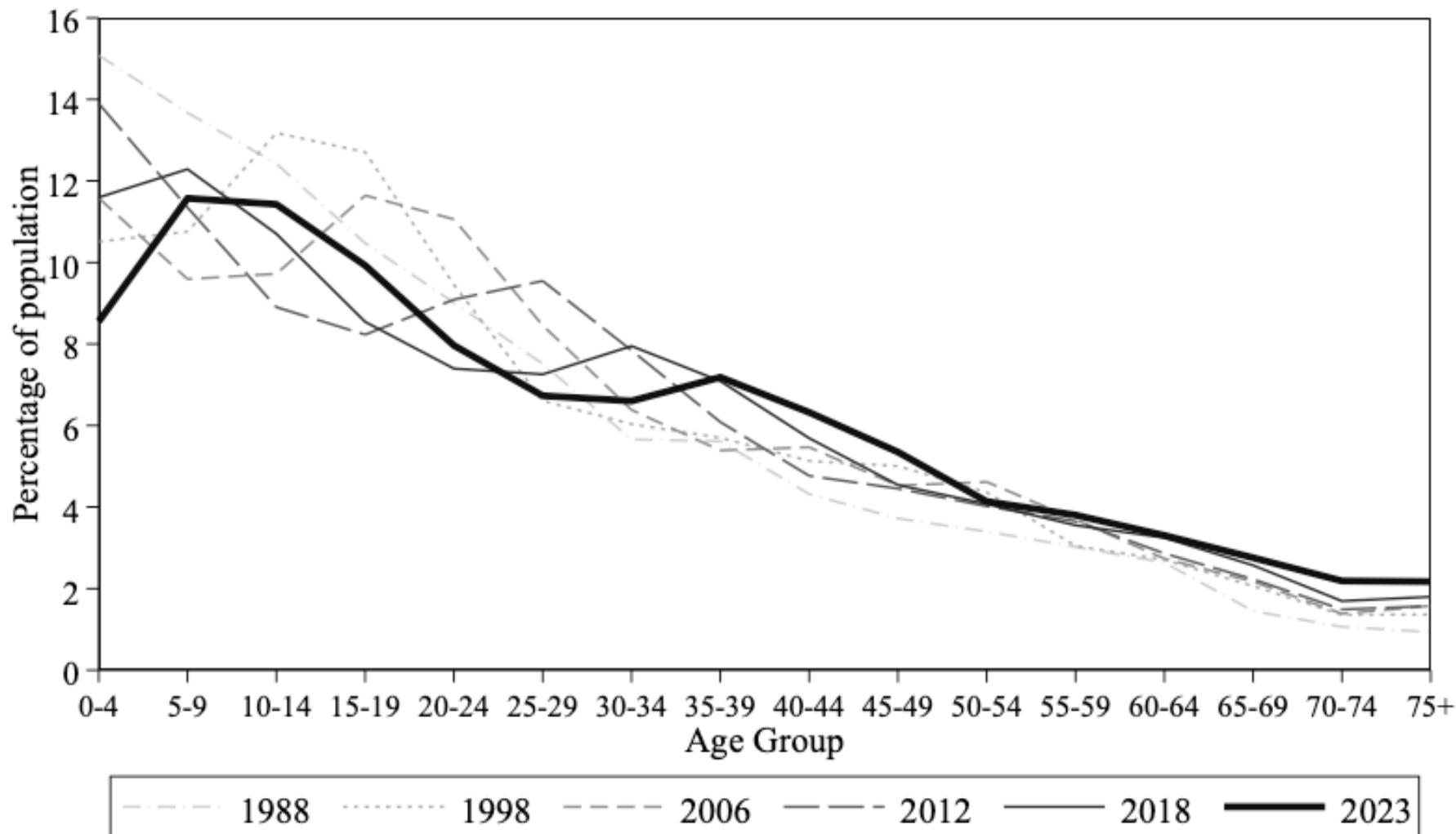
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Scope

- Demographic pressures on labor supply
 - Population structure
 - Fertility
- Education trends
- Labor force participation rates
- Employment rates
- Unemployment rates
- Youth Not in Education, Employment or Training (NEET) and Youth Joblessness

