

Who gets the Good Jobs and Where? Determinants of Job Quality among youth People in Egypt

SYPE 2009

**Impact of changing population dynamics in
the Arab family
2-3 Dec. 2013**

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Outline:

- 1- Objective**
- 2- Data and Methodology**
- 3- Review of measuring Job Quality and its determinants.**
- 4- Results**
- 5- Conclusion**

Introduction

- The ILO Decent Work for All Project 1999.
- Job Quality Definition: “the degree of satisfaction or happiness associated with the working process” (Coulibaly, 2006),
- In developing countries: more related to the working conditions (Erhel and Guergoat, 2010)
- Job Quality is a multiple dimensions concept:
 - **Remuneration levels** (salary, working hours, etc...)
 - **Job security** (contract, commuting time, stability in job etc...)
 - **Work Environment**

Introduction (cont.)

- ▣ In Egypt:

- ▣ Assaad et al. in 2006
- ▣ Rashed et. al. 2012

➔ No JQI for youth

➔ Sub-indeces by JQ dimensions: sensitivity analysis for each component.

Main Questions

1. What are the patterns of job quality among youth?
2. What do the good jobs look like?
in terms of social protection, regularity of employment, wages, access to non-wage benefits?
3. Where are the good jobs?
Pattern by sector, wealth, occupation, and firm size.
4. Who gets the good jobs?
by gender, education, wealth/poverty, and region.

1- Study Objective

The study has two main objectives:

1- is to measure the job quality of youth in Egypt that takes into account the multidimensionality nature of the concept, using households' survey data on youths.

2- is to explore the determinants of JQ for youth in Egypt

- ☐ **Constructing three sub-indices (using Principal Component Analysis) representing the main dimensions of the Job Quality namely, the work quality, employment quality and the participation and skill.**
- ☐ **Examine the validity of the constructed job quality composite index.**
- ☐ **Modeling the main factors that influence the JQ for youth**

2- Data and Methodology

Sources of Data

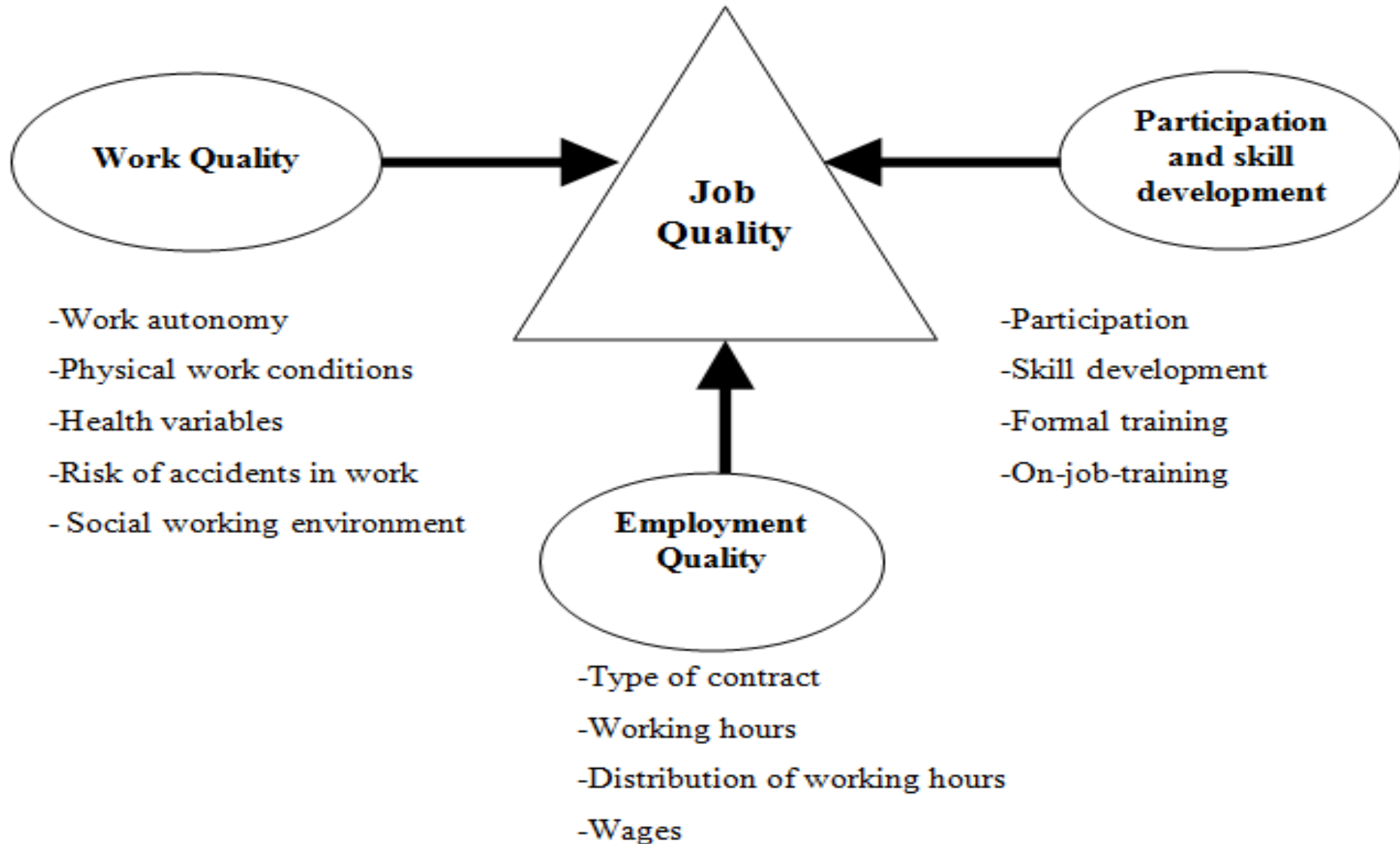
Survey of Young People in Egypt 2009

Methodology:

- Principal Components Analysis Technique was used to obtain the weights.
- The multivariate regression analysis for the determinants.

The Graphical representation of the proposed Model of Job Quality index

Figure (1): The *representation* of the proposed Model of Job Quality index



Construction of the Composite JQI index and Validation

□ Combining the three JQ sub-indices

For wage workers

JQI Index = 0.46 * Work quality sub-index + 0.71 * employment quality Sub-index + 0.54 * Participation and Skill Development sub-index

For non-wage workers

JQI Index = 0.27 * Work quality sub-index + 0.72 * employment quality Sub-index + 0.64 * Participation and Skill Development sub-index

□ Validation:

- 1- Internal Coherence Test
- 2- Comparing with the Real Wages or the estimated Wealth Index.

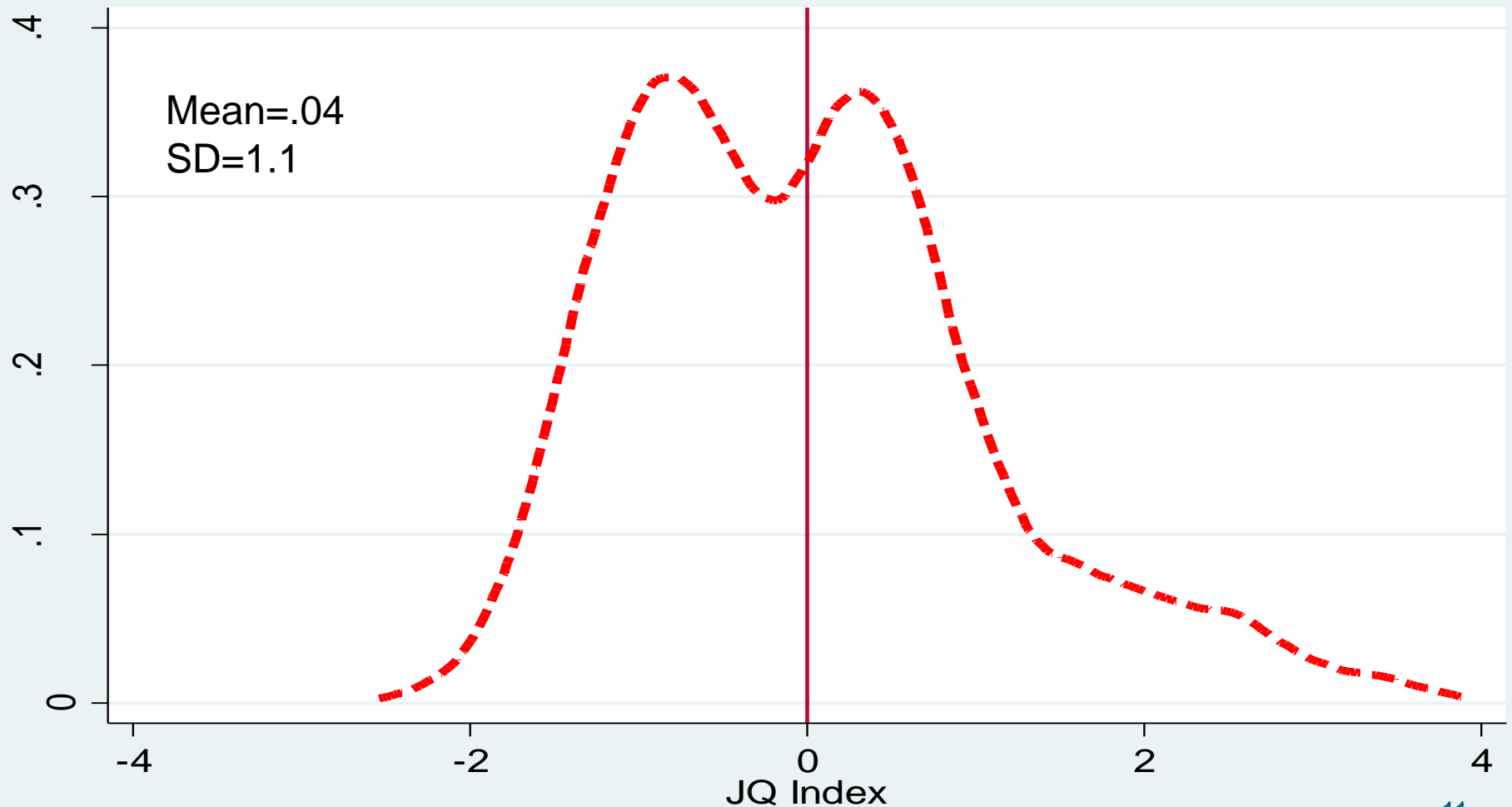
Sample Characteristics

The distribution of the employed youth (15-29 age) by basic characteristics

		Weighted percentage
Location	urban	42.04
	rural	57.96
Region	Urban Govs	23.02
	Urban Lower Egypt	10.81
	Rural Lower Egypt	35.15
	Urban Upper Egypt	7.29
	Rural Upper Egypt	22.03
	Frontier Govs	1.69
Sex	males	85.73
	females	14.27
Employment status	waged employee	87.89
	employer	1.12
	self employed	2.5
	unpaid working for family	8.5
Age Group	(15-17)	7.8
	(18-24)	51.32
	(25-29)	40.88
Sample size		3192

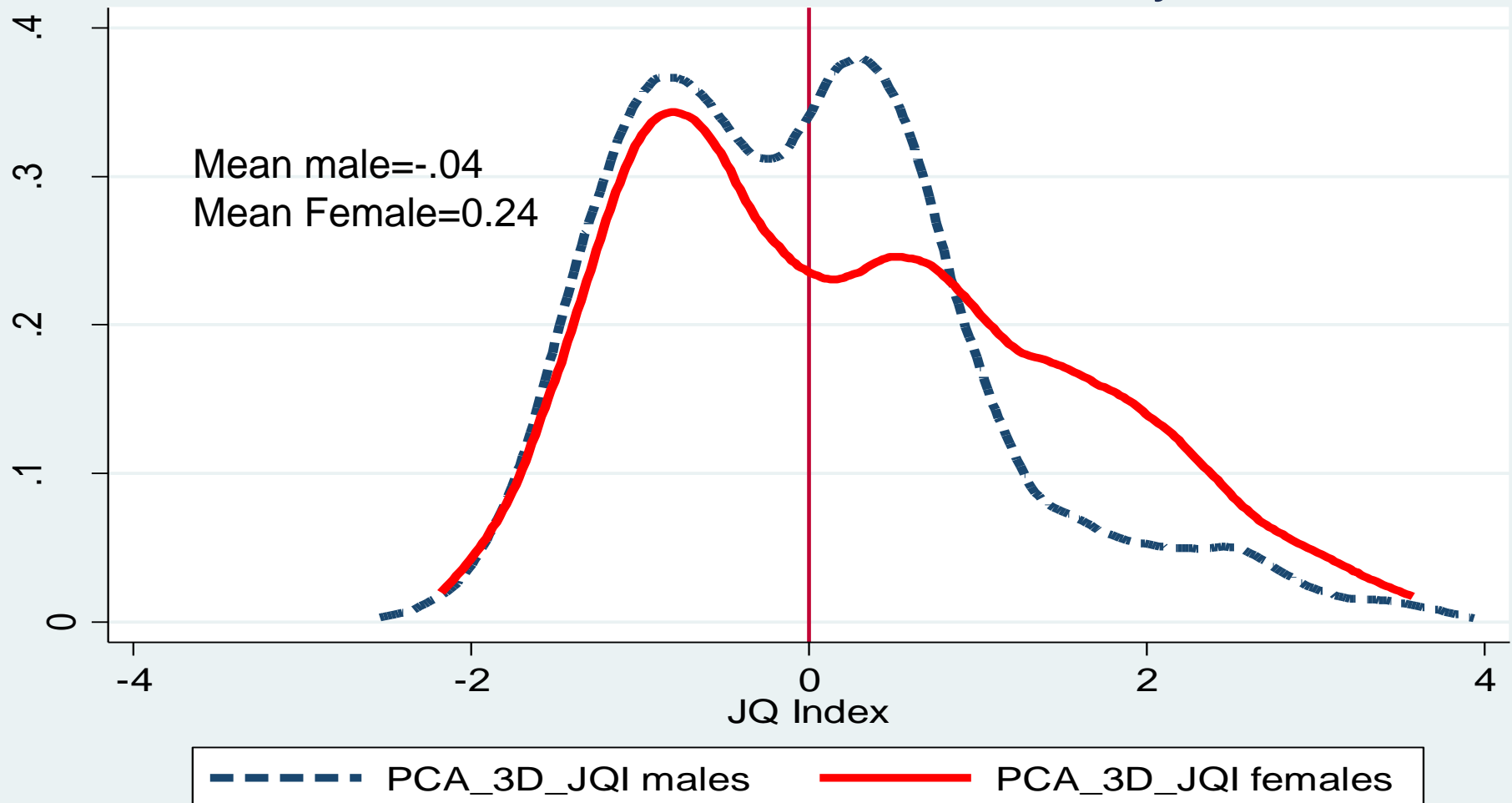
Job Quality of Youth in Egypt

JQI Index from SYPE Data 2009



On average job quality is lower for males than females. Higher gap toward the upper middle and middle ends of the job quality distribution

