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As part of this project, five Joint Study Groups are assembled each year to carry out evidence-based and policy-oriented research. The topics of the five study groups are defined through a thorough process of policy consultations designed to identify policy-relevant themes. Each Study Group involves a Coordinator and a team of authors who work towards the publication of a Policy Study which is printed, disseminated through different channels and events, and accompanied by audio-visual materials.
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The IEMed is a consortium comprising the Catalan Government, the Spanish Ministry of Foreign Affairs, European Union and Cooperation, the European Union and Barcelona City Council. It also incorporates civil society through its Board of Trustees and its Advisory Council.
Building Resilience Blocks: How to Improve the Quality of Work for the Egyptian Construction Precariat?

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The past two years have revealed the difficult living conditions of millions around the world experiencing compounded insecurities, especially of work and income. Within this context, this paper explores how the notion of precarity applies to informal construction workers in Egypt. It argues that their working conditions fail to satisfy the decent work indicators recommended by the International Labour Organization (ILO) and relevant literature.

The paper also assesses the Egyptian government's intervention during the COVID-19 pandemic regarding informal irregular workers. The government pushed forward infrastructure projects in order to cushion the impact of the pandemic on unemployment. It also distributed cash transfers to irregular informal workers for six months. The paper explains why these measures were not enough.

Based on focus group discussions, an in-depth interview and an extensive study of ILO literature, the paper puts forward a set of recommendations with the aim of improving the quality of work under which the majority of workers in the construction sector in Egypt live.

Introduction

This paper approaches the working and living conditions of informal construction workers in Egypt through the prism of precarity with the objective of exploring the embedded vulnerability due to their poor working conditions fostering real and perceived aspects of insecurity to their lives, despite working in a currently flourishing sector. Through the study focusing on informal construction workers, henceforth referred to as the "construction precariat" or "mei'mar" as they call themselves in Egypt, we seek to shed light on informal and casual working conditions, and to ultimately put forward possible remedial policies for the short and long term that would be more conducive to human development, inclusive growth and sustainability.

The precarity approach adopted by the study allows for a comprehensive analysis of quality of work, economic conditions, social status and resilience to shocks and changes by giving a wider perspective of their overall conditions as a social group inside and outside the workplace.

Against this backdrop, the research aims to address an overarching question: namely, how to bridge the gap between the actual working conditions of the construction precariat and decent work requirements? It does so by examining key questions:

- How does the concept of "precariat" apply to informal workers in the construction sector in Egypt?
- Through which channels is the process of precaritisation produced and perpetuated? And how is the quality of work for construction precariat compromised and eroded?
- How is the quality of life, social income and social status affected by these working conditions?
- How effective were the government policies during the first year of COVID-19 in cushioning its effects on informal labour?
- What are the most relevant policy interventions that could remedy their situation in the short and long term?
Research methodology

To examine these questions, the study relies on qualitative research methods, mainly a Focus Group Discussion (FGD) with construction labour and heads of independent construction unions, and an in-depth semi-structured interview with Dr. Mervat Sabrin, the Assistant Minister of Social Solidarity for Protection and Social Safety Nets. The study also takes heed of official statistics and surveys on informal work, e.g., Egypt Labour Market Panel Surveys (ELMPS), the Central Agency for Public Mobilization and Statistics (CAPMAS), and previous studies and indicators on the quality of informal work, especially in the construction sector, as well as the results of surveys conducted on the effect of the pandemic on working conditions.

Although the paper focuses only on the case of Egypt, it aims to inspire better policies and practices regarding the construction precariat who face relatively similar conditions worldwide, especially the migrant construction precariat.

About the focus group selection criteria and discussions

The FGD brought together 13 workers from the construction sector with varying levels of skills and educational backgrounds, mid- to end-career, aged 28-59, noting that work within the sector could start at an early age. Geographically, participants spanned most Egyptian governorates, urban and rural, in northern and southern Egypt. The facilitator of the discussion was a non-governmental organization (NGO) top executive, specialised in labour rights, who also intervened on issues related to unionisation.

Participants called the sector “mei’mar”, which in Arabic has a more positive connotation than “construction”, as it means construction with the purpose of development and urbanisation.

Some participants are self-employed, one of them is an informal contractor, and two are heads of independent unions (founded on a geographical basis). One of them has a formal job in the public sector, while another has an informal job in the public construction sector.