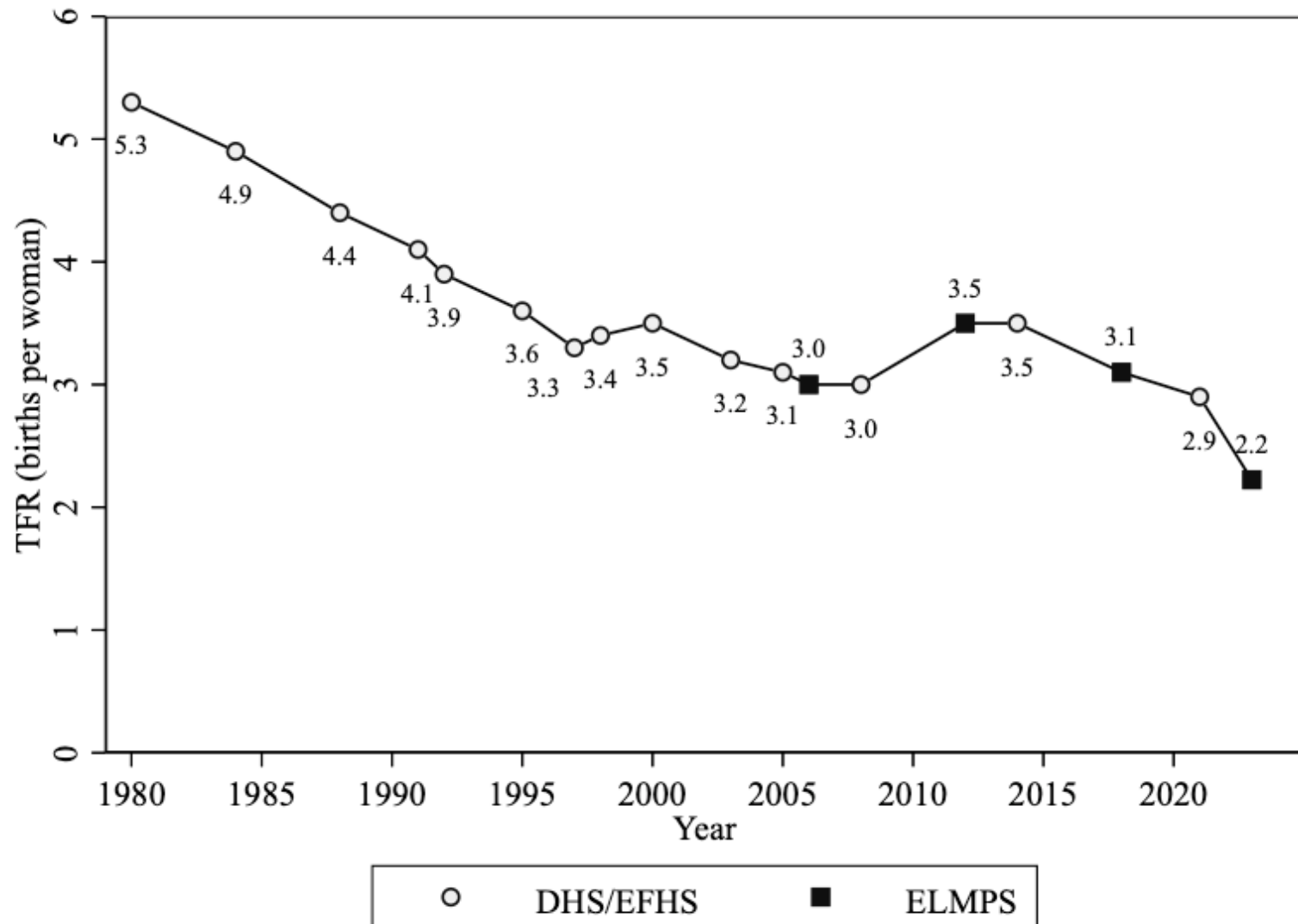
Youth bulge prime aged (35-39) - Echo primary aged (5-14) - Young children (0-4) shrinking

Population structure of Egypt (percentage in five-year age group), 1988–2023



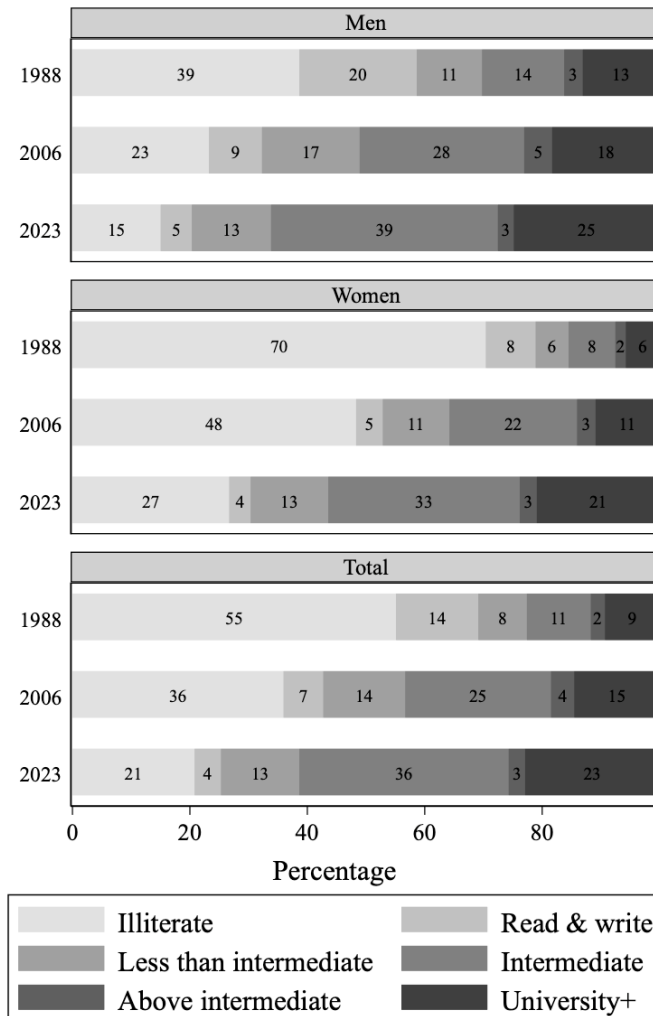
Fertility decline resumed since 2014, accelerated in 2023