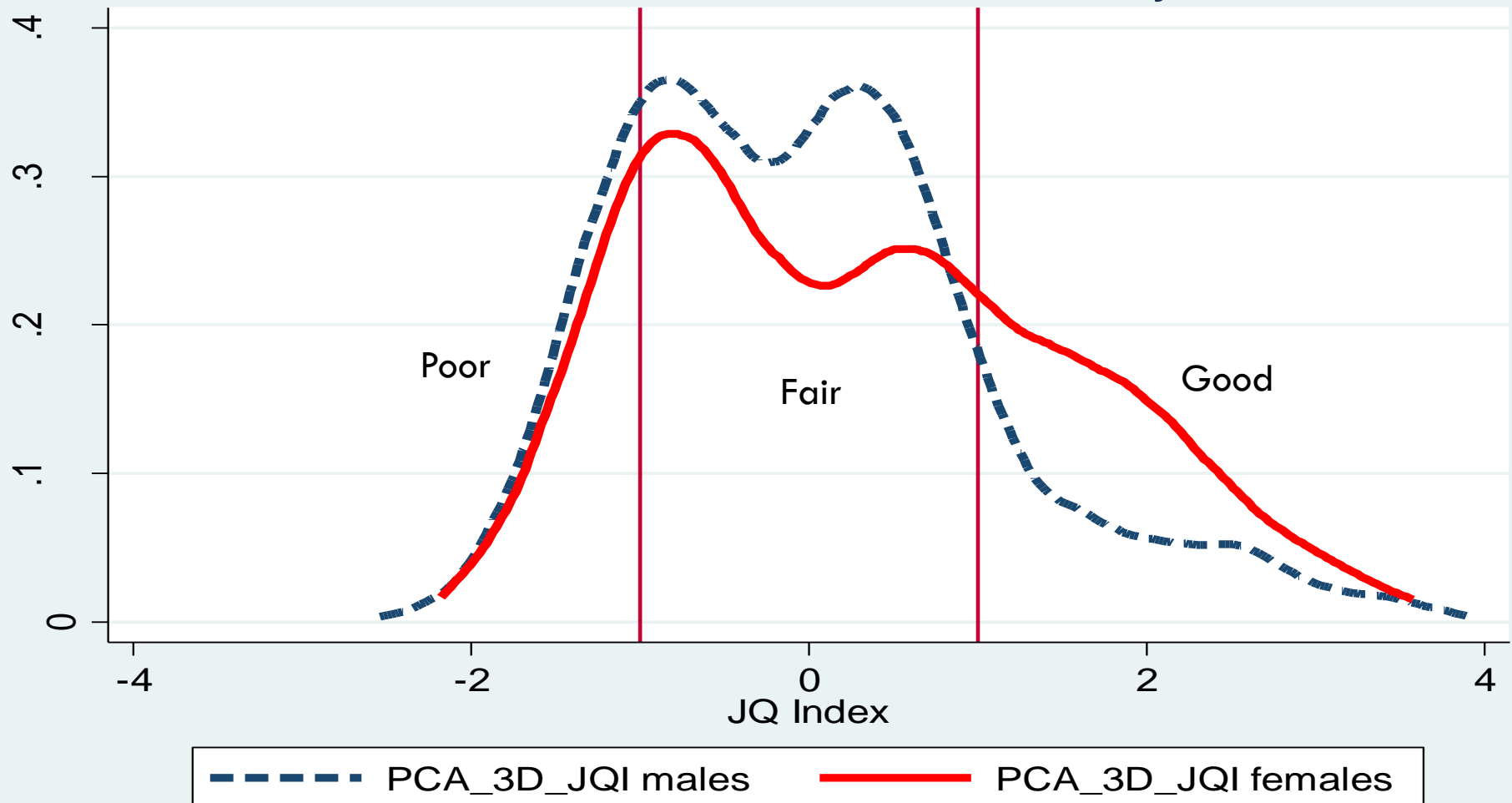
JQI Index from SYPE Data 2009 by sex



We classify job quality into three groups.

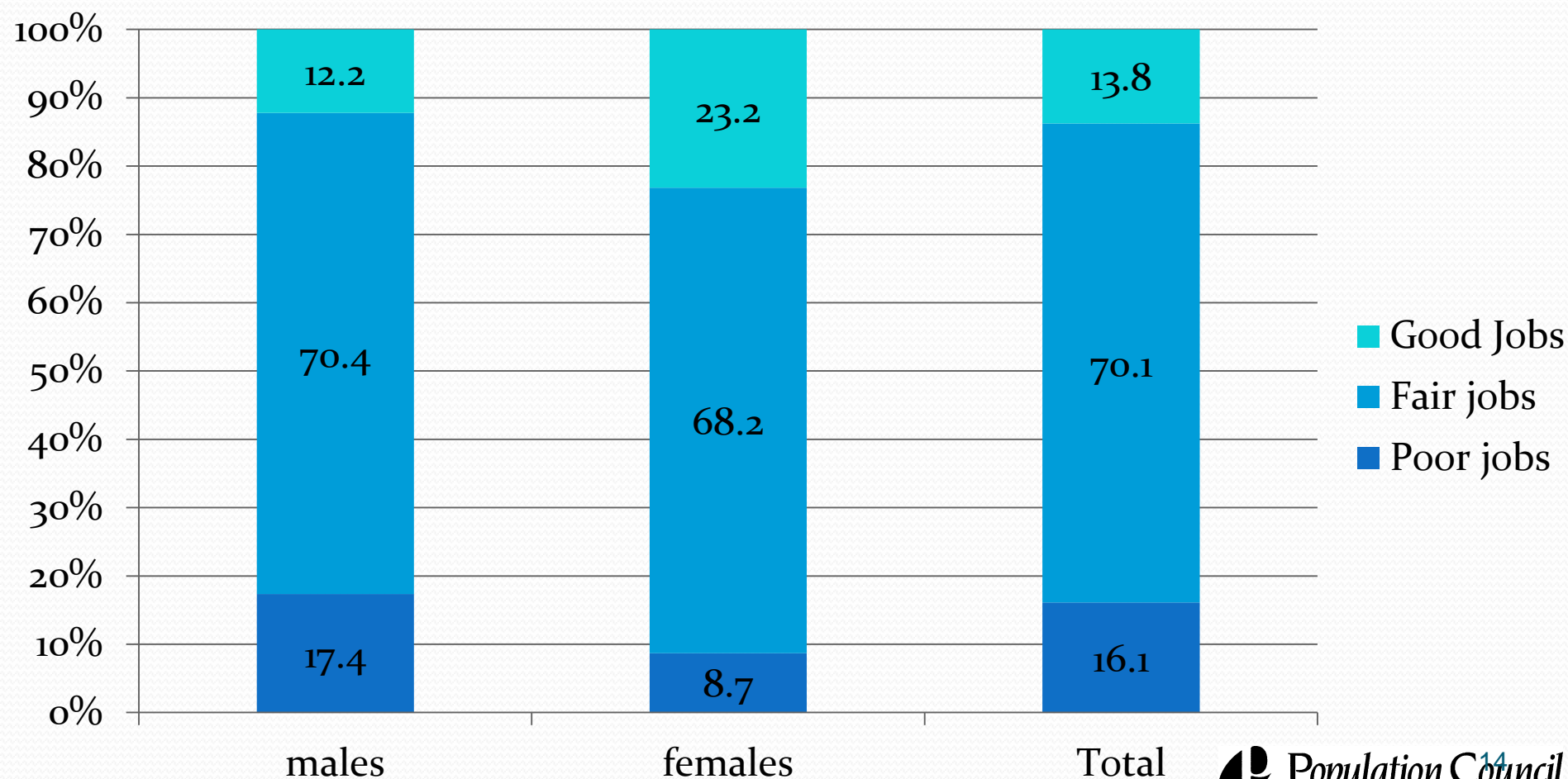
Good $JQI > 1.0$, Fair $-1.0 \leq JQI \leq 1.0$, Poor $JQI < -1.0$

JQI Index from SYPE Data 2009 by sex



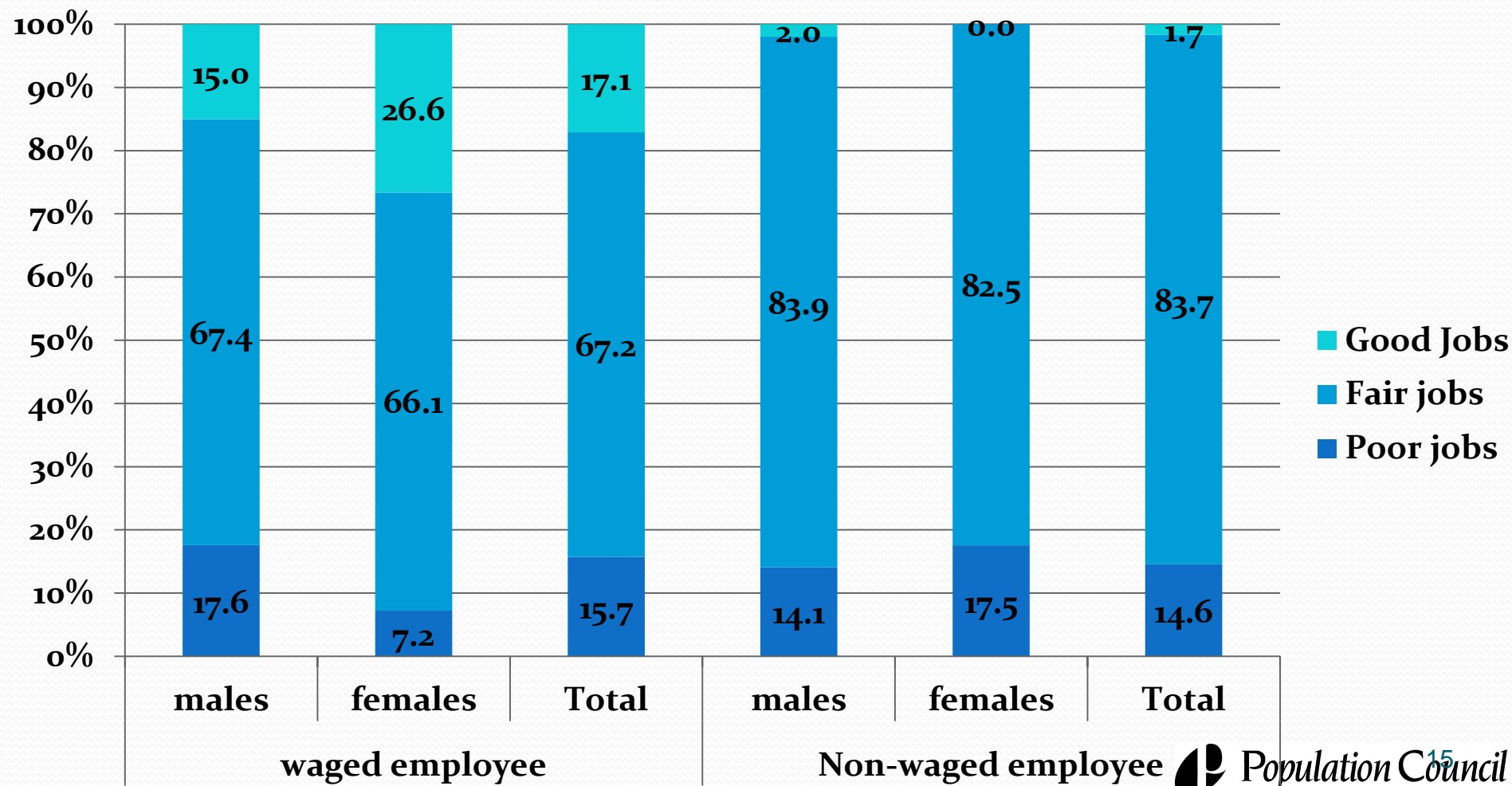
The proportion of good jobs is higher for females than males, and that of poor jobs is lower among females youth workers.

**Proportion of Good, Fair and Poor Jobs, male and female
SYPE 2009**



There are practically no good jobs for Non-Wage Workers for both males & females, but the share of poor jobs is lower for both W&S and Non-W&S.