Findings are presented with an awareness of the limitations of the methodology, since the focus group discussion is not necessarily representative of the large community of construction workers. It does not include any of the contractual (formal) workers in the construction sector, in the public or private sector, who are a minority according to the literature, and benefit from a better quality of work.

The group includes different kinds of informal and irregular workers. Yet it does not include first entrants to the market, low-skilled construction labour or any of the “taraheel” workers. Hence the focus group does not reflect the best, or the worst, conditions of construction labour.

1. Dr. Sabrin is also a member of a government committee that offered policy proposals regarding irregular labour and how to reduce its susceptibility to shocks. The committee was constituted by the Ministries of Social Solidarity, Manpower, Agriculture and the Authority of Fish Resources, along with labour market experts.

2. Taraheel is the Arabic word for travelling or, in a sense, “nomad” rural low-skilled workers, who roam the cities offering their hand labour.
Outlining the conceptual terrain: informality, precarity and quality of work

The research is guided by the established literature on informal labour, while embedding the more recent notions of precarity or “precariat” in its approach and analysis.3

Definitions

Informality within the scope of the paper is meant to include “all forms of paid work which is not subjected to the labour law, and where the workers are denied formal employment contract and social security.” This also applies to workers recruited through informal arrangements in formal establishments (Adly, 2019).

Precariat4 is defined as a category that combines the adjective “precarious” and the noun “proletariat”, referring to a social group, potentially “a class in the making”, whose defining feature is the lack of any anchor of security (Standing, 2011).

Precariat refers to those working in temporary and non-regular or casual career-less jobs, with no contracts or through individualised non-standard short-term contracts, who lack any kind of social contract relationship that provides security in return for their work (Standing, 2011). Their jobs are characterised as lacking the 3Ps: predictability, protection, and prospects or progression.

Precariat and informal labour, therefore, both refer to a vulnerable proportion of the population who are “near poor” and live and work under contingent and insecure conditions. Though intuitively linked, informal labour and precariat are not identical. While it is the contention of increased studies that both phenomena are intertwined, this paper argues that the notion of precarity is more suited to the study of informal workers in the construction sector because, first, it could refer to segments of those working in the formal economy lacking employment security and a career path. Second, informality is not very conceptually invested in the study of informal labour as a social group. Third, those who work within the informal economy lie at the end of the precarity spectrum, suffering the “most precarious of precarious employment situations” (Vanderberg, 2014) since most of the informally employed lack social protection and decent working conditions, which are among the most significant aspects of precarity (ILO, 2018).

We prefer to use the term “precarity” rather than “precariousness” because it is closer to the term Precariat, introduced by Guy Standing, and also because it is easier to pronounce. They are both used interchangeably within this study.

Seven aspects of precarity (unbundling precarity)

A work condition is precarious if it lacks seven aspects of security or a significant

3. The word precariat was first used by French sociologists in the 1980s to refer to temporary or seasonal workers. As noted by Joseph Choonara, precarity barely existed in the English language before the 2000s, and was only included in the Oxford English Dictionary in 2018. However, the term’s relevance to many nascent labour conditions has caused an upsurge in its academic use, which rose from 40 publications containing the term on Google Scholar in the year 2000 to 10,900 in 2019 (Choonara, 2020).

4. The concept’s versatility has led to a variety of definitions, and at the core of most definitions is uncertain, unpredictable and risky employment. This nature of employment results in workers lacking social protection, and bearing the risk of work rather than enterprises or the government. For further details on approaches to defining precariat, and the relationship between precariousness and employment arrangements, see Reza, S. (2021).
number of them. Guy Standing (2011) lists these as follows:

1. Labour market security, which is related to the adequacy of income-generating opportunities;

2. Employment security, which entails all forms of protection against hiring and firing or arbitrary lay-offs and dismissals;

3. Job security, which relates to the prospect for upward mobility in terms of both job earnings and status;

4. Work security, which entails health security and protection against work injuries or accidents through safety and health regulations, and compensations if they happen, and also includes limits on working time and suitable working conditions;

5. Skills reproductive security, which refers to the opportunity to acquire skills through training and other means, and the prospect for progression;

6. Income security, which refers to income adequacy, stability and predictability through mechanisms like minimum wage or social security schemes;

7. Representation security, which refers to having a voice through unionism or legislations that ensure the right to strike.

Although precariat or precarity is not restricted to objective working conditions, the concept allows for analysis of general living conditions outside the workplace, as well as the subjective feeling of insecurity that is associated with work contingency or precariousness (Choonara, 2019).