Total fertility rate (TFR, births per woman), 1980–2023



Continuing expansions in education for the adult population

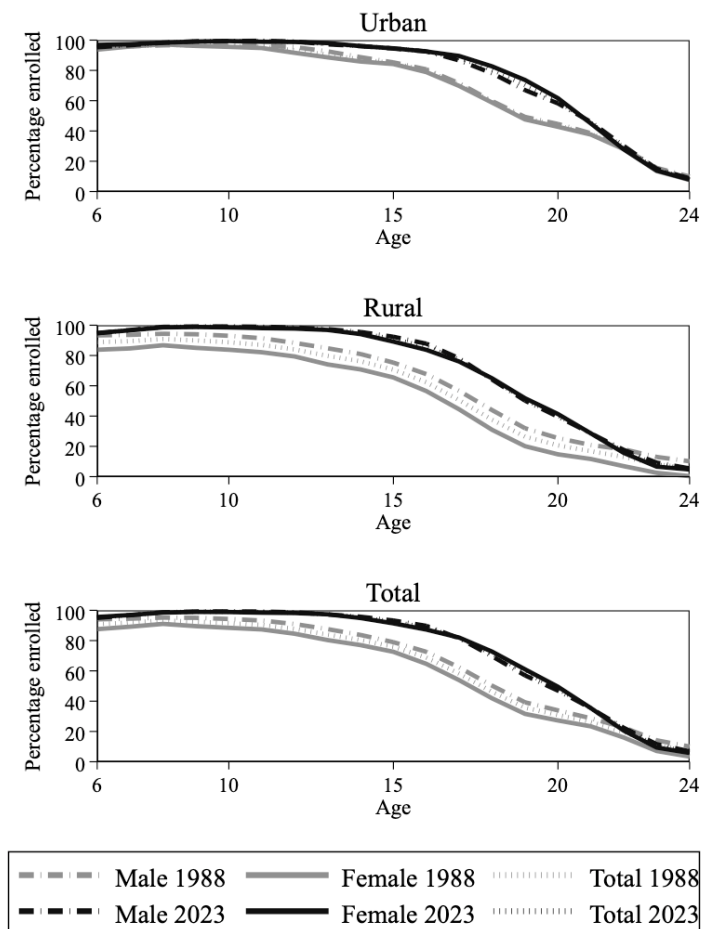
Educational attainment (percentage), by sex, ages 25–64, 1988, 2006, 2023



- Share of illiterates dropped from 55% in 1988 to 21% in 2023
 - Particularly large gains for women (70% illiterate in 1988 to 27% in 2023)
- Large share of the population with an intermediate (upper secondary) degree
 - Went from 11% in 1988 to 36% in 2023
- The share of university degrees or above expanded
 - From 9% in 1988 to 23% in 2023

Increase in school enrollment, gender parity, persistent urban-rural gap

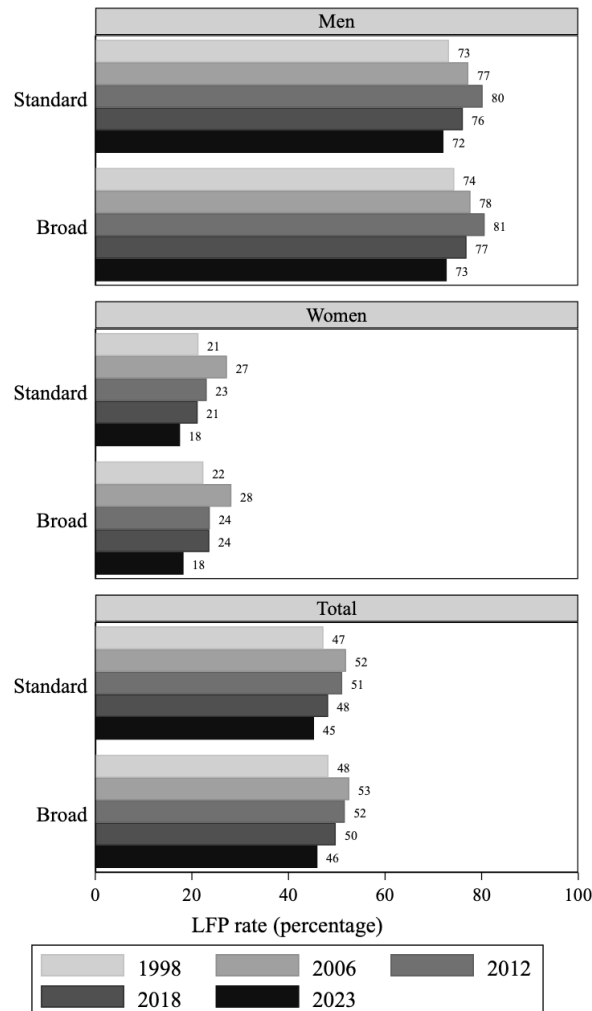
Enrollment rates (percentage), by sex, location, and single year of age, ages 6-24, 1988 and 2023



- Near universal primary, preparatory enrollments in 2023
 - Change from 1988, esp. in rural areas and rural girls
- High secondary enrollments, esp. in urban areas
 - Rural growth over time, but less than universal
- Higher education enrollments high, esp. in urban areas
 - Large shifts at higher education ages in both urban and rural areas
- Gender disparities gone
 - Women slightly more likely to enroll in higher education