Distribution of Job Quality for both sexes by W&S Employment



Job quality varies a lot by employment status. Wage and Salary workers have most of the good jobs, but many fair and poor jobs as well. Employers have mostly fair jobs, and household enterprise workers are distributed among fair and poor jobs

Wage JQI Index for youth from SYPE Data 2009



Graphs by Current emp. status

Good jobs are what we expect them to be. Mostly permanent, with social insurance and medical insurance coverage, and in high quality workplaces.

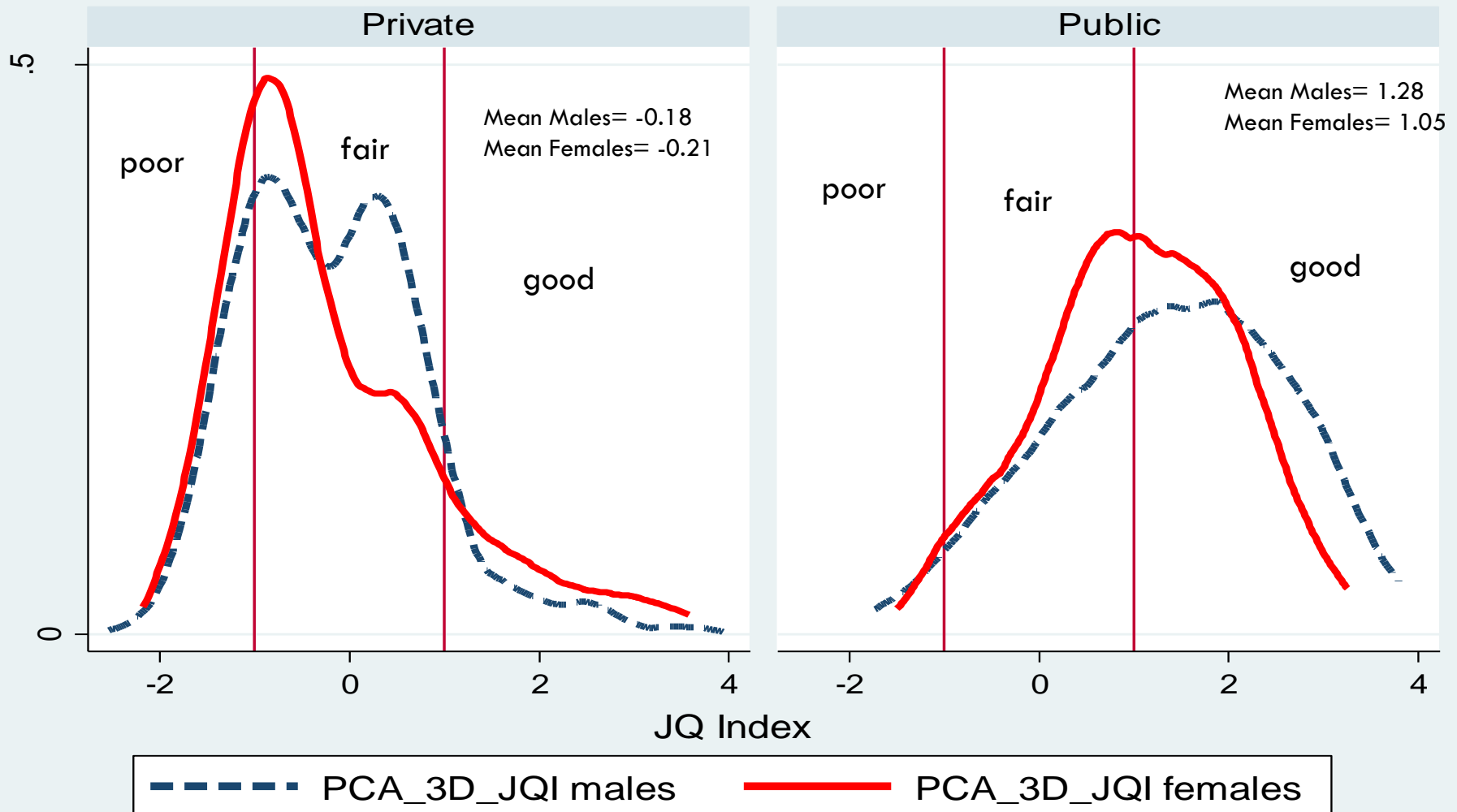
Proportion of Jobs by Job Quality that have Listed Feature

	Good Jobs	Fair Jobs	Poor Jobs	All Jobs
Permanent (regular) work	89.4%	55.1%	17.2%	53.7%
Social Insurance Coverage	74.3%	6.9%	0%	15.1%
High Quality Workplace (office, factory, apartment)	98.9%	73.6%	34.9%	70.8%
Wage & Salary Work	98.2%	84.5%	87.7%	86.9%
Medical Insurance	74.6%	6.7%	0%	15%
Manag., Professional or Technical Occupations	41.8%	7.2%	1.8%	11%
Contract Status	77.1%	7.5%	0%	15.8%
Use of Computers	40.7%	4.4%	0.15%	8.7%

Distribution of Job quality by wage quintiles

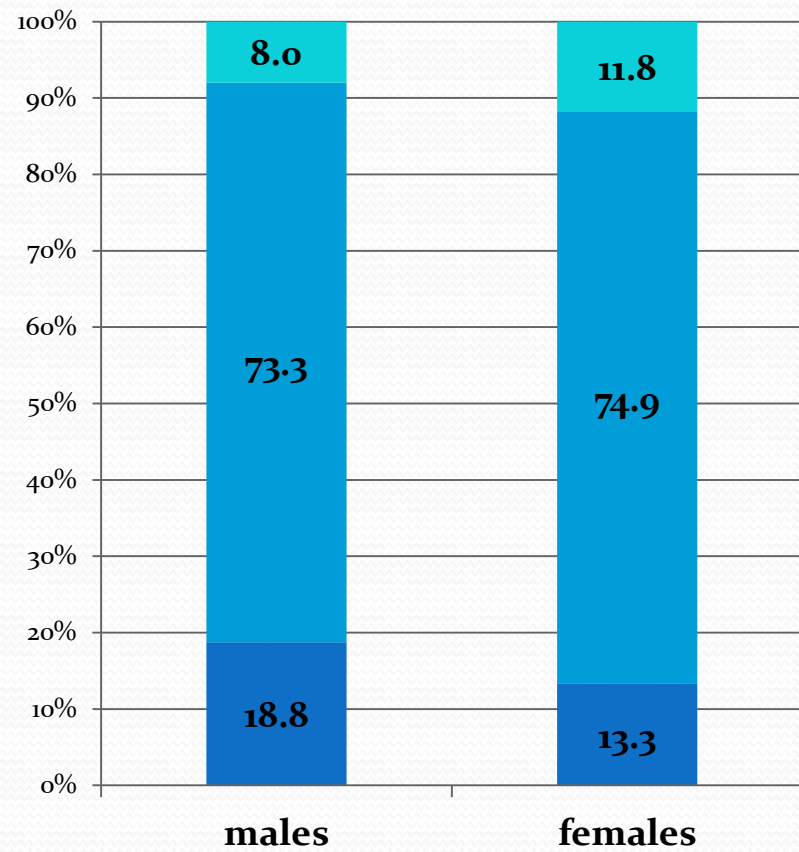
		males	females	Total
Poor jobs	Mean	662.7	574.6	657.7
	Median	583.3	300	520
	5th percentile	195	200	195
	95th percentile	1200.0	1083.3	1200
Fair jobs	Mean	713.2	422.8	672.5
	Median	541.7	250	500
	5th percentile	182	80	150
	95th percentile	1200	650	1200
Good Jobs	Mean	960.5	863.1	936.7
	Median	548	350	500
	5th percentile	150	150	150
	95th percentile	1650	2000	1850
Total	Mean	739.2	550.9	712.2
	Median	550	300	500
	5th percentile	180	90	150
	95th percentile	1200	1000	1200

The public sector has mostly good and fair jobs, and a small share of poor jobs. The private sector has mostly fair and poor jobs.



The share of good jobs is higher in public sector for both males and females. Fair jobs are more prevalent in the private sector, for both males and females. Poor jobs are almost negligible in the public sector.