In the next section, through the lens of the FGD, we will explore the channels through which informal construction workers are witnessing all these aspects of insecurities.

**How is construction labour precaritised?**

Informality and precarity have been on the rise in the past decades in different sectors and country settings, though the former is relatively easier to measure than the latter. According to an ILO report (2018), around two billion people, making up more than 60% of the world’s employment population, work in the informal economy, most of them (93%) in emerging and developing countries. The report estimates that this reaches up to 85.8% in Africa, 68.6% in Arab countries, and is lowest in Europe and Central Asia at 25%, and 40% in the Americas (ILO, 2018).

Construction is a very telling example of the relatedness of informality and precarity. Despite the vibrant economic outlook for the global construction industry with prospects of steady growth over the next decade, where the global construction output is forecasted to rise to US$12.7 trillion in 2022 (Reza, 2021), construction tends to be “one of the sectors of the economy with a relatively high prevalence of informality and undeclared work,” according to a recent ILO guide on social protection for workers in the informal economy in the Middle East and North Africa (MENA) region.

The majority of workers are denied social security coverage due to the irregular nature of work; “casual or seasonal work”; high labour mobility; a high prevalence of subcontracting and unclear employment relationships; and a high proportion of migrant workers (Wells, 2018).
Thus, though construction is one of the major providers of work in urban areas, especially for low or unskilled labour, in addition to generating jobs in related industries such as building material, equipment and maintenance (Lawrence, 2009), precarity is embedded in the conditions of informal construction workers, making it a thriving sector with poor labour, working under poor and contingent conditions.

Even in times of boom, construction workers cannot enjoy a reasonable degree of income security. As argued by Jill Wells, the supply of low-skilled workers, coupled with fluctuating construction activity, systemic use of flexible employment arrangements and sub-contracting all drive down the wages and working conditions of construction workers, not only in their home countries but worldwide (Wells & Jason, 2010).

Channels of precaritisation are therefore mainly related to the nature of employment and recruitment strategies, since construction enterprises around the world have laid off their permanent labour forces in favour of employing workers on a casual (often daily) basis or of outsourcing their labour supply through intermediaries. Wells argues that insecurity of work in the sector is closely related to what she calls “flexibilization” in the construction industry (Wells, 2018). The two main forms of flexible supply of labour are casualisation, meaning irregular employment (hire and fire), and externalisation, which refers to recruitment through intermediaries and sub-contracting. Ultimately, both strategies compromise workers’ security and shift risks to their side while diluting employer’s responsibilities. Similarly, Selim Reza argues that these recruitment practices are at the heart of the low-status image of construction work and not the nature of the work itself (Reza, 2021).

Flexibility in the construction sector therefore comes at the expense of security. The volatility of the volume of work, and surplus supply of labour, leads to an insecure labour market, while the nature of the recruiting system carries different forms of insecurities, e.g., work, job and income insecurity. Under these arrangements of non-contractual or short-term contracts, social and health protection is expectedly lacking. The lack of predictable and reliable income usually leaves the construction precariat in a chronic state of debt, affects their quality of life and everyday interactions with family, friends and connections. Reza adds the notion of dignity to signify how the sector poses challenges related to its workforce’s self-worth and social image, as it is generally regarded as a low-status job (Reza, 2021).

Precarity in this sector manifests in the most direct sense as well, namely occupational safety. Construction precariat is prone to an above average rate of occupational accidents and injury. Selim Reza (citing an ILO 2015 report) points out that the occupational death rate in the sector is almost four times higher than in other sectors, accounting for almost one third

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5. Casualisation and temporary work arrangements strip workers of any sense of employment security, where contracts, if any, can be “as short as a day”. The other form, externalisation, occurs through outsourcing of recruitment to intermediaries, leaving workers with no direct contractual link with the contractor. In both forms, risks and responsibilities are lifted from the contractors and passed on to the workers themselves. These forms of recruitment are usually associated with late payment or arbitrary deductions, since it can take a long time for interim payments to reach down the subcontracting chain and finally reach the workers (Wells, 2018).
of all occupational deaths worldwide. The incidence of injury and incapacitation is also significant (Reza, 2021).

Construction boom and its underlying precariat in Egypt

The Egyptian economy relies increasingly on the construction sector as an engine for growth and employment. Construction more than doubled in the past decade, growing at an annual average rate of 16% in the years spanning 2007-2017.