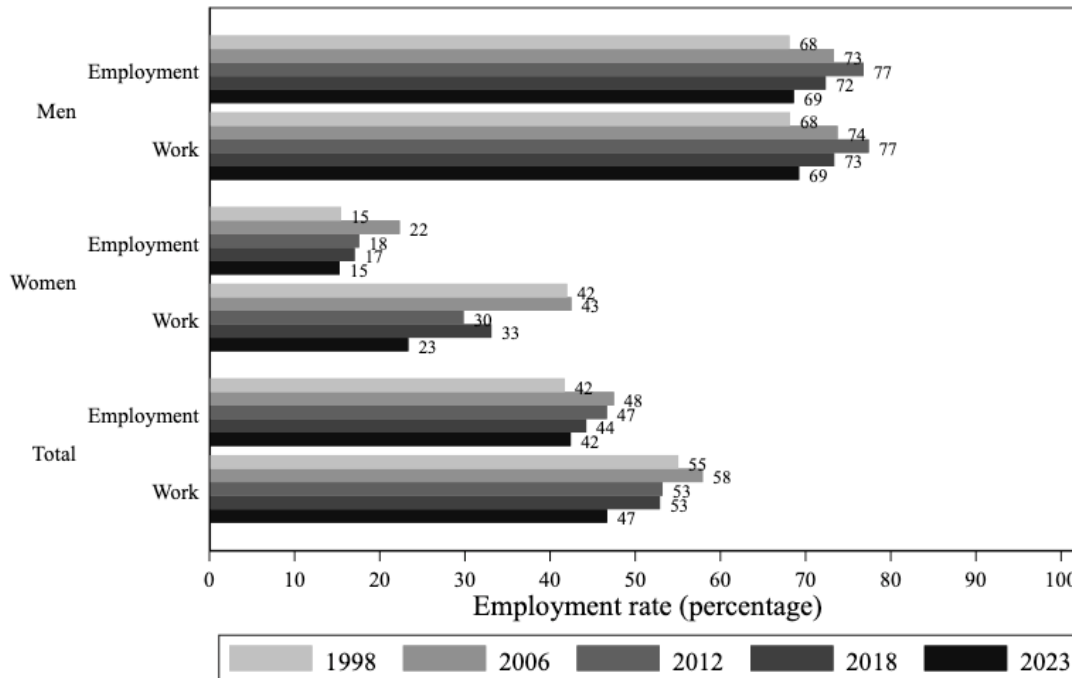
Ongoing declines in labor force participation for both men and women

Labor force participation rate (percentage), by sex and unemployment definition, ages 15–64, 1998–2023



- Labor force: employed + unemployed
 - Employment: work for pay or profit
 - Unemployment: want to work, available to work
 - Standard definition: Searching in past 3 months
 - Broad: includes the discouraged unemployed
- Declines in labor force participation continue. Stats for standard definition:
 - Since peak in 2012 for men (80% to 72% in 2023)
 - Since peak in 2006 for women (27% to 18% in 2023)

Employment and work rates (percentage), by sex and definition, ages 15–64, 1998–2023

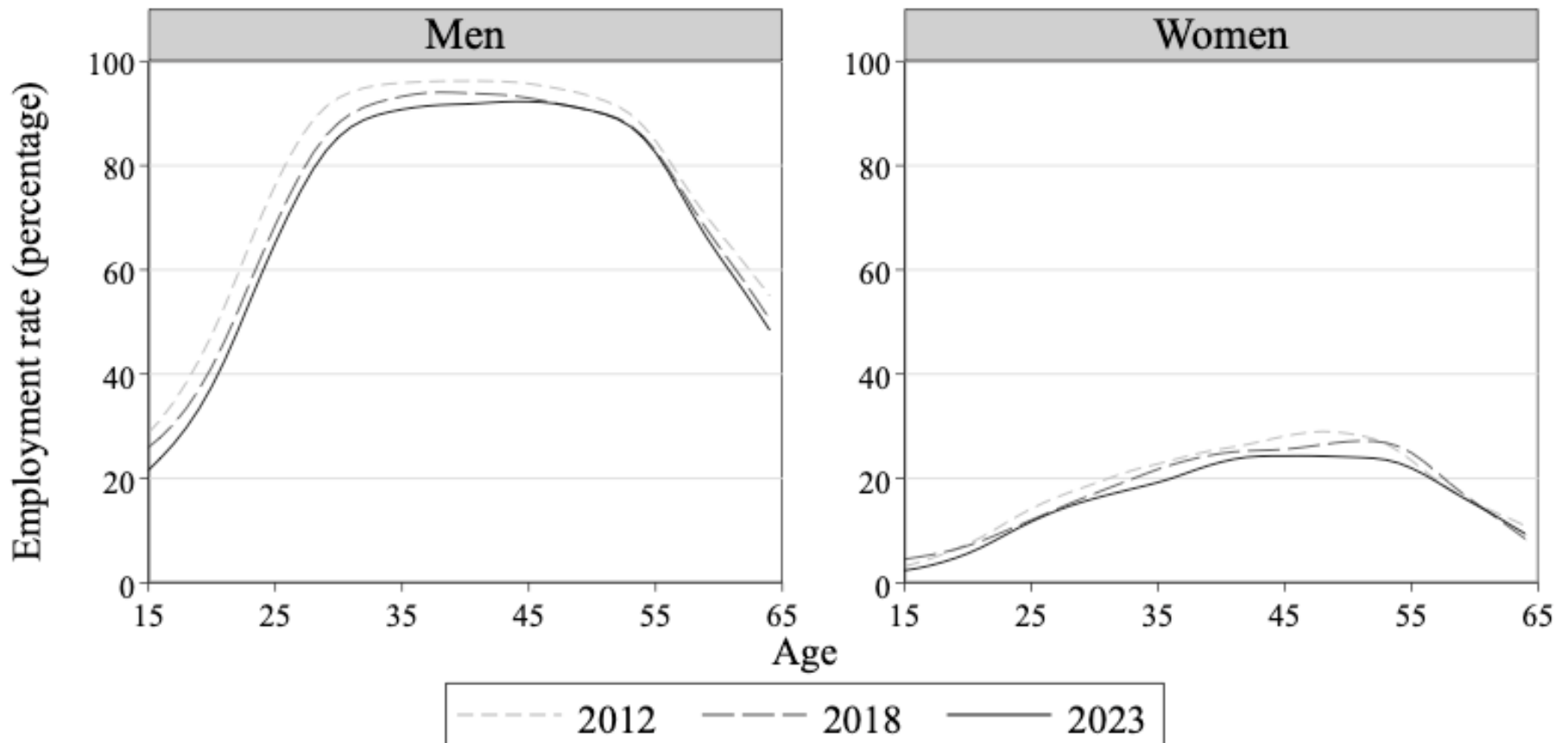


- Employment: Work for pay or profit
- Work: includes production/processing for own household (subsistence)
- See other papers for discussions of care work