Distribution of Jobs by Job Quality and Sector of Ownership and gender

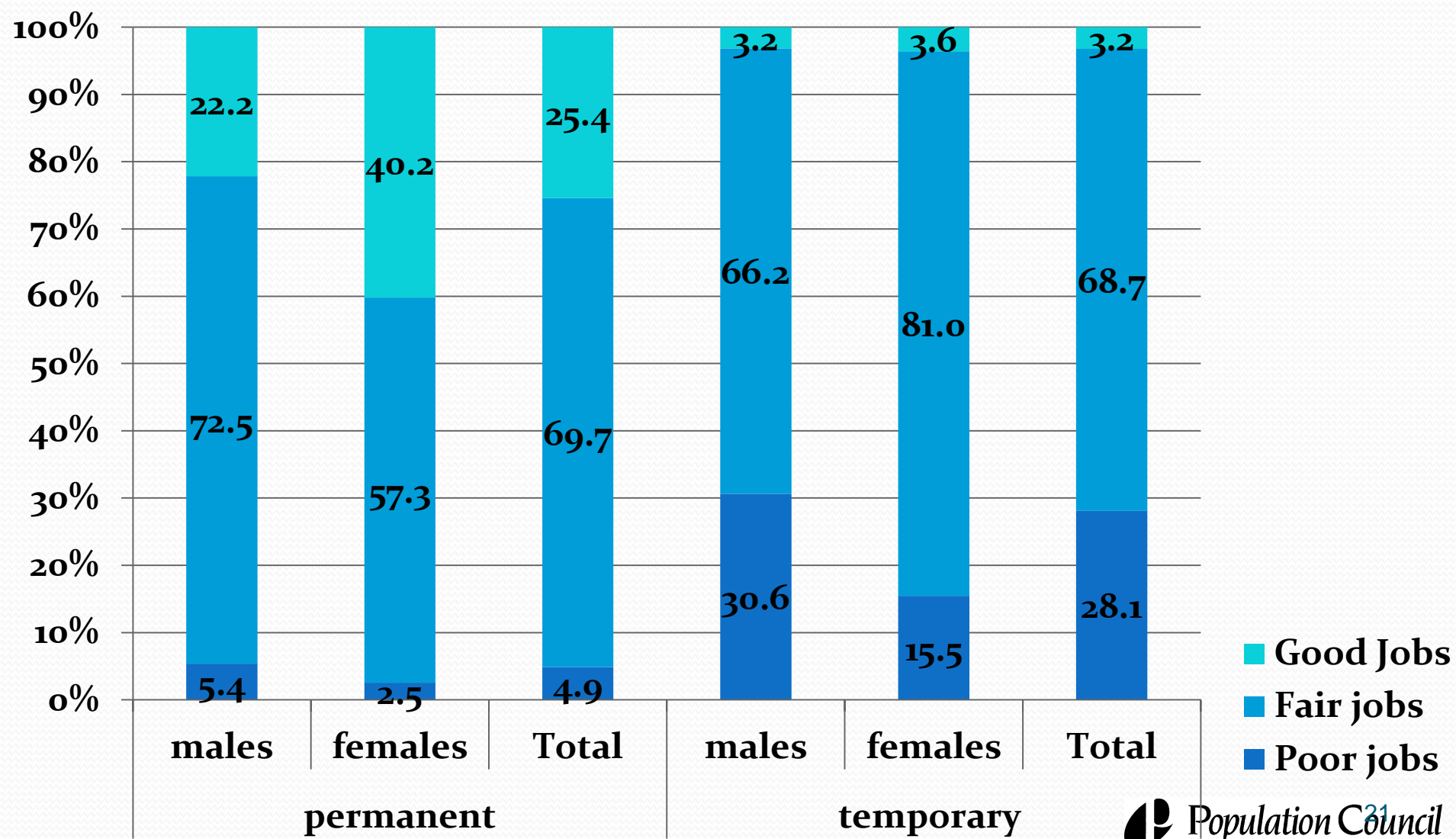


Private Sector



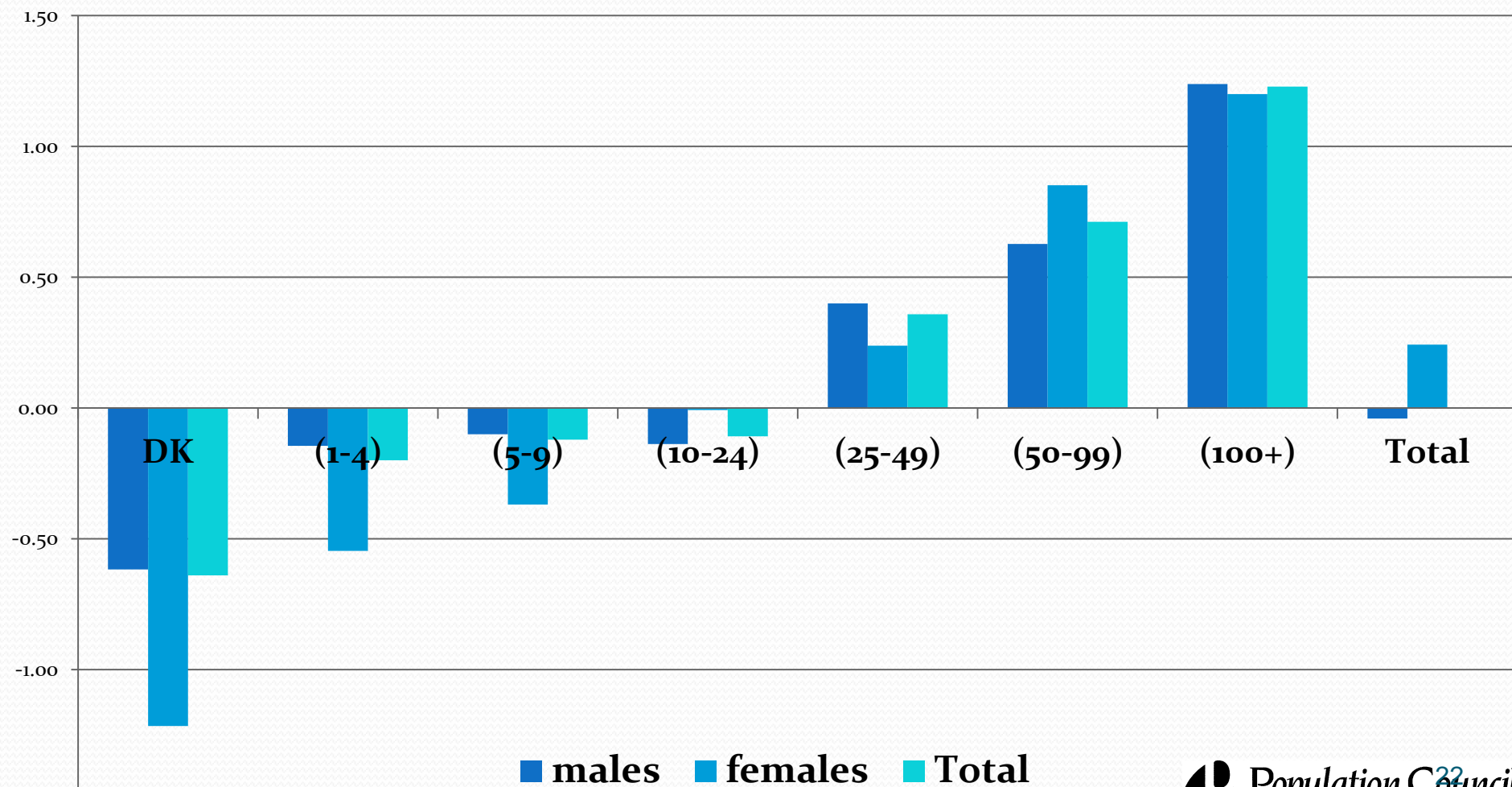
Public Sector

The Job Quality distribution by Permanent or Temporary and gender

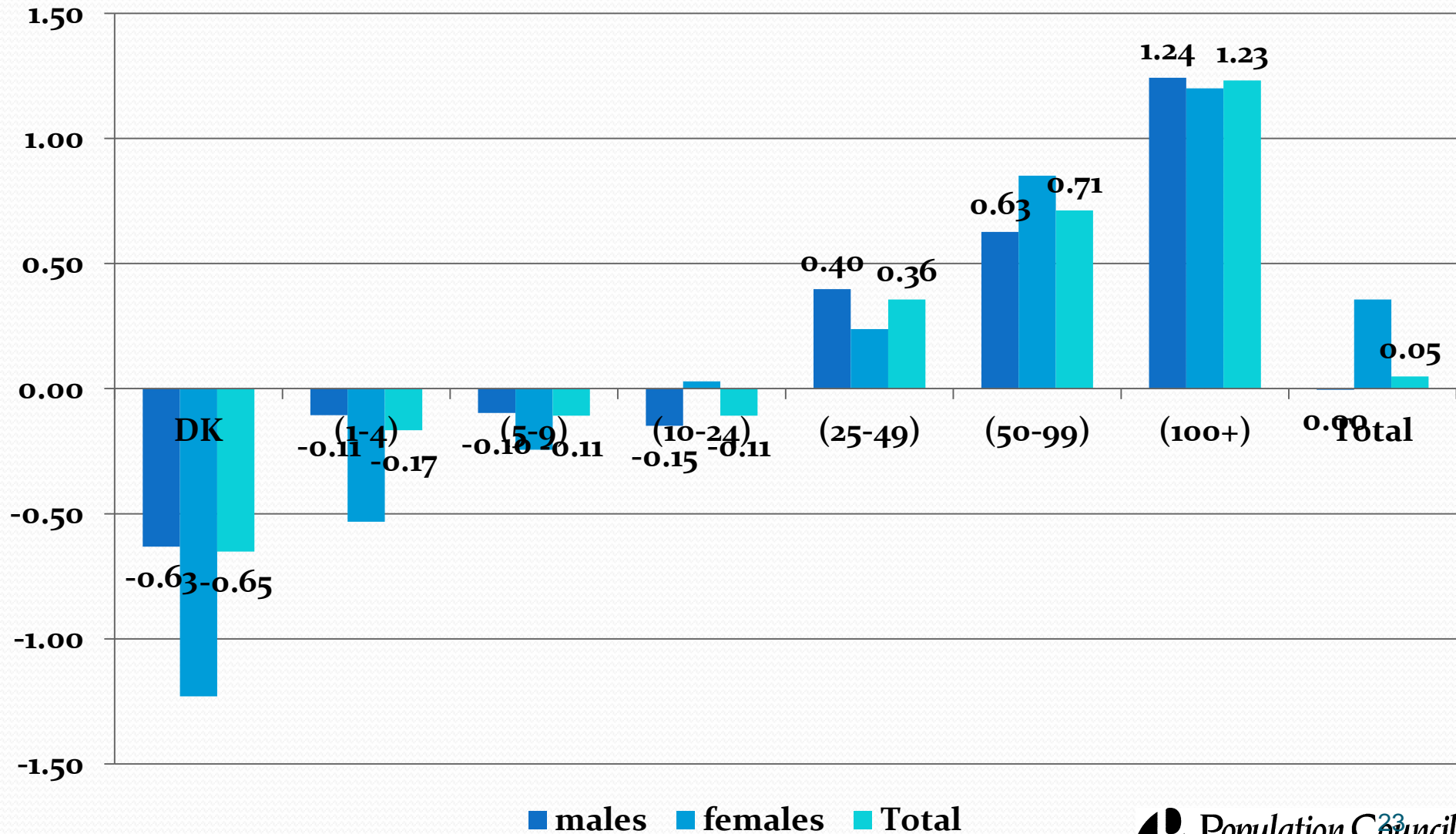


**Job quality for youth depends strongly on firm size.
Females have lower JQ in small firms.**

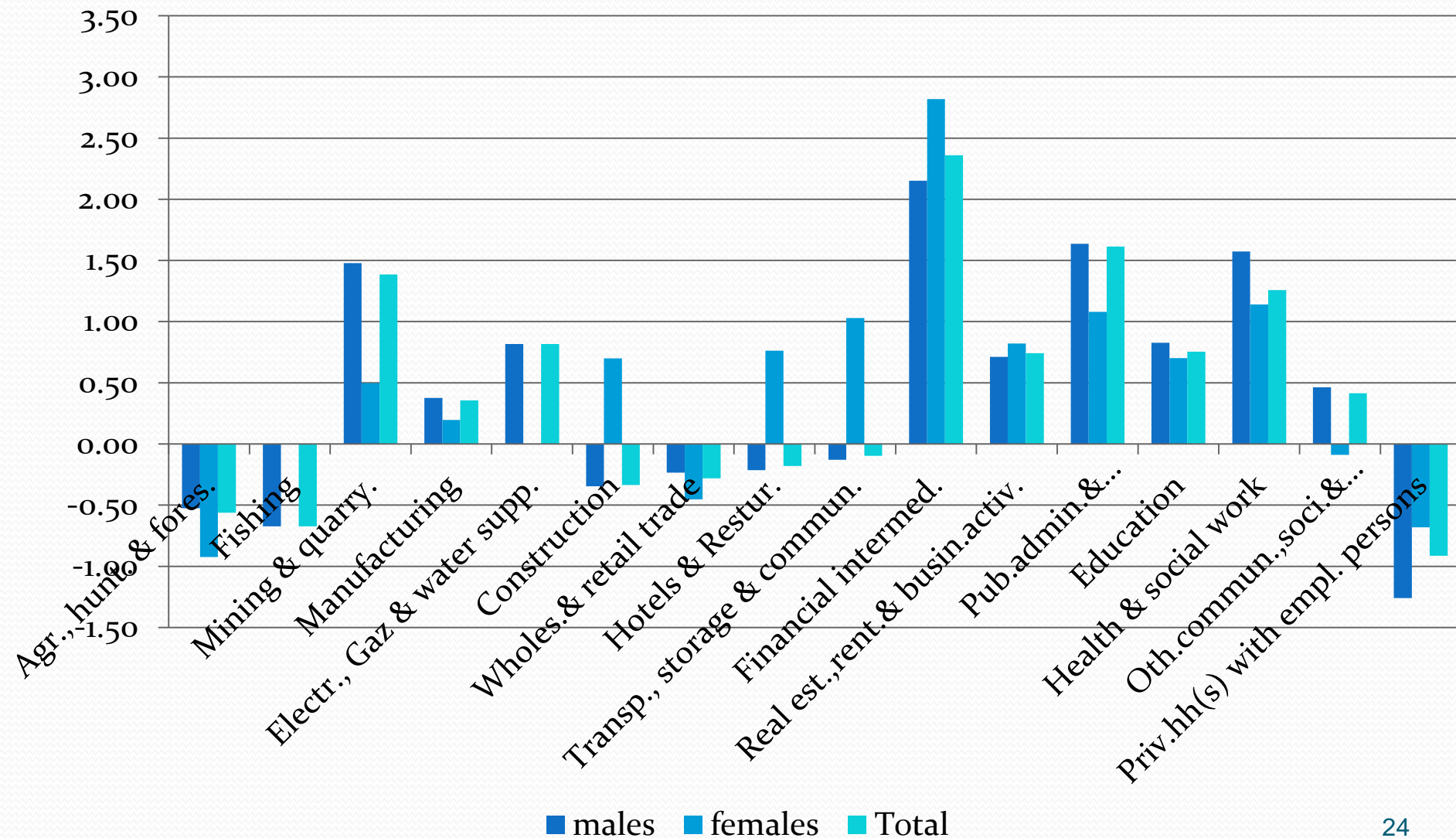
Mean Job Quality by Firm Size and gender



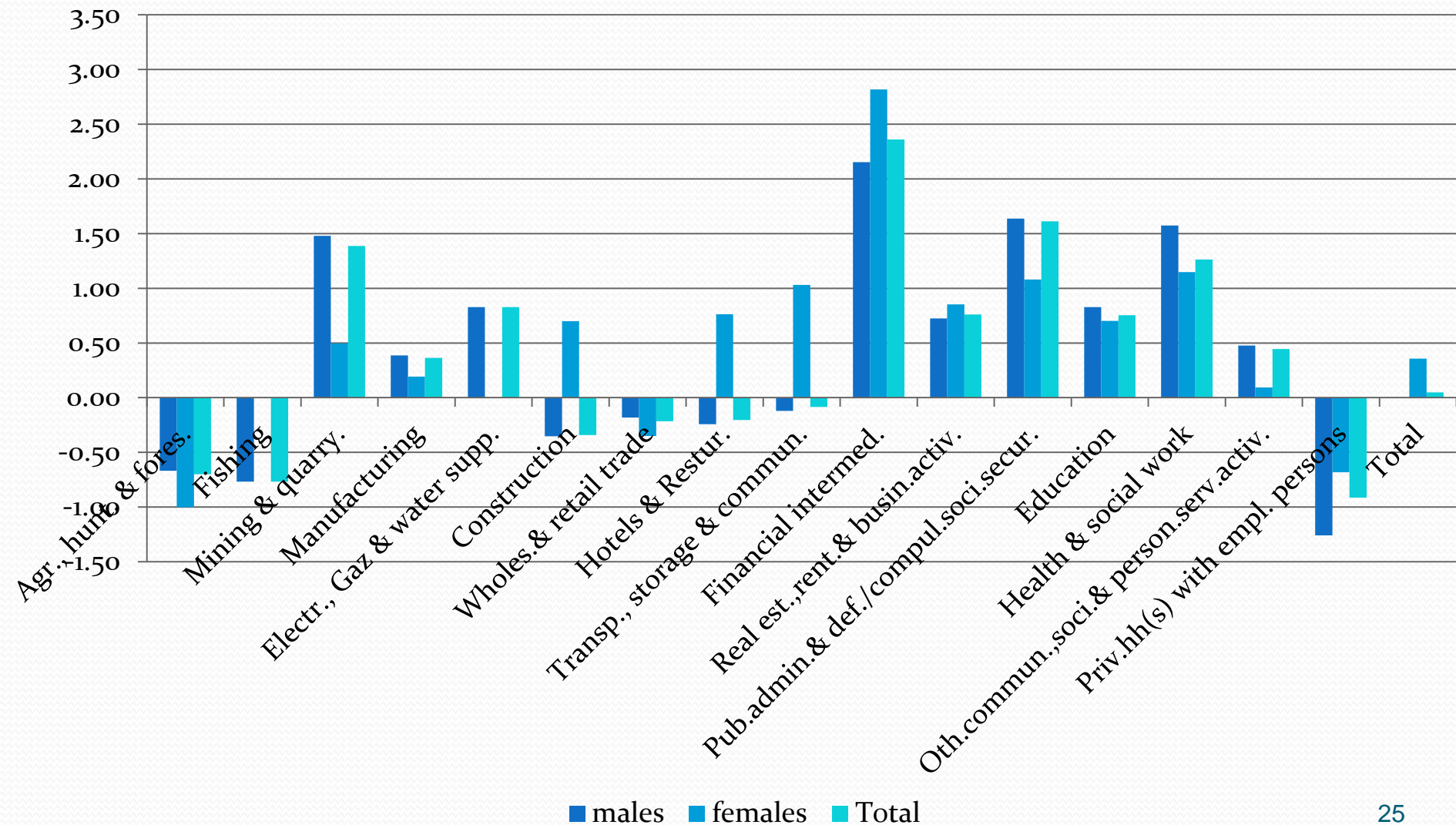
Similar picture holds for wage workers.