The sector has a significant impact on Gross Domestic Product (GDP), employment and investment. In 2019-2020, the construction sector represented 6.3% of GDP. Investments in the construction sector in the same year represented 12.5% of total investments, some three quarters of which were publicly funded. This share rises to 18.1% if we include investments in electricity, water and sewage in the same year, all of which are mostly public investments.

Budget allocations to public investments for the fiscal year 2021-2022 are planned to rise by 54.5% than the previous year, while building and construction absorb two thirds of these investments (MOF, 2021).

The investment spree in construction is reflected in the labour market. As of 2019, 3.5 million were working in the construction sector, representing 13.3% of all employed (CAPMAS, 2020a).

However, the boom has not been evenly witnessed in terms of job creation potential. According to the annual Bulletin of Construction and Building Statistics for public sector companies published by CAPMAS, the volume of construction work is concentrated in Cairo, followed by major urban cities, e.g., Alexandria and Giza, while the market is stagnating in many governorates. The value of construction work implemented in Cairo is more than triple the next closest governorate (CAPMAS, 2020a).

CAPMAS data shows that, among construction workers who are predominantly male, 86.82% are out of establishments, which means work informally, deprived of contracts and social security coverage, only a minority is identified as self-em-

Table. Male construction workers in hundreds (aged 15-64) by employment status

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Self-Employed</th>
<th>Employer</th>
<th>Employee</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>O/S</td>
<td>I/S</td>
<td>O/S</td>
<td>I/S</td>
</tr>
<tr>
<td>Urban</td>
<td>9,505</td>
<td>2,513</td>
<td>1,933</td>
<td>80</td>
</tr>
<tr>
<td>Rural</td>
<td>20,881</td>
<td>2,086</td>
<td>2,566</td>
<td>79</td>
</tr>
<tr>
<td>Total</td>
<td>30,387</td>
<td>4,598</td>
<td>4,498</td>
<td>159</td>
</tr>
</tbody>
</table>

O/S: outside establishments (informal); I/S: Inside establishments (formal); Total Employed (aged 15-64): 26,199,000.
Source: CAPMAS (2020a)
ployed or as an employer, and almost two thirds live in rural areas, as shown in the table above.

Moreover, work is conducted through a chain of intermediaries and subcontractors, which, as previously outlined, passes on the risk to the labour side. According to the Annual Bulletin of Construction and Building Statistics for public sector companies 2017-2018, published by CAPMAS, governmental and public construction companies use subcontractors in 30% of the value of their implemented work on average (CAPMAS, 2020a). Geographically, the resort to subcontractors peaks in certain governorates, e.g., Gharbeya at 45%, Menoufia at 43.5%, and Ismailia and Qena at 40%. The value of work implemented by subcontractors reaches as high as 50% in residential building projects and some infrastructure projects, namely sewage networks (CAPMAS, 2020a). This is further emphasised and detailed by the findings of the FGD as detailed later.

The findings: compounded insecurities (3Ps). Lack of Predictability, Protection and Prospects

“There is no security. I am not sure that I will find work, not sure that if I work I will get paid, not sure if I can work in my specialisation. Not sure if I get sick or injured I will get treatment, or how my family’s needs would be covered.”

Income insecurity

“Construction halted in Gharbeya since 2018 because the governorate has no desert frontier.”

“It’s different in Aswan, work is not in abundance and I might accept a daily wage of L E 100 for a job that is equivalent to 200, because if I don’t someone else will.”

“Jobs are mainly available in public projects.”

Besides the geographical variation in construction activity, which causes labour market insecurity, participants signalled that the biggest slowdown in the construction sector began in 2018, when the government tightened restrictions on informal construction, making it more difficult for workers to find jobs in their local surroundings. Workers from Upper Egypt complained that the boom has not created more job opportunities in their governorates. Participants from some Nile Delta governorates, on the other hand, mentioned that construction work had stopped since the new regulations aiming at preserving arable lands were issued. Workers are therefore either forced to accept the available opportunities with low pay and unfavourable conditions in their home towns, or pursue better opportunities through migration to Cairo or other major cities.

As per the FGD, the main factors leading to the volatility of income for construction workers include:

1. Income instability: There is no wage floor. When there is a lower demand

6. Answer given by Mohamed, aged 42. Mohamed’s words summed up the multiple insecurities experienced by many informal construction workers, and when the participants were asked if they felt secure, there was an overwhelming emotional stir.
on labour, such as in periods of slow-
down or low growth, workers may ac-
cept half of the normal pay or simply
not work.