- Employment trends for men, women, and overall parallel labor force participation
 - 77% in 2012 for men to 69% in 2023
 - 22% in 2006 for women to 15% in 2023
- Women have differences in employment vs. work rates but differences diminishing
 - 2006: 22% employment, 43% work (double)
 - 2023: 15% employment 23% work (1.5 times)

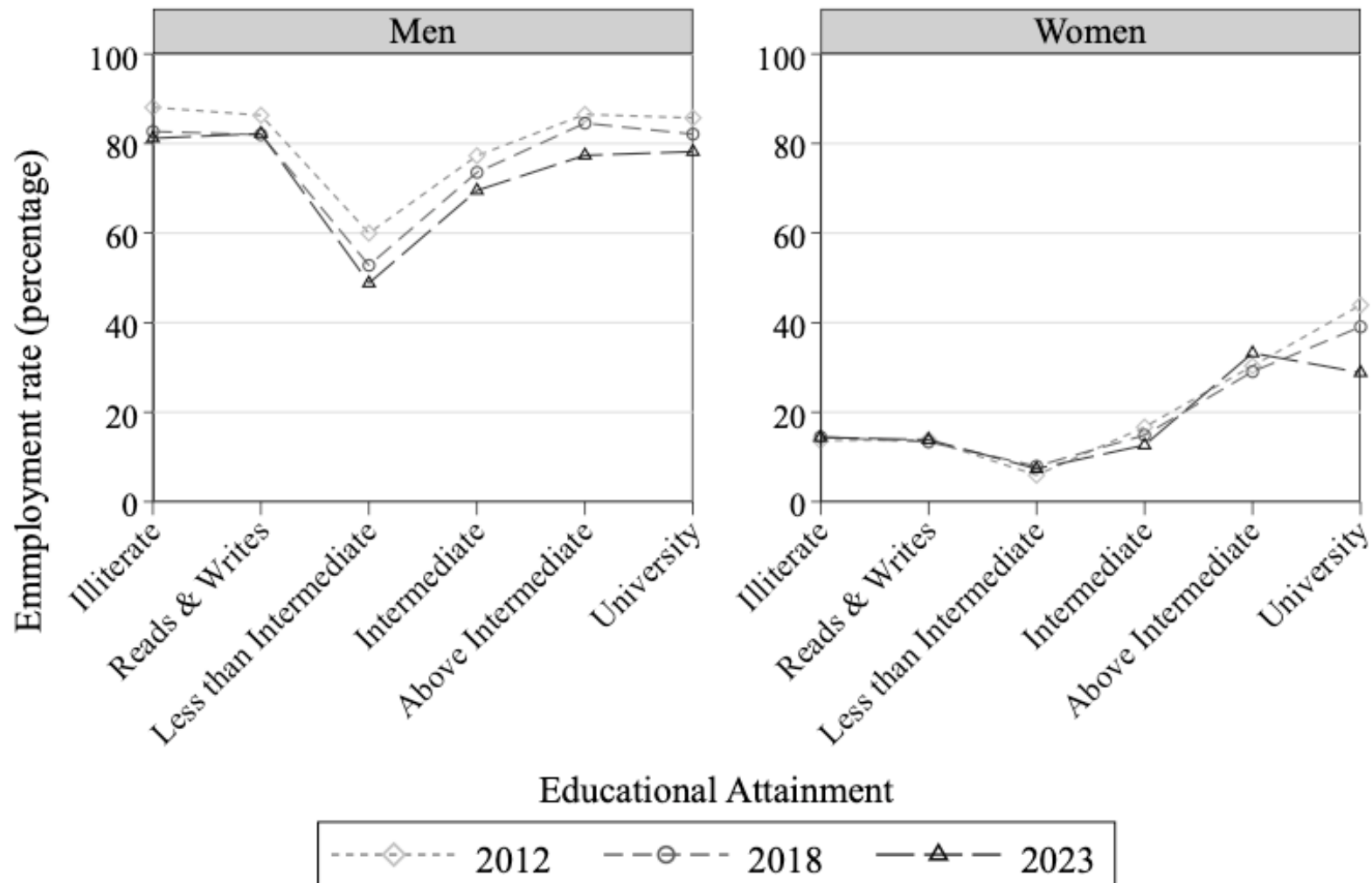
Employment rate declines in youth and prime ages for men; declines across prime ages for women