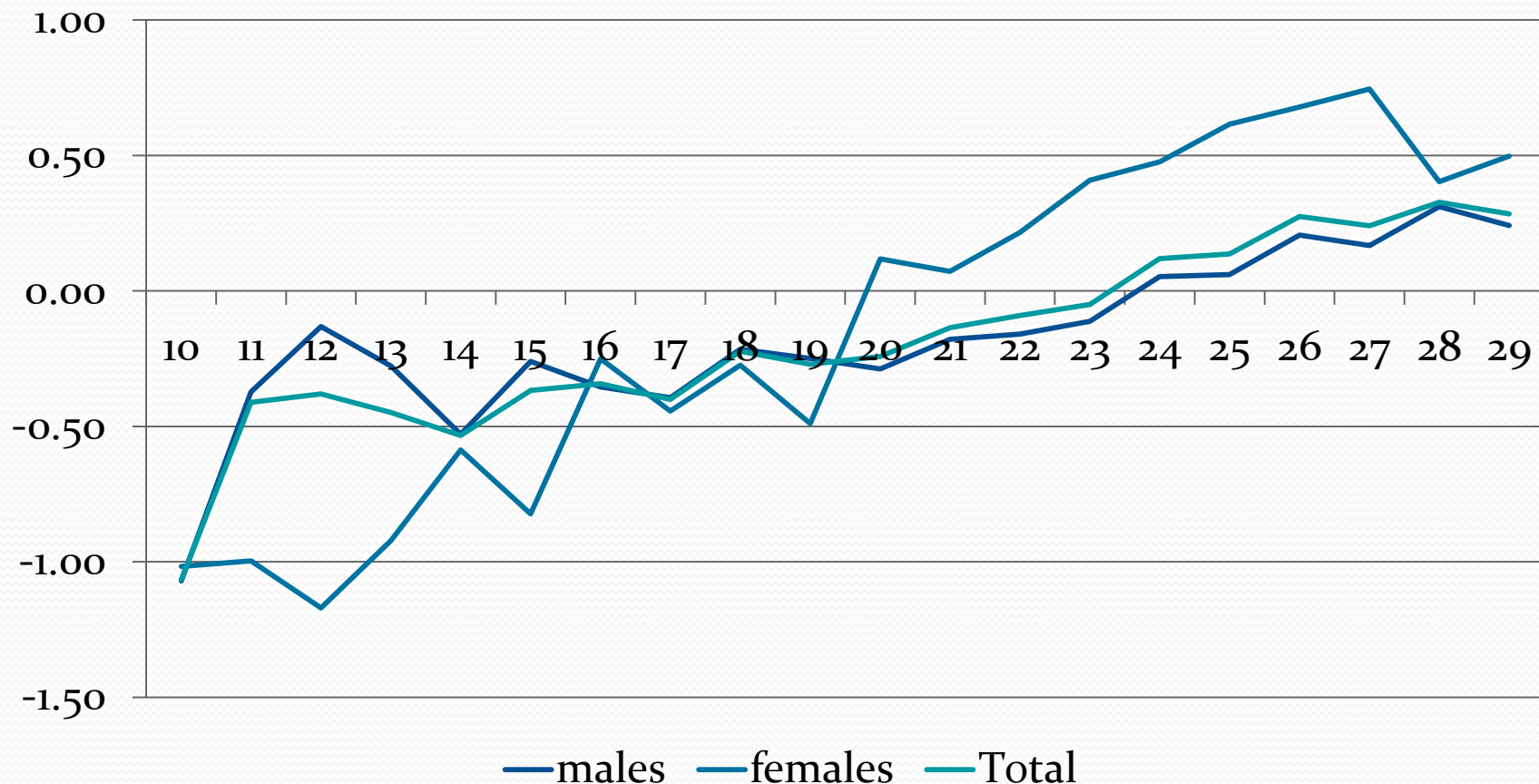
Average job quality is **lowest** in agriculture, fishing, whole sale and retail and construction, but is improved for both males and females at other activities. It is **highest in finance, insurance and real estate**.



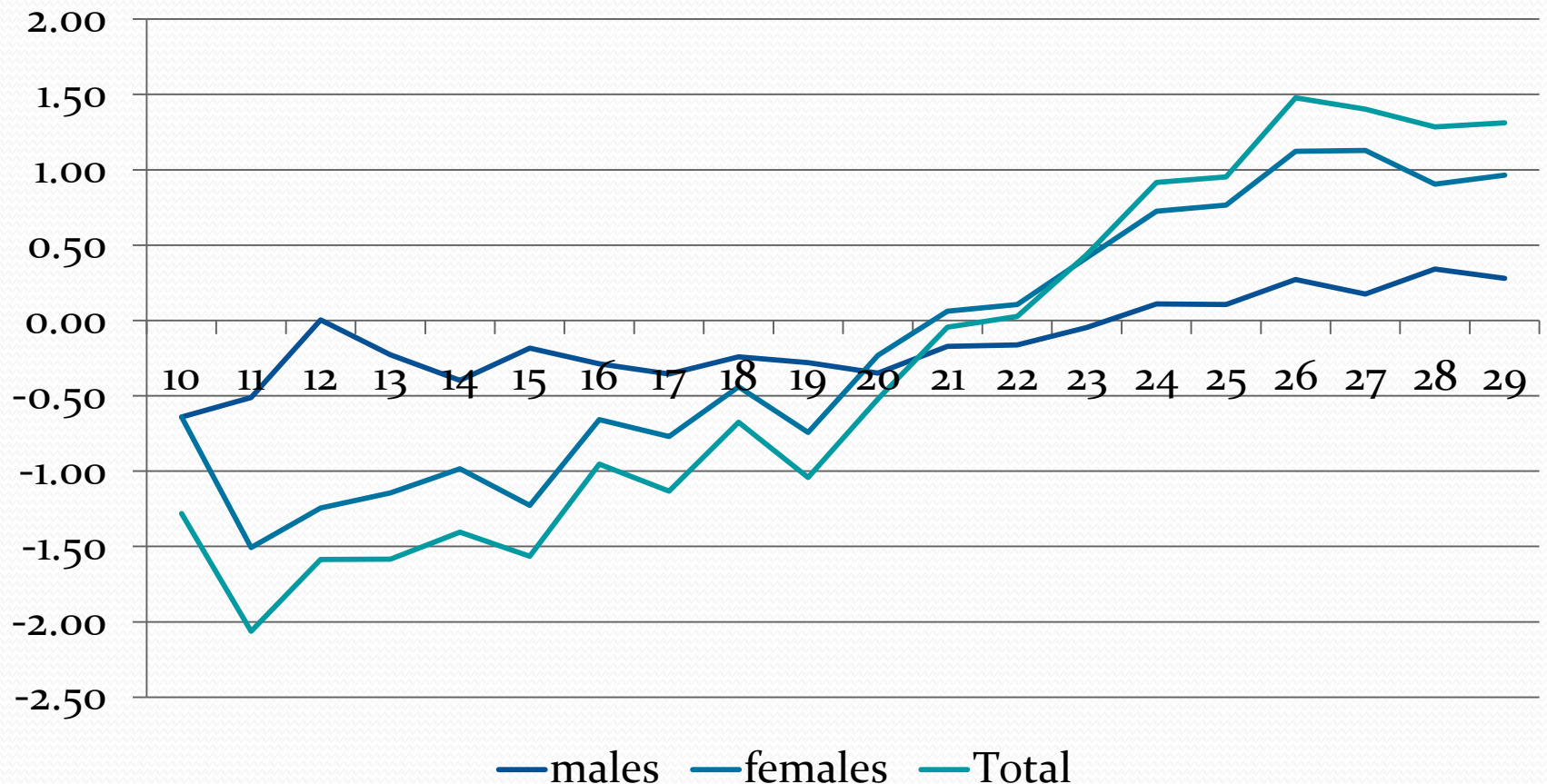
Mean job quality for wage workers youth by economic Activity.



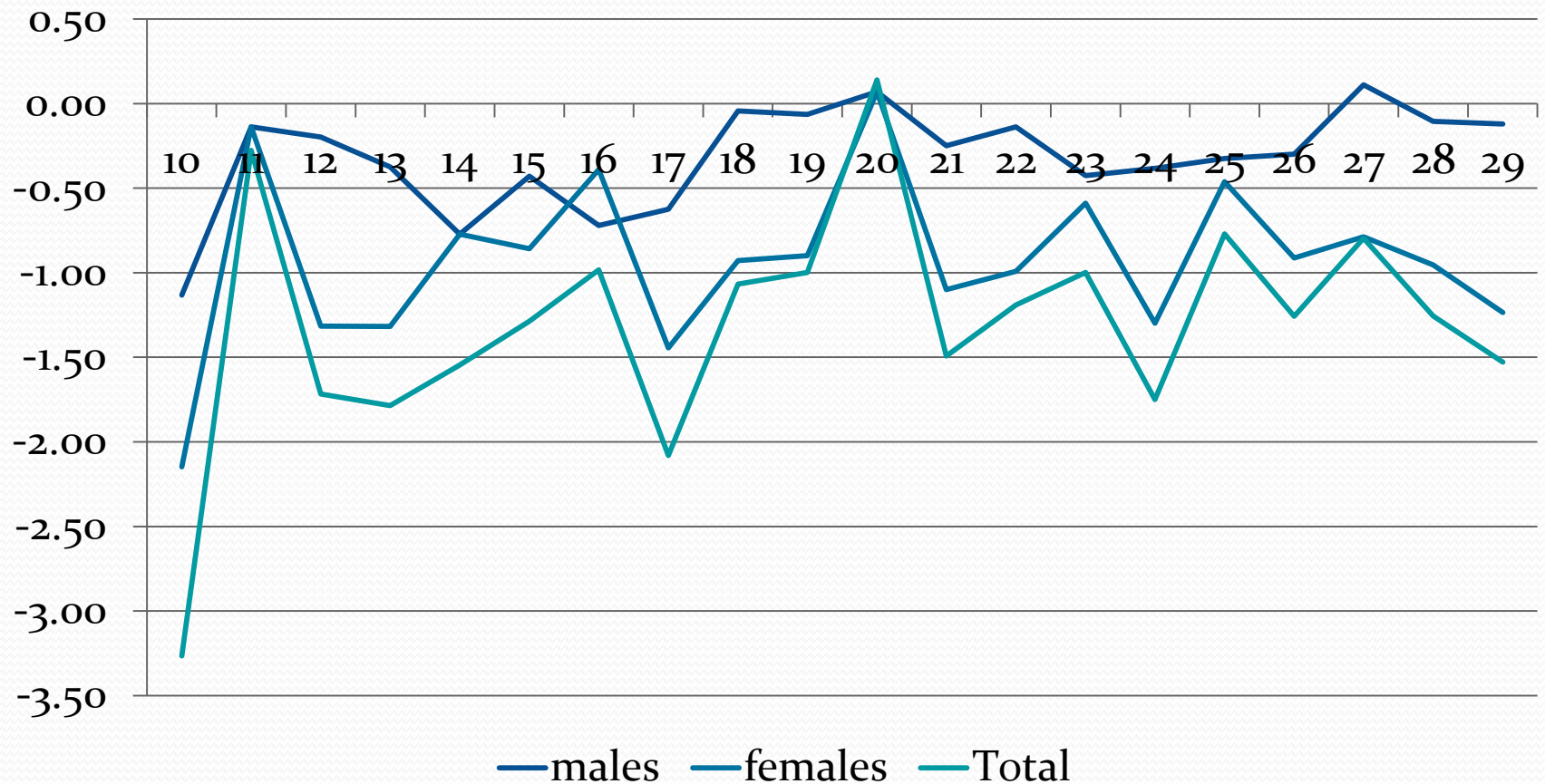
Job quality for youth workers tends to improve over the life cycle for both males and females, with the greatest rate of improvement between the ages of 19 and 29. There is a marked low job quality for young females.



