Implementation of Demand-Oriented Labour Market Analysis Instruments and the National Forum on Future of Work in Egypt

Taskforce on Labour Market Information

Employment Promotion Project, Egypt

8 November 2022
Overview: Employment Promotion Project (EPP3) (2020-2023)

- **Main political partner:** Egyptian Ministry of Education and Technical Education (MoETE)

- **Goal:**
  - Improve quality of technical education reform pillars (TE 2.0)
  - Facilitate labour market-oriented transition of technical education students from school to employment
  - Support technical education graduates' access to labour market

**EPP’s approach towards labour market information (LMI):**

- Strengthen the evidence-base of good quality and updated LMI, particularly about the demand side, through a collaborative approach to
  - Improve relevant policymakers’ access to updated and reliable information
  - Enhance the effectiveness of the career advisory and employment services offered to technical education students and graduates, respectively
Joint LMI Taskforce Concept

Providing data and information about the labor market and its needs

Developing curricula and qualifying teachers to match the current and future demands of the labor market

Transition to Employment

Updating training modules and qualifying youth to the labor market

Taskforce

CAPMAS
MPED
MoE
MoM
PVT
Private Sector
Think Tanks
Regional Labour Market Observatories
Alex. Economic Forum (Under establishment)
Economic Research Forum (ERF)

Set general framework, prepare for and coordinate efforts related to LMAIs and FoW national forum and follow up on results

Coordination with relevant stakeholders to provide necessary information and research to identify current and future demands of the Egyptian labor market

Labour Market Analysis Instruments (LMAIs)

Improvement of the quality of labor market analyses, especially those concerned with labor market demand by defining data gaps and making them available in a systematic way, and/or enhancing their quality, and/or creating novel analytical indicators/tools

National Forum on Future of Work
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Act as an evidence-based platform for sharing knowledge about future skills and qualifications required by the labor market
Labour Market Information (LMI) Taskforce: Objective and Composition

Objective of LMI Taskforce

- Coordinate with relevant stakeholders to identify current and future LM demands
- Set general framework, prepare for and coordinate (research) efforts related to implementation of LMAIs and FoW national forum and follow up on results

LMI Taskforce Composition

Concerned Ministries
- MoETE
- MPED
- MoM

CAPMAS
- International and National Experts

Development partners
- GIZ – EPP
- ILO – ADWA’ Project
- EU-TVET Egypt

Private sector
- Federation of Egyptian Industries
- Alex. Business Association

* Representatives from other stakeholders and/or experts can be invited to join some of the taskforce meetings based on the topic and prior agreement by the taskforce members.
Labour Market Analysis Instruments (LMAIs): Objective and (Proposed) Instruments

**Main Goal:** Improvement of the quality of labour market analyses, especially those concerned with the demands of the labour market with a focus on technical education, by defining the gaps in the data and indicators of the labour market and making them available, and/or enhancing their quality, and/or creating novel analytical indicators/tools.

1. *Egypt Occupational Outlook*

2. Current and Projected Knowledge, Abilities and Skill Requirements

3. Vacancy Barometer (Indicators)

- Providing an integrated and updated overview for **decision-makers and concerned authorities** on LM and its needs.
- Providing **students and job seekers**, especially of TE, with information on employment and challenges in LM.
- Contributing to meeting the current and future requirements of the **private sector**.
- Contributing to improving the availability of LMI on **future demands of the LM**.
Provides multi-faceted information about many occupations, including rates of growth of employment and wages, skills requirements, typical entry-level education, and necessary experience, industry concentration, and projected trends. It allows for the ranking of occupations by growth rate, median wages, wage growth.

Egypt Occupational Outlook shall present data from the Labour Force Survey – in the form of different indicators – to allow different users (e.g., individuals, companies and decision makers) to get more information about certain occupations.

The information will include both quantitative indicators describing employment and wage trends as well as qualitative information describing the occupation, the tasks it involves, and the qualifications required for it.

Through the outlook, users shall be able to make queries about different aspects of these occupations, rank, filter, etc. such as: occupations by pay, projected growth rate, growth rate of employment, among others.
Integrating occupational employment projections into Egypt Occupational Outlook

Objective: Produce occupational employment projections for Egypt for the year 2030, including the total number of jobs expected in each occupation from 2019 to 2030 as well as projected annual average growth rates.