Employment rate (percentage), by sex and age, ages 15–64, 2012, 2018, 2023



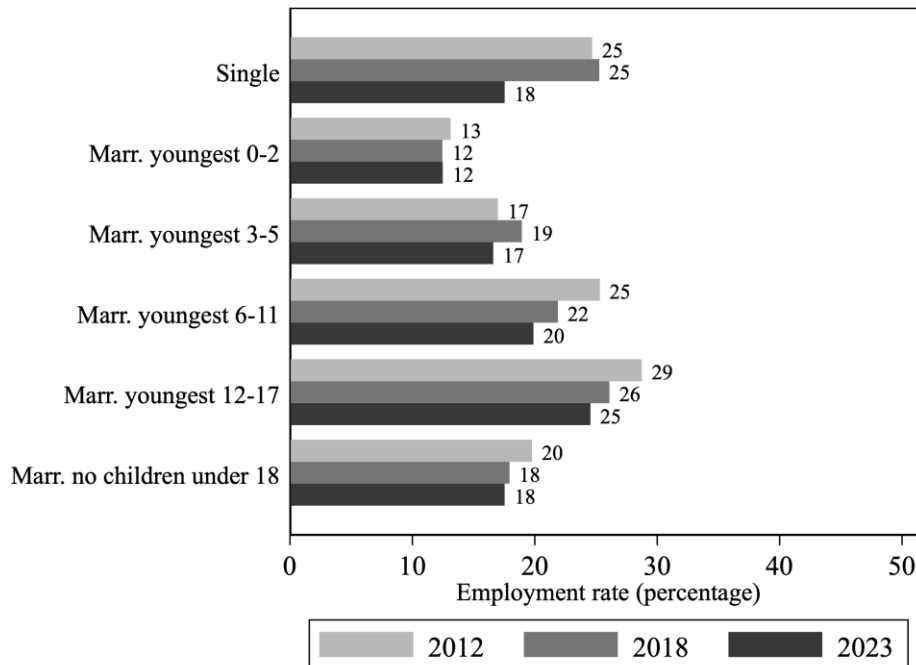
Employment declines for men across education; drops for university-educated women

Employment rate (percentage), by education and sex, ages 15–64, 2012, 2018, 2023



Women's employment rates vary across the life cycle, but less so in 2023 than previous years

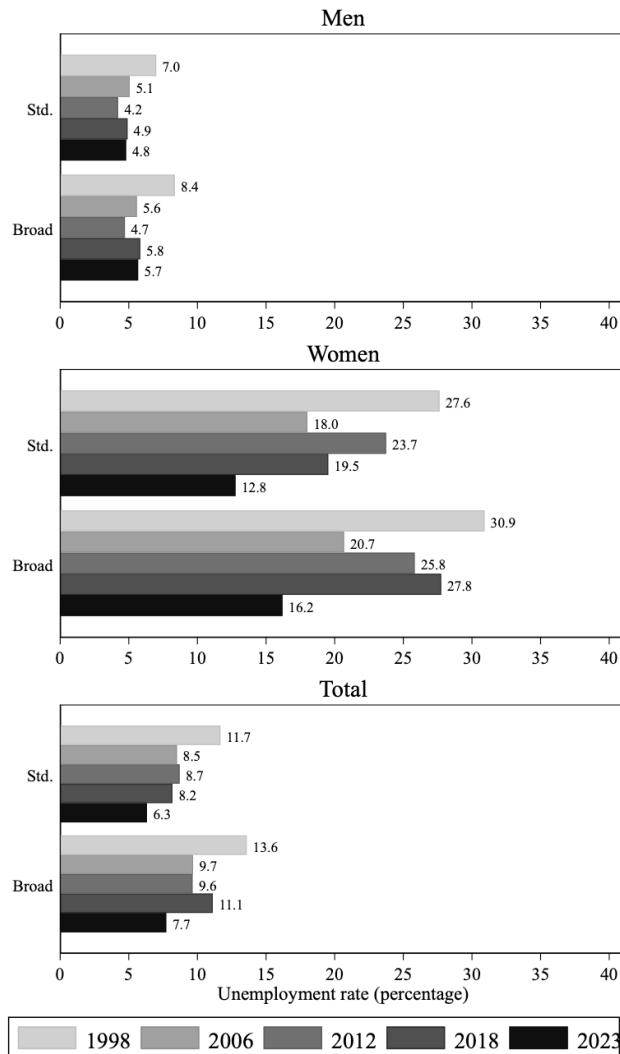
Employment rate (percentage), by marital status and age of youngest child, women not enrolled in school, ages 15–64, 2012, 2018, 2023



- For married women with children under age 18, increase in employment as children get older
 - From 12% for those in 2023 with their youngest aged 0-2 to 25% for those married women with their youngest aged 12-17
- Historically single women had higher employment rates, e.g., 25% in 2012/2018,
 - Rates fell appreciably to 18% in 2023