JQI for youth Wage workers



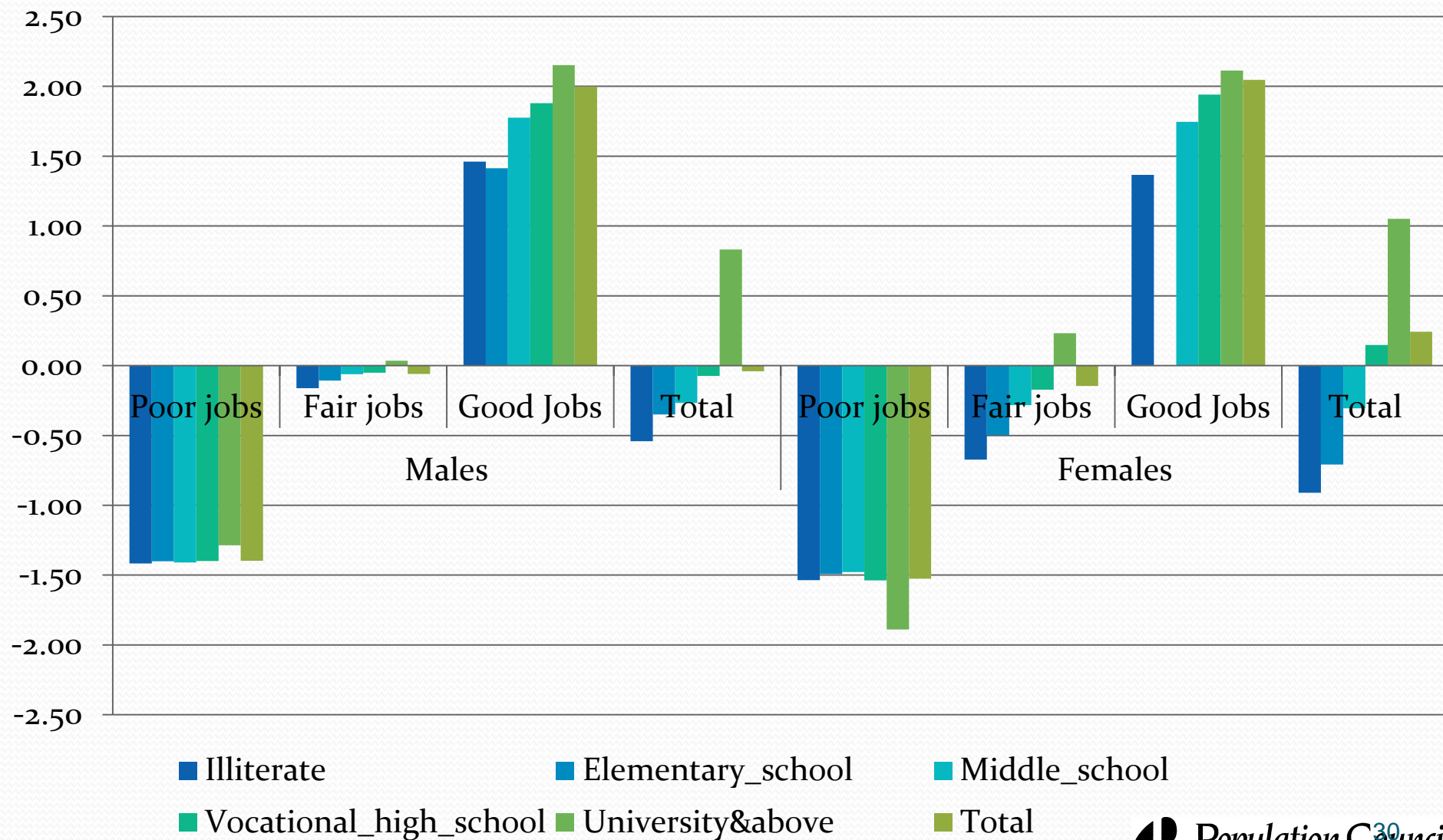
Non-Wage Workers youth



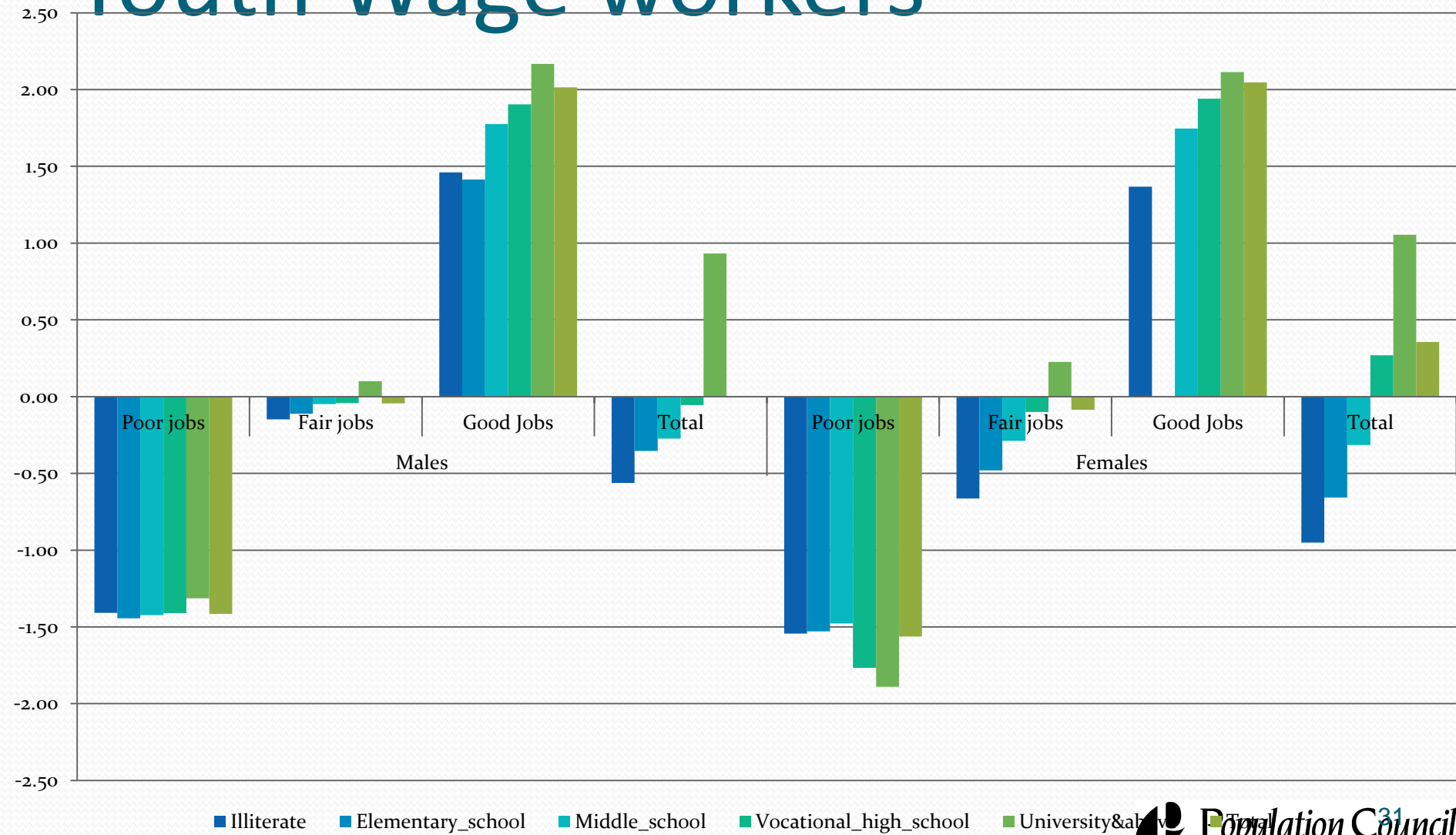
Mean JQ for youth by education and gender

	Males				Females			
	Poor jobs	Fair jobs	Good Jobs	Total	Poor jobs	Fair jobs	Good Jobs	Total
Illiterate	-1.42	-0.16	1.46	-0.54	-1.54	-0.67	1.37	-0.91
Elementary school	-1.40	-0.11	1.41	-0.35	-1.49	-0.50		-0.71
Middle school	-1.41	-0.06	1.78	-0.27	-1.48	-0.28	1.75	-0.31
Vocational high school	-1.40	-0.05	1.88	-0.07	-1.54	-0.17	1.94	0.15
University & above	-1.29	0.04	2.15	0.83	-1.89	0.23	2.11	1.05
Total	-1.40	-0.06	2.00	-0.04	-1.52	-0.15	2.05	0.24

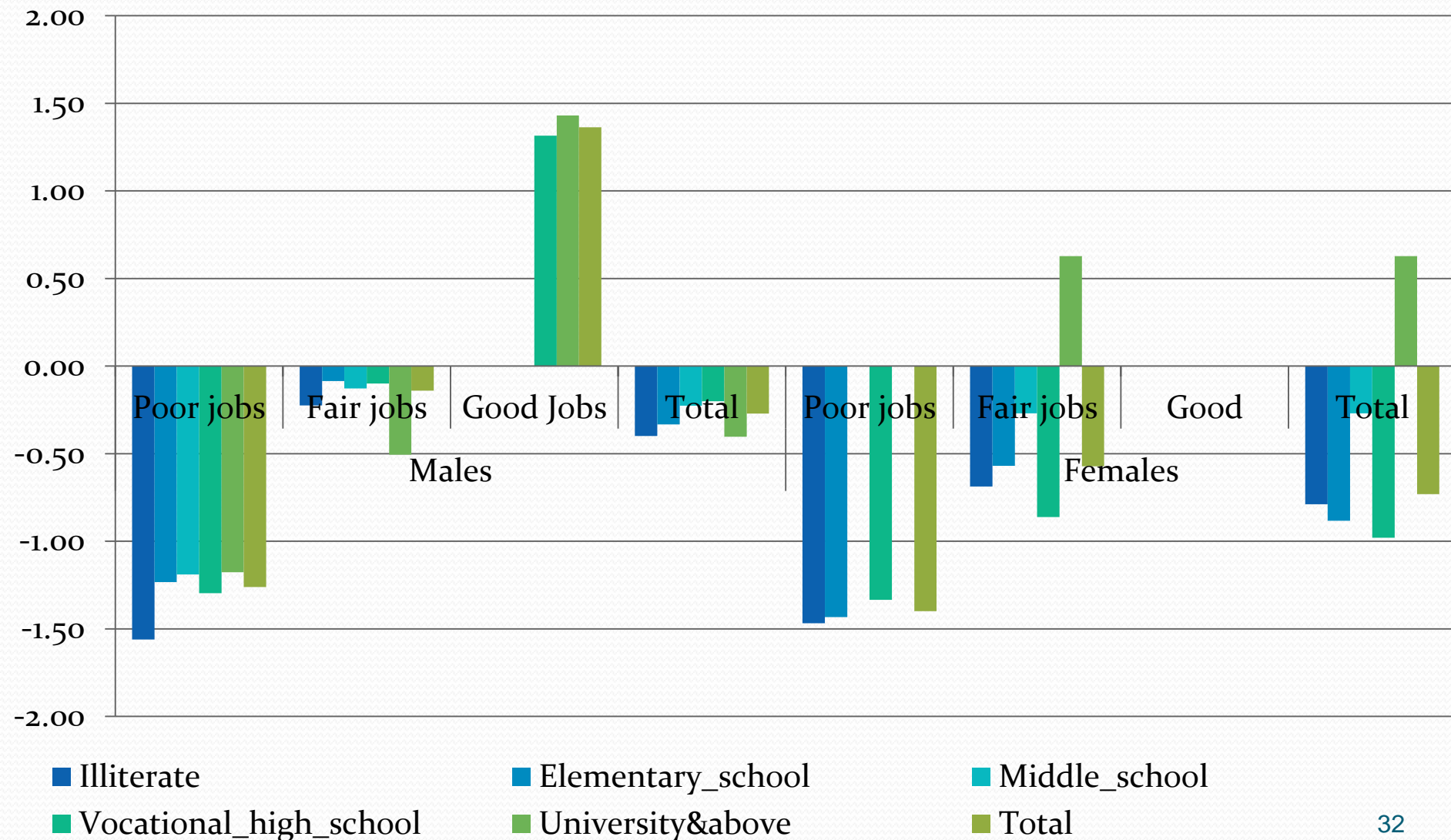
Mean JQ for youth by education and gender