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Job Creation from 2019 to 2030 in '000s</th>
<th>Av. 2015-19</th>
<th>MOPED</th>
<th>Av. 2015-19</th>
<th>MOPED</th>
<th>Av. Annual Proj. Growth Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production and operations department managers in agriculture, hunting, forestry and fishing</td>
<td>848</td>
<td>818</td>
<td>38.1</td>
<td>37.8</td>
<td></td>
<td>23.3</td>
</tr>
<tr>
<td>Production and operations department managers in personal care, cleaning and related services</td>
<td>29</td>
<td>19</td>
<td>27.1</td>
<td>23.3</td>
<td></td>
<td>16.8</td>
</tr>
<tr>
<td>Statistical and finance clerks</td>
<td>18</td>
<td>23</td>
<td>15.9</td>
<td>17.9</td>
<td></td>
<td>14.2</td>
</tr>
<tr>
<td>Garbage collectors</td>
<td>28</td>
<td>32</td>
<td>16.1</td>
<td>17.0</td>
<td></td>
<td>16.8</td>
</tr>
<tr>
<td>Farm-hands and laborers</td>
<td>339</td>
<td>37</td>
<td>17.1</td>
<td>16.8</td>
<td></td>
<td>14.2</td>
</tr>
<tr>
<td>Drivers of animal-drawn vehicles and machinery</td>
<td>38</td>
<td>42</td>
<td>13.6</td>
<td>14.2</td>
<td></td>
<td>13.7</td>
</tr>
<tr>
<td>Insulation workers</td>
<td>4</td>
<td>3</td>
<td>15.1</td>
<td>14.2</td>
<td></td>
<td>13.7</td>
</tr>
<tr>
<td>Wood and related products assemblers</td>
<td>2</td>
<td>3</td>
<td>11.7</td>
<td>13.7</td>
<td></td>
<td>13.1</td>
</tr>
<tr>
<td>Vehicle, window and relatedcleaners</td>
<td>10</td>
<td>9</td>
<td>13.9</td>
<td>13.1</td>
<td></td>
<td>13.1</td>
</tr>
<tr>
<td>Poultry producers</td>
<td>80</td>
<td>76</td>
<td>13.4</td>
<td>13.1</td>
<td></td>
<td>13.1</td>
</tr>
<tr>
<td>Technical and commercial sales representatives</td>
<td>9</td>
<td>8</td>
<td>13.9</td>
<td>13.1</td>
<td></td>
<td>13.1</td>
</tr>
<tr>
<td>Medical assistants</td>
<td>23</td>
<td>37</td>
<td>10.0</td>
<td>12.9</td>
<td></td>
<td>12.9</td>
</tr>
<tr>
<td>Pharmaceutical- and toiletry-products machine operators</td>
<td>13</td>
<td>17</td>
<td>10.9</td>
<td>12.9</td>
<td></td>
<td>11.8</td>
</tr>
<tr>
<td>Physiotherapists and related associate professionals</td>
<td>1</td>
<td>2</td>
<td>8.8</td>
<td>11.8</td>
<td></td>
<td>11.8</td>
</tr>
<tr>
<td>Child-care workers</td>
<td>10</td>
<td>17</td>
<td>8.5</td>
<td>11.4</td>
<td></td>
<td>11.4</td>
</tr>
<tr>
<td>Employment agents and labor contractors</td>
<td>43</td>
<td>38</td>
<td>12.3</td>
<td>11.4</td>
<td></td>
<td>11.4</td>
</tr>
<tr>
<td>Pre-primary education teaching associate professionals</td>
<td>1</td>
<td>2</td>
<td>8.3</td>
<td>11.3</td>
<td></td>
<td>11.3</td>
</tr>
<tr>
<td>Wood-products machine operators</td>
<td>19</td>
<td>26</td>
<td>8.9</td>
<td>10.9</td>
<td></td>
<td>10.9</td>
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<tr>
<td>Travel guides</td>
<td>5</td>
<td>6</td>
<td>10.5</td>
<td>10.7</td>
<td></td>
<td>10.7</td>
</tr>
<tr>
<td>Shoemaking- and related machine operators</td>
<td>8</td>
<td>11</td>
<td>8.5</td>
<td>10.5</td>
<td></td>
<td>10.5</td>
</tr>
<tr>
<td>Travel consultants and organizers</td>
<td>3</td>
<td>4</td>
<td>10.0</td>
<td>10.2</td>
<td></td>
<td>10.2</td>
</tr>
<tr>
<td>Incinerator, water-treatment and related plant operators</td>
<td>17</td>
<td>20</td>
<td>9.2</td>
<td>10.2</td>
<td></td>
<td>10.2</td>
</tr>
<tr>
<td>Sugar production machine operators</td>
<td>5</td>
<td>8</td>
<td>8.1</td>
<td>10.1</td>
<td></td>
<td>10.1</td>
</tr>
<tr>
<td>Dentists</td>
<td>15</td>
<td>26</td>
<td>7.1</td>
<td>10.1</td>
<td></td>
<td>10.1</td>
</tr>
</tbody>
</table>
**Scenario 1:** Analysis of data on skills, abilities and knowledge from currently implemented surveys by CAPMAS (the Employment, Wages and Hours of Work (EWHW) Survey and the Labor Force Survey (LFS))