Unemployment rate declined in 2023, but not due to increases in employment

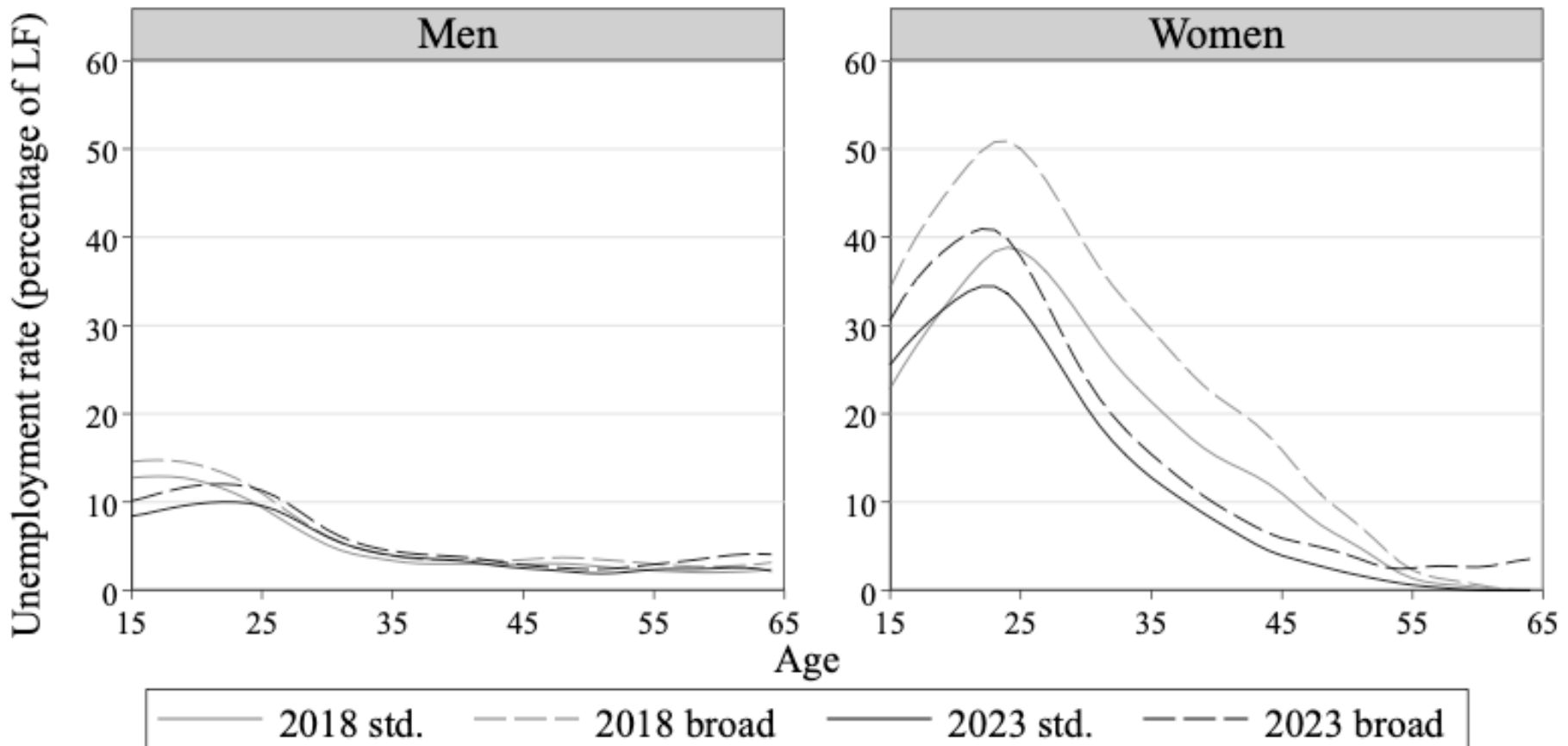
Unemployment rate (percentage of the labor force), by sex and definition, ages 15–64, 1998–2023



- Unemployment (std.) dropped from 11.7% in 1998 to 8.2-8.7% in 2006-2018, fell to 6.3% in 2023
- Since 2006, 4-5% for men
 - No change 2018 to 2023 for men
- Fallen for women from 23.7% in 2012 to 12.8% in 2023
- Broad > standard for women
 - Discouraged unemployment
 - Also declining. Giving up entirely?

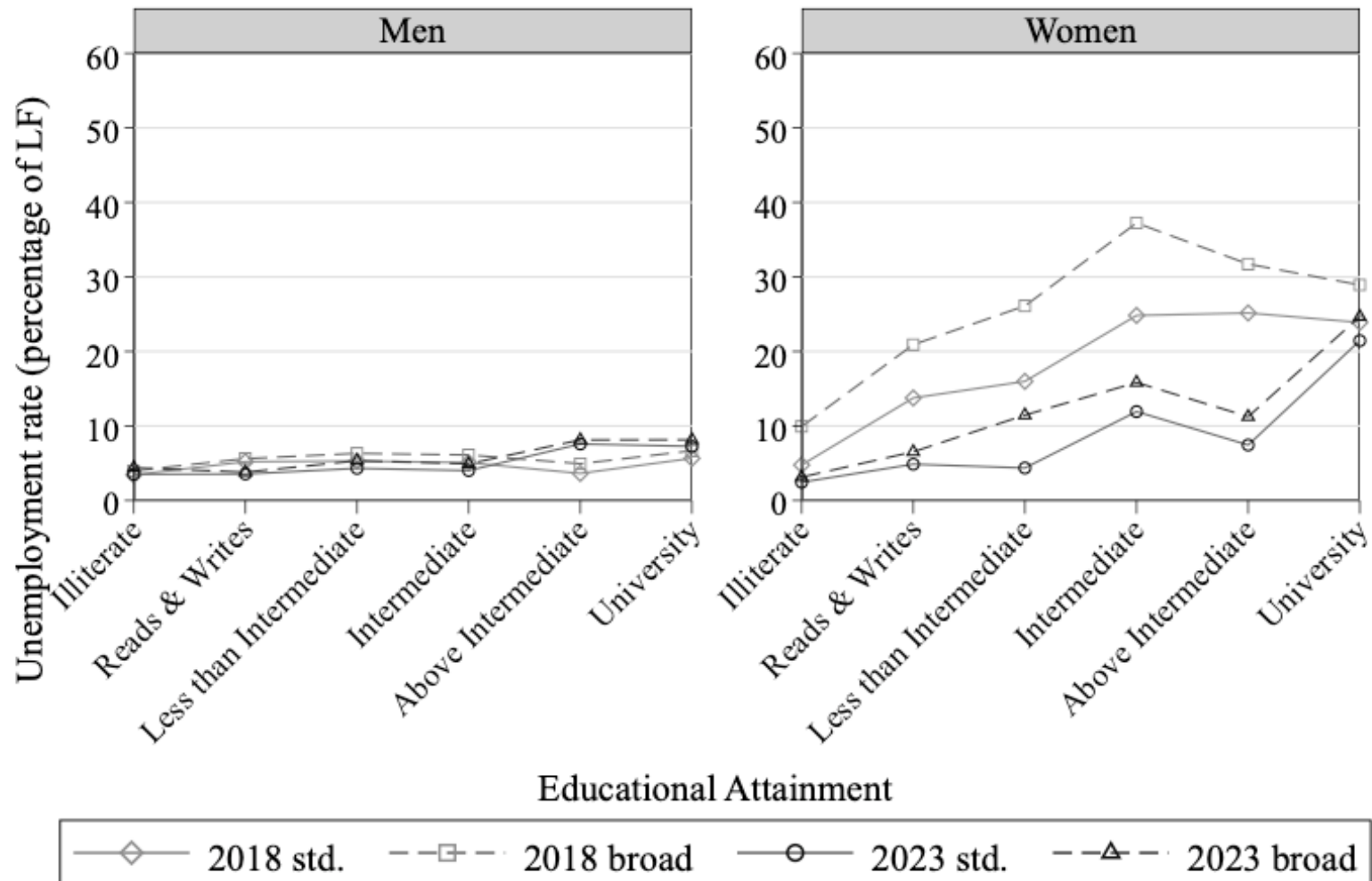
Shifts to young adulthood for male unemployment, declines esp. for marriage-aged women