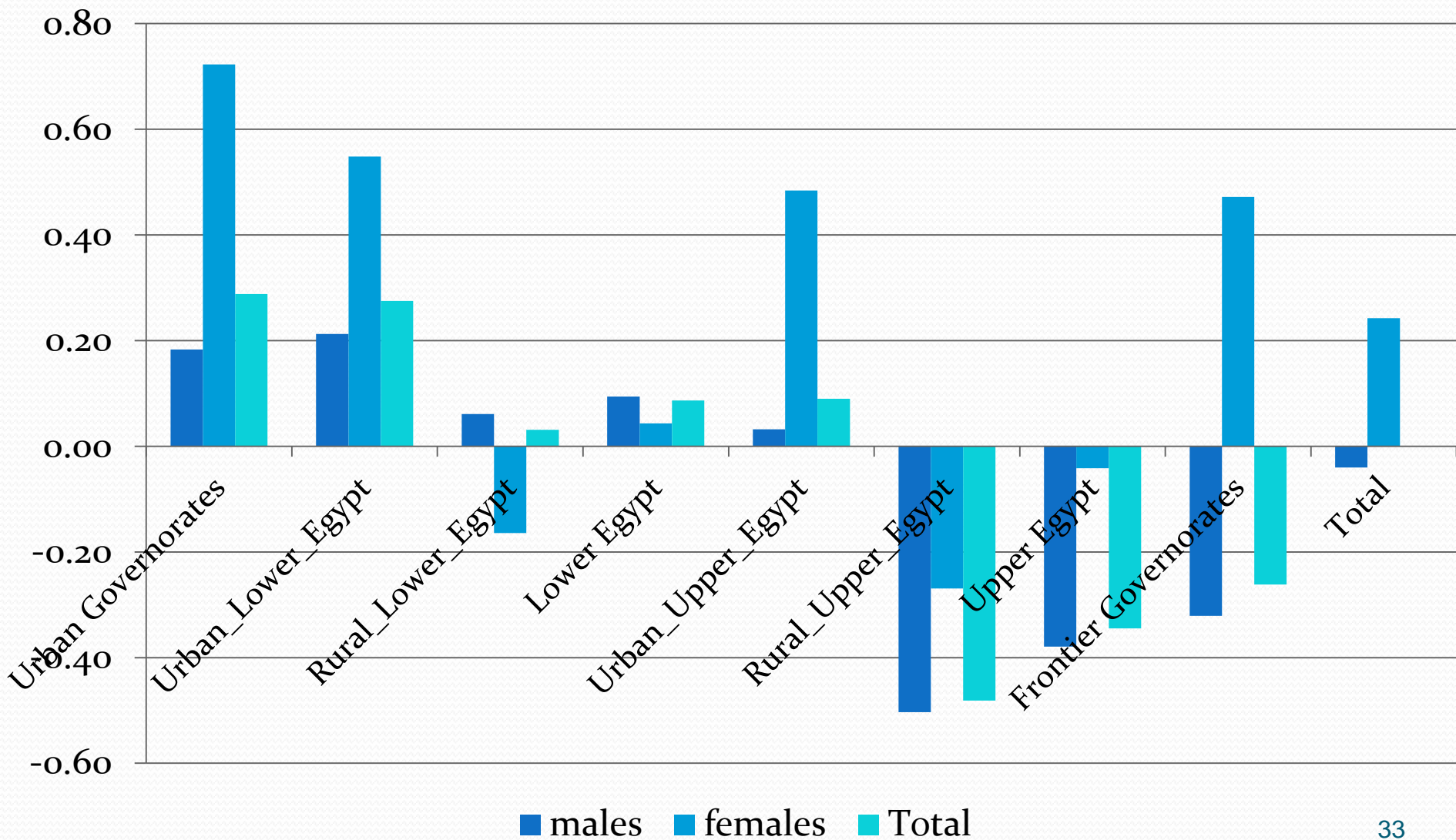
Youth Wage workers



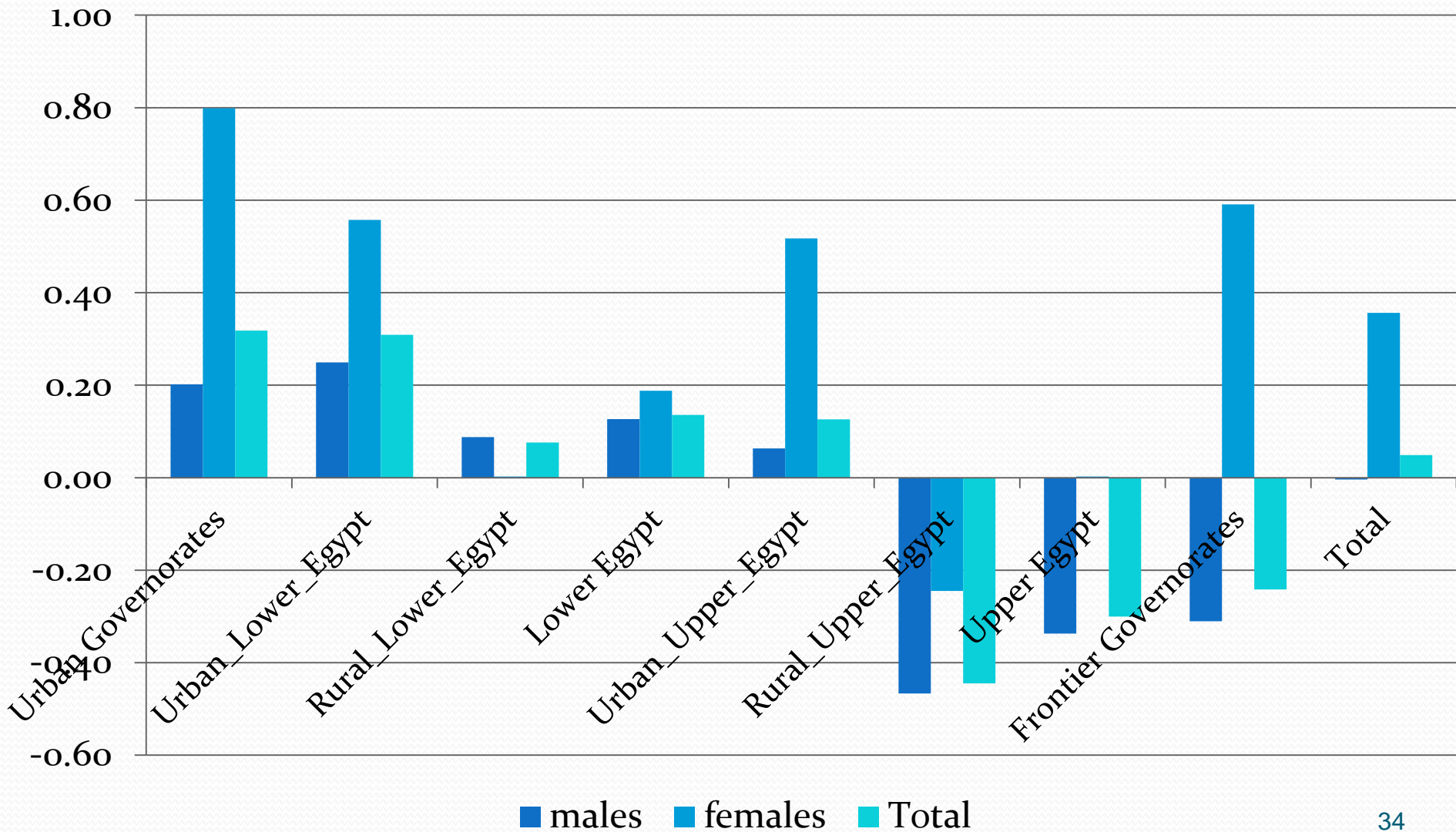
Non-Wage youth workers



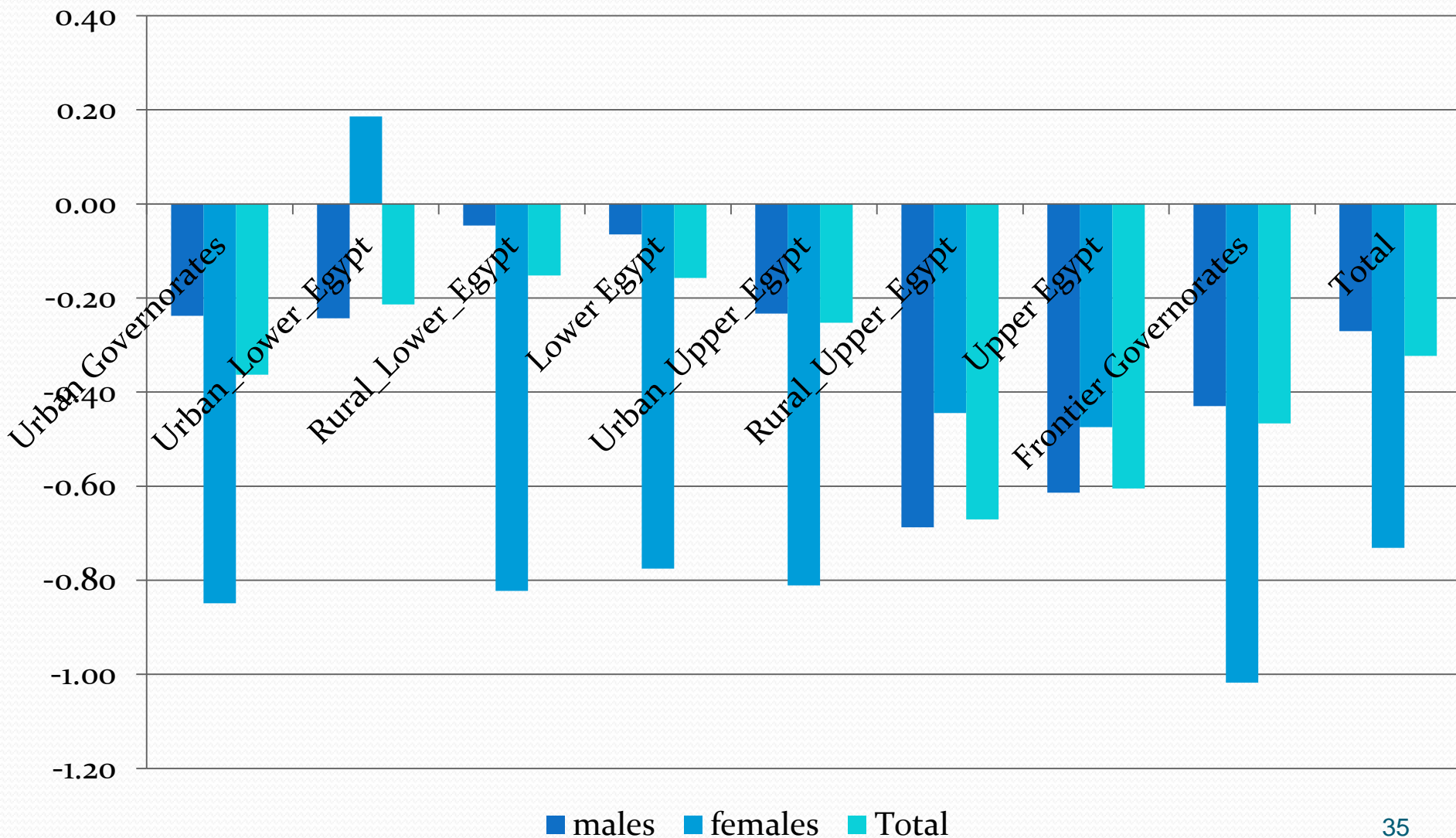
Mean Job Quality All Workers by Region



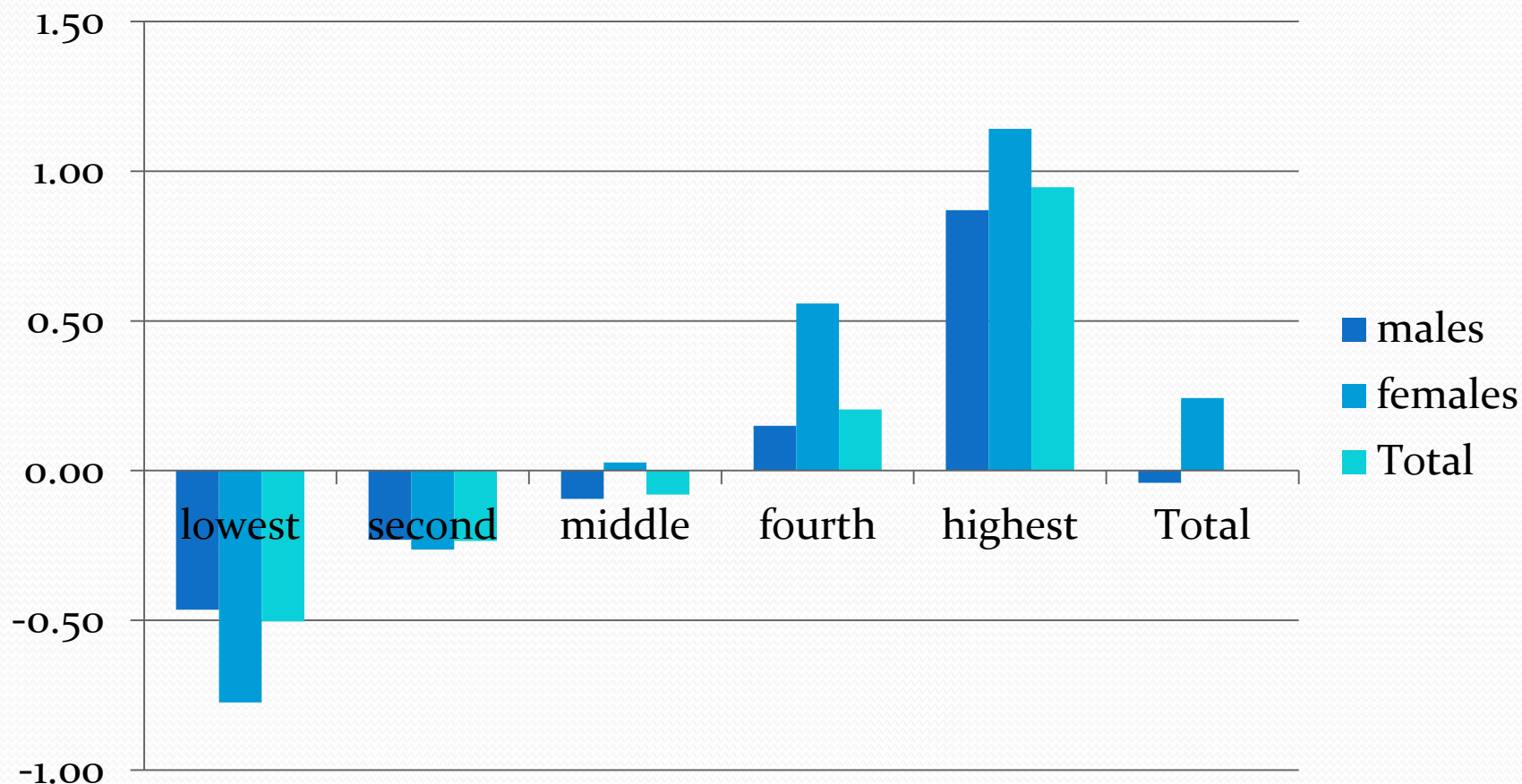
Mean Job Quality for Wage Workers by region