**Scenario 2:** Relying on an international standard (e.g. O*NET) as a benchmark for expected knowledge, abilities and skills requirements as a first step, and then verifying them later by conducting FGDs with relevant stakeholders.
Support in the update and digitization of the Employment, Wages and Hours of Work Survey (EWHW) conducted by CAPMAS

Main focus of the Employment, Wages and Hours of Work Survey

Estimating the number of workers in the public/public business sector and estimate the number of private sector workers and average weekly cash wages in EGP according to:
- Sector
- Economic Activity
- Geographical distribution
- Occupational Outlook
- Gender
- Job security

Collecting data on vacant and required jobs in public/public business and private sector enterprises during the last 12 months.

Estimating the number of foreign and special-needs workers in public/public business and private sector enterprises

Estimating the number of workers subscribed to social insurance in public/public business and private sector enterprises
Support in the update and digitization of the Employment, Wages and Hours of Work Survey (EWHW) conducted by CAPMAS

Support in the enhancement and digitizing of the EWHW data collection process (particularly those related to training and the delivery of tablets, higher remuneration for higher quality data (collected).)

Designing a skills module in both the EWHW (establishments) and the LFS (households). These skills modules will be harmonized across the two data sources to elicit similar information on skills from both the demand and supply sides.
Support in the update and digitization of the Employment, Wages and Hours of Work Survey (EWHW) conducted by CAPMAS

Skills module in the EWHW

Enquires about skills for the existing occupations in each establishment (i.e. the same occupations for which wage data are being collected), as well as any occupations for which there are vacancies.

For each occupation, respondents are asked to determine whether various skills are needed (i) at all, (ii) at a basic level, (iii) at an intermediate level, and (iv) at an advanced level.

The list of skills includes:

- Technical skills
- Literacy skills
- Numeracy skills
- Computer skills
- Foreign Language skills
- Problem-solving skills
- Communication and presentation skills
- Teamwork skills
- Customer service skills
- Physical/Dexterity skills

The skills module in the LFS is designed to ask workers about whether their jobs require a similar list of skills and whether they have such skills.
Projecting education and skill requirements in the future through the integration of O*NET data into the Egypt Occupational Outlook

Projecting skill requirements requires two necessary components

• First, a reliable projection of occupational employment is needed, which should be one of the outcomes of the updated Egypt Occupational Outlook LMAI.
• Second, a reliable way to link each occupation with the education and skill requirements for it is needed.

The matrix recommended is provided by the O*NET database in the U.S. The O*NET database has the advantage of extremely detailed skill (abilities, knowledge, and skills) requirements per occupation.

The O*NET mapping is being used to identify the most needed future skills per occupation (e.g. treating O*NET as a map of what skills will be needed in Egypt in coming decades).
**Third LMAI: Vacancy Barometer (Indicators)**

**Scenario 1:** Analyzing available data and indicators about vacant jobs from current surveys - Employment, Wages, and Hours of Work (EWHW), or Labour Force Survey, or others.

**Scenario 2:** Analyzing near real time data from online job vacancy portals, such as the ETF Online Job Vacancy (OJV) Data System (Big Data).
The Forum is to serve as an evidence-based platform for knowledge sharing and exchange on essential topics identified to better understand the Egyptian LM, with a special focus on TE. It intends to disseminate the LMAIs, discuss promising sectors and occupations for the future, indicate current and future skills requirements by the LM as well as discuss the impact of global and regional trends on Egypt’s labour market.

Main Goal: Act as an evidence-based platform for sharing experiences and knowledge about future skills and qualifications required/demanded by the Egyptian labor market and sensitizing relevant stakeholders on the topic of FoW.
Growing and shrinking occupations

Impact of Global Trends on Egyptian Labour Market in the Opening of the Forum

Labor market informality/the gig economy

Demand for technical skills
Skills required for the future of work

- Quantitative Analyses of Existing Data (ELMPs, LFS, Others)
- Qualitative Interviews and FGDs with sectoral experts, companies, governmental bodies, among others.
- Quantitative analyses to identify green or greenable sectors
- Expert opinion being gathered using the Delphi approach.
- In-depth interviews being conducted with experts in the agriculture and renewable energy sectors within the green economy.