2. Irregularity is a core feature of work-
ers in the construction sector. Par-
ticipants in the FGD said they work on
average 10-15 days per month. This
is either due to the lack of sufficient
work opportunities or due to the phys-
ically exhausting nature of their work,
implies that they cannot in many cas-
es work more than 15 days/month.
According to CAPMAS 2019 data,
wage earners in the construction
sector work on average 47 hours per
week, which may indicate long work-
ing hours, given that they do not work
every day. Participants concur that
wage is not set on a daily basis. It is
rather set on an output or a target ba-
sis they call “tariha”, which means a
commitment to finish a certain work-
load. No one in the focus group com-
plained about insufficient income but
they all complained about insecure
income. According to CAPMAS, the
average wage per week in the con-
struction sector (including all workers,
employees, engineers and executives)
is €80.1 (CAPMAS, 2020b).

3. Irregularity coupled with lack of old-
age pension coverage are two inter-
twined features in the construction labour market. According to an ILO
paper on precariousness and growth in Egypt, the increase in precarious
labour can be interpreted by the in-
crease in irregular work and the de-
crease of social security coverage:
“Half of wage workers lacked old-age pension coverage (social security).
Irregular employment also expanded,
though at a lower pace, to 28 per
cent” (Fedi et al., 2018).

The impact of this income insecurity is
also felt outside the workplace. Many participants complained of not being
able to buy on instalments or receive
institutional loans because of their infor-
mal status; and the lack of predictable
income affects their creditworthiness.
Combined with the recurrent need for
loans and chronic debt in between jobs,
this is a constant problem that affects
their quality of life and everyday inter-
actions with family, friends and connec-
tions. Due to insecure income and inter-
mittent employment, some participants
said they may live off family support or a
family member pension in periods of low
or no income. “All workers live on debts
from extended families and friends.” In-
come insecurity is also a common cause
of marital problems. “There is a high rate
of divorce among mei’mar workers,”
says one the participants. Many had to
let their wives work to support the family,
which they find shameful. These aspects
of social distress and marital instability
are in line with the literature (Standing,
2011; Reza, 2021).

Employment, work and job insecurity

“There is no contractual relationship.
None whatsoever!” Gamal, 59.

All participants signalled that their work-
ing contracts in the field are only verbal.
There are no written contracts with work-
ers or with their trade union. This pre-
dominant situation means that they are
deprived of different aspects of work, job
and employment security.

An ILO paper concluded that in Egypt,
“the absence of a written contract and
the lack of health insurance coverage is
the most frequent feature of precarious-
ness (56% of wage workers in 2017, up
from 40% in 2007)” (Fedi et. al., 2018).
The long chain of subcontracting further compromises any sense of workers’ security as previously detailed. The FGD revealed that workers only had a direct contact with a subcontractor who was down the chain, and described him as “insignificant” and “worthless” in the overall scheme. This fact compounds their income insecurity and diminishes safeguards against exploitation. One participant explains how they perceive injustice incurring from the prolonged subcontracting chains: “There are layers of contractors. Each layer extracts a profit margin. The real executers of the project are the subcontractors (at the end of the chain), not the second or the third engineer. He has very little capital (some wooden bars to install foundations) yet he is the most vulnerable (among the contractors). He is one of the informal sector players.” None of the participants mentioned any rapport with the main contractor or the company. Rather, they always referred to the sub-contractor or the workers’ contractor: “The subcontractor is often paid very late. Two or three weeks after the job is done.”

According to one participant, an informal site supervisor in projects of the Ministry of Habitat and Infrastructure, it is common, even in government projects, for workers to return home with only one quarter or half of their promised wages. The sub-contractor gives the workers an upfront instalment of their wage of €11-17, so that they can cover their meals and their stay near the location. When the job is done, the worker has to return to his family without the full promised wage, or find another job.

Social security and health insurance

The social and health insurance systems in Egypt are contributions-based. The aforementioned work conditions make it difficult for me’imar workers to regularly pay their share in the Social Security Fund (SSF). Only three participants (almost one quarter of participants) had a social security number.

There is a legal framework providing social security benefits for irregular workers. The legal framework provides irregular workers, construction workers included (among other sectors, such as agriculture and fishing), with social security benefits in addition to health benefits, according to an in-depth semi-structured interview with the Assistant Minister of Social Solidarity for Protection and Social Safety Nets. Workers have to pay their social security contributions for 10 years throughout their career in order to be eligible for social security benefits, and the government pays the employer’s contribution for informal labour.