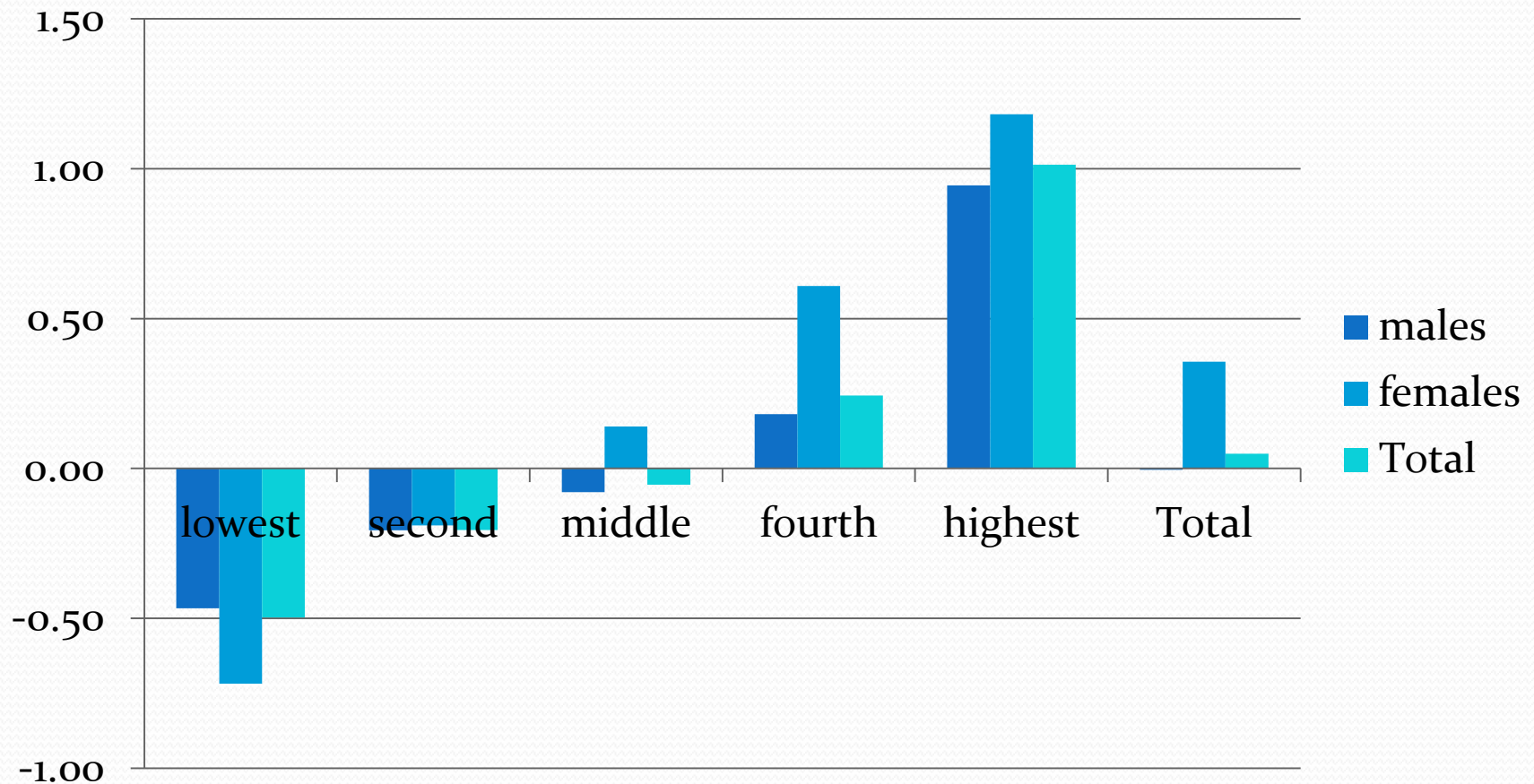
Non-Wage Youth Workers by region



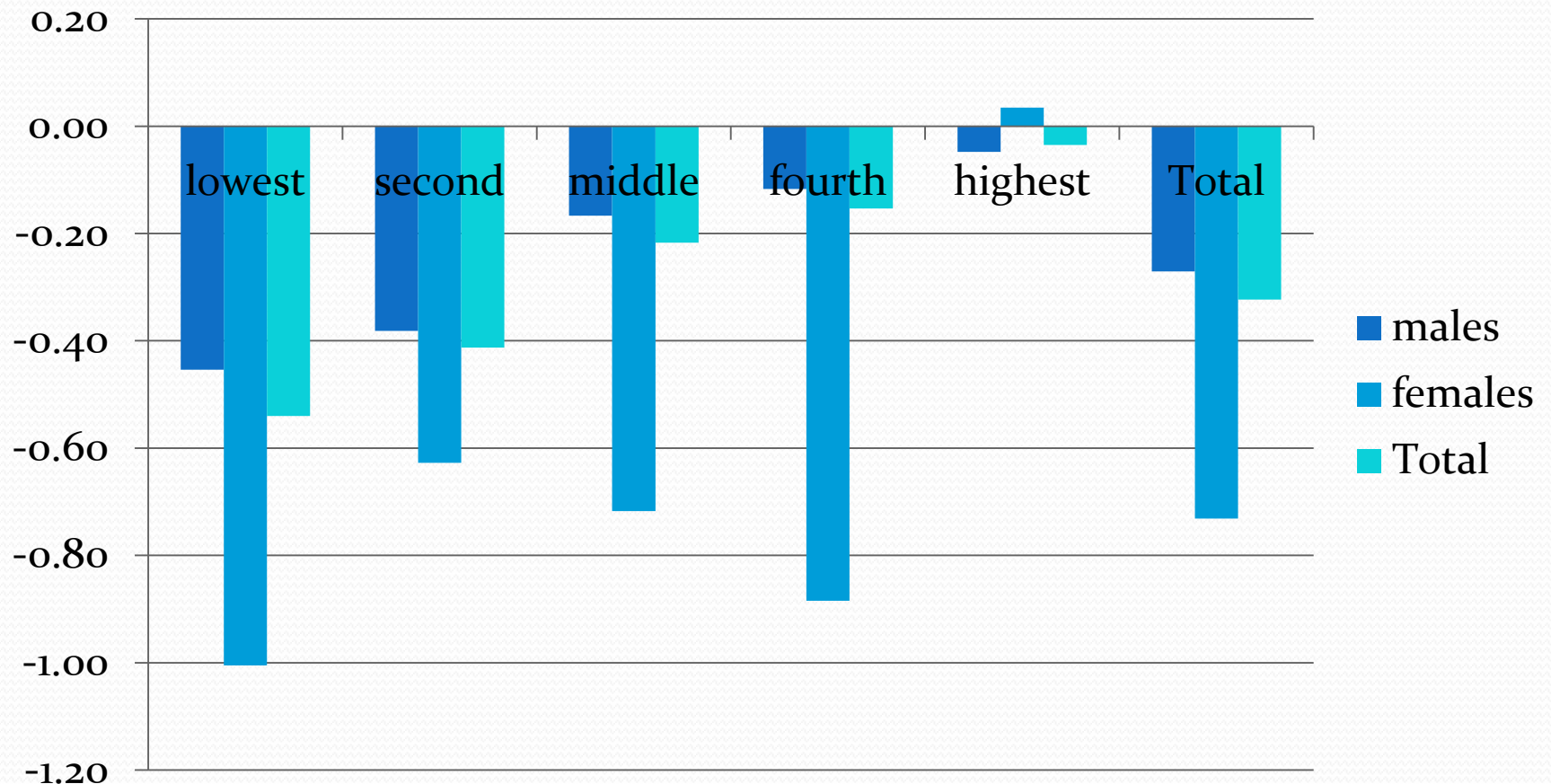
Mean Job Quality for All Youth (wage and non-wage) Workers



Mean Job Quality for Youth Wage workers



Mean Job Quality for Non-Wage youth Workers



Regression Results

Table (5): Estimates from OLS regression of youth JQI on some selected youth characteristics and firm characteristics for males and females, SYPE 2009 data.

VARIABLES	(1) All	(2) Males	(3) Females
Sex==male	0.281*** (0.0469)		
q_106==separated	-0.836* (0.452)	-1.051 (0.901)	-0.899* (0.508)
q_106== (katb kitab)	0.0245 (0.135)	0.0676 (0.161)	-0.0875 (0.248)
q_106==engaged	-2.37*** (0.792)	-2.38*** (0.795)	-0.118 (0.127)
q_106==never been married	-2.31*** (0.791)	-2.3*** (0.794)	-0.0463 (0.105)
* single is reference category			
Age	-0.0625 (0.0458)	-0.0787 (0.0499)	0.0513 (0.121)
Age square	0.00161 (0.00101)	0.00191* (0.00110)	-0.0004 (0.00262)
educlvl==Read& Write or Elementary school	0.0493	0.0578	0.0159

<u>educvl==Middle school</u>	0.0942 (0.0688)	0.0810 (0.0766)	0.323* (0.185)
educvl==Intermediate	0.157** (0.0647)	0.156** (0.0728)	0.199 (0.160)
educvl==Post-secondary or University&above	0.364*** (0.0787)	0.318*** (0.0881)	0.485** (0.192)
* Illiterate is reference category			
age at entry to LF	-0.001*** (0.00322)	0.008** (0.00349)	-0.0176* (0.00918)
crocp1d==professionals	0.606*** (0.156)	0.636*** (0.175)	0.671* (0.360)
crocp1d==Technic.& assoc.,prof.	0.169 (0.158)	0.175 (0.177)	0.360 (0.369)
crocp1d==Clerks	0.181 (0.170)	0.0763 (0.203)	0.417 (0.365)
crocp1d==Serv.& shop/market sal. wrkrs	-0.47*** (0.143)	-0.48*** (0.157)	-0.225 (0.359)
crocp1d==Skill. agr. & fish. Wrkrs	-0.426** (0.213)	-0.313 (0.232)	-0.773 (0.555)
crocp1d==Craft & related trad. wrkrs	-0.0230 (0.149)	-0.00574 (0.163)	-0.409 (0.405)
crocp1d==Plant & machine operat. & assemb.	-0.370** (0.153)	0.361** (0.169)	-0.581 (0.400)

crocp1d==Elementary occupations	-0.79***	-0.79***	-0.532
* Legislatives ,Senior officials & managers is reference category	(0.152)	(0.167)	(0.394)
crempstp== employer, self-employed or unpaid worker	0.144***	0.156***	0.121
	(0.0478)	(0.0508)	(0.147)
Metro_region==Urban_Lower_Egypt	0.0647	0.157***	-0.219*
	(0.0517)	(0.0574)	(0.119)
Metro_region==Rural_Lower_Egypt	0.130***	0.220***	-0.250**
	(0.0400)	(0.0439)	(0.101)
Metro_region==Urban_Upper_Egypt	-0.0322	0.0312	-0.229
	(0.0599)	(0.0651)	(0.155)
Metro_region==Rural_Upper_Egypt	-0.27***	-0.24***	-0.207
	(0.0445)	(0.0479)	(0.134)
Metro_region==Frontier_Govs	-0.135	-0.0849	-0.290
* Urban gov.'s is reference category	(0.111)	(0.117)	(0.371)
crecac1d== Fishing	0.364*	0.486**	
	(0.214)	(0.221)	
crecac1d== Mining & quarrying	0.788**	1.093***	-1.357
	(0.330)	(0.351)	(0.997)
crecac1d== Manufacturing	0.134	0.250	-0.0675
	(0.165)	(0.178)	(0.464)

crecac1d== Electricity, Gaz & water supply	0.723***	0.839***	
	(0.263)	(0.271)	
crecac1d== Construction	-0.0268	0.0795	0.261
	(0.165)	(0.177)	(0.569)
crecac1d== Wholes & retail trade	0.0355	0.153	-0.299
	(0.164)	(0.177)	(0.450)
crecac1d== Hotels & Restur.	0.0692	0.185	-0.0147
	(0.180)	(0.192)	(0.591)
crecac1d== Transportation, storage & communications.	0.362**	0.485***	0.000299
	(0.172)	(0.185)	(0.520)
crecac1d== Financial intermediary	0.947***	0.892***	0.742
	(0.285)	(0.332)	(0.596)
crecac1d== Real estate, rent.& business activities	0.155	0.329*	-0.404
	(0.171)	(0.186)	(0.450)
crecac1d== Public admin.& def./compulsory social security	0.914***	1.052***	0.0496
	(0.203)	(0.217)	(0.654)
crecac1d== Education	-0.298	-0.187	-0.767*
	(0.183)	(0.212)	(0.452)
crecac1d== Health & social work	0.390**	0.679***	-0.144
	(0.187)	(0.239)	(0.446)
crecac1d== Other communication, social & personal services activities	0.362**	0.513***	-0.272

crecac1d== Private households with employment persons	-0.143	-0.271	-0.349
* Agriculture, hunting & forest is reference category	(0.279)	(0.395)	(0.525)
Firm_Size_Cat==(1-4) workers	0.419***	0.454***	0.255
	(0.0516)	(0.0546)	(0.194)
Firm_Size_Cat==(5-9)	0.431***	0.450***	0.407*
	(0.0594)	(0.0629)	(0.218)
Firm_Size_Cat==(10-24)	0.473***	0.493***	0.556***
	(0.0693)	(0.0770)	(0.206)
Firm_Size_Cat==(25-49)	0.669***	0.717***	0.716***
	(0.0888)	(0.101)	(0.232)
Firm_Size_Cat==(50-99)	0.972***	0.839***	1.159***
	(0.0855)	(0.103)	(0.215)
Firm_Size_Cat==(100+)	1.390***	1.414***	1.426***
	(0.0590)	(0.0645)	(0.198)
Legal status of the firm you work in	-0.0334	-0.0560	0.0422
* Don't know is reference category	(0.0394)	(0.0438)	(0.0982)
Constant	2.247**	2.573**	-0.993
	(0.974)	(1.005)	(1.534)
Observations	3,176	2,626	550
R-squared	0.522	0.512	0.614

Standard errors in parentheses, *** p<0.01, ** p<0.05, * p<0.1

Conclusions

- Job quality among youth wage workers is better than non-wage workers
- **Good jobs** are characterized by the presence of formal contracts, social protection, including health insurance, regularity of employment, paid vacations and sick leave, high quality work places, and relatively high pay

Conclusions (2)

- **The Public Sector provides a higher proportion of good jobs than private wage workers.**
- **Temporary contract workers in the public sector have lower job quality and are increasing.**
- The proportion of poor jobs in private wage workers employment is lower than those in the public sector.

Conclusions (3)

- Job quality in the private sector is **strongly associated with firm size.**
- Microenterprise, which make up 60% of private non-agric. for wage workers, have been improved in job quality
- Young educated workers have seen a significant proportion of good jobs. This is especially true for University graduates.

Next Steps

- Robust measuring of job quality
- Dynamic analysis using the panel data