Unemployment rate (percentage of the labor force), standard vs. broad definition, by sex and age, ages 15–64, 2018, 2023



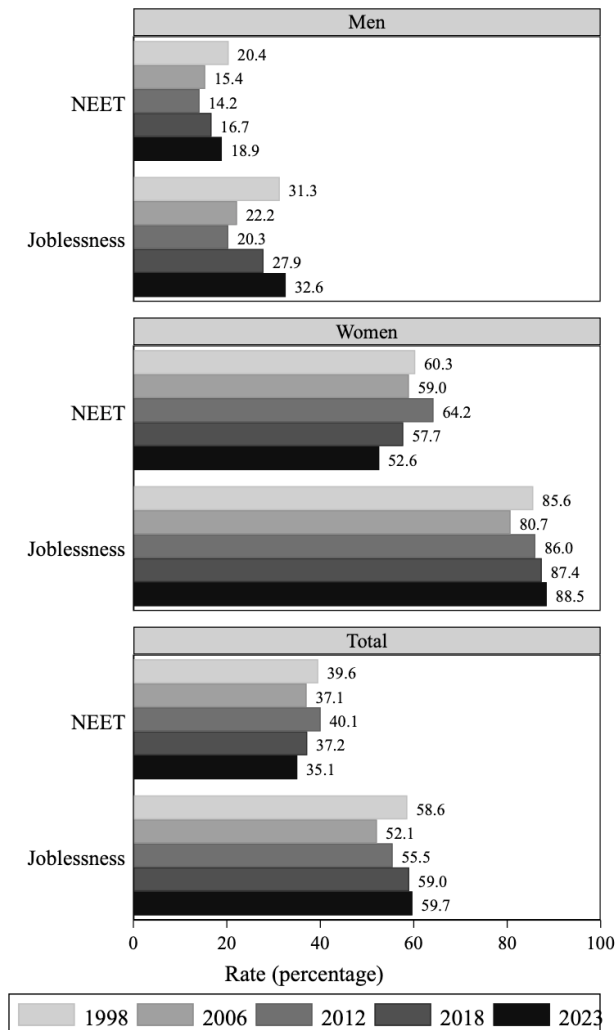
Only small differences in unemployment over time by education for men; fell for intermediate and less educated women

Unemployment rate (percentage), standard vs. broad definition, by education and sex, ages 15–64, 2018, 2023



NEET rising for young men and joblessness rising for both young men and women

NEET and joblessness rates (percentages), by sex, ages 15-29, 1998–2023



- NEET=Not in Employment, Education, or Training
 - Only in 2023 is data on training available
- Joblessness is being not in employment or training among those not in education
- NEET affects more than a third of youth, and more than half of youth not in education are jobless
 - NEET has declined a bit over time (40.1% in 2012 to 35.1% in 2023)
 - Rising NEET for men, falling for women (driven by education)
- Joblessness has increased (52.1% in 2006 to 59.5% in 2023)
 - Large increases in joblessness for men since 2012 (20.3%) to 2023 (32.6%)
 - Slight increases in joblessness for women (55.5% in 2012 and 59.7% in 2023)

Conclusions

- Demographic pressures currently at a low
 - Youth bulge prime working ages
 - “Echo” in school, not yet labor market entrants
 - With reduced participation, reduced pressures on labor market entry, lower unemployment rates
 - Very long-term demographic trends – recent fertility decline
- Increasing education, closed gender gap in enrollment
- Participation and employment rates falling for men and women
 - Men of all education levels, educated women particularly
- Unemployment rates also falling
 - Changing participation behavior and reduced demographic pressures
 - Women increasingly giving up entirely?
- NEET and joblessness rising, especially for men