However, “laws are just ink on paper,” one participant laments. As a result, only “264,000 are registered in the SSF as irregular workers. The database of the Ministry of Manpower accounts for 100,000 only. While the Union for Contractors (the employers) says there are 3 million informal workers in the construction sector,” according to Sabrin.

Among the reasons that contribute to workers’ non-subscription to the available social and health insurance schemes are:

1. Lengthy procedures: Irregular workers have a problem with lengthy procedures since lost time means lost money for someone who works intermittently and is paid on a daily basis. There are three government institutions where a worker has to register. First, they have to go through a test in the Ministry of Manpower to identify their level of skills, then to the Au
authority for Health Insurance, then the Ministry of Social Solidarity. The high transaction cost of getting more security, leaves workers in what Standing calls a precarity trap (Standing, 2011).

2. Idle funds: The SSF collects a mandatory 15% premium on every construction project from all the contractors on the site as the share of employers covering the construction workers' pensions. The participants in the FGD signalled that the contractors' share, though sizeable, yet remains idle in the SSF. The workers cannot benefit from these resources because they cannot commit to paying their share regularly, which deprives them of their right to social security.

3. Relatively high payments/premiums and mode of payment not tailored to accommodate intermittent income. In order to avoid the multitude of bureaucratic procedures, only few me’emar workers register in the SSF. “Two thirds of registered construction workers are registered as employers and thus would have to pay all the premium of an employer,” says one participant. All participants signalled that it is difficult to commit to regular monthly payments to the Fund. Participants also complained about the retiring age of 65 because the majority of the construction works require a heavy physical load, so they need to retire earlier.

4. Conflict between the SSF and cash transfers is an additional challenge. When the government started its cash transfer programmes (Takaful and Karama) in 2017, construction workers who had a social security number were excluded from benefitting from these cash benefits, even if they are no longer paying their premiums. Since then, the Takaful and Karama programmes have been seen by some of the participants as a better alternative for irregular workers, where they can get a non-contributory monthly regular income instead of a promise of an old-age income, as noted by the Assistant Minister of Social Solidarity for Protection and Social Safety Nets. It is thus adding another disincentive for workers to register in the SSF.

5. Low levels of trust could also be contributing to non-subscription. Workers might prefer, rather than paying contributions for their old-age pensions, to keep the money they earn for themselves.

6. A precaritised mind where always being on temporary mode affects the workers’ ability to think and act in the long term. They usually only think long term after calamity hits (Standing, 2011).

Occupational Safety and Health (OSH) measures

“There is a health insurance covering me’emar workers, paid to the governorate (regional authority) by every contractor. But this is a waste of money. We can never claim this coverage.”

7. As per the interview with the Assistant Minister of Social Solidarity for Protection and Social Safety Nets, an irregular worker has to pay a monthly contribution of €5.83/month or 9% of the minimum insurable wage (it increases with the level of skill), in the previous law, it used to vary from €0.8 to €1.6/month (depending on the level of skill); 1% of the insurable wage for a retirement cash benefit; 1% for health insurance; and 1.5% for occupational hazards benefits.
occupational hazards and has to ensure the provision of the occupational safety and health conditions." In this same regard, Egypt is a signatory of a multitude of international agreements. Legislations have been diluted over the years, making the employer less accountable in the case of any breach of the OSH measures (Social Justice Platform, 2021).

- FGD discussions asserted the high prevalence of on-site injury and accidents, the lack of inspection and OSH measures, and the absence of any form of employer responsibility for accidents, or a standardised procedure to deal with it if it happens.

- No safety measures on site, no safety gear or signs and no safety training. "Whatever the market condition is, up or down, we are never offered safety gear. No rope to hold me when I am dangled up high on a construction site, no helmet."

- No safety training or precautions are offered to beginners before dealing with hazardous substances. "My eyes were injured twice because of lime."

- No inspection, oversight or accountability of companies. "Safety inspectors never show up on locations." Even in the case of fatality on a construction site, the subcontractor may get away with it, by moving the bodies away from the site and denying responsibility, as two participants recounted. The Social Justice Platform underlines that there is a shortage in numbers of inspectors and that they are underpaid (Social Justice Platform, 2021).

- In the case of accidents and injury, like falling from a height, co-workers, well-to-do relatives, and local businessmen may pool money to cover the costs of operations and treatment. The contractor might help too, based on his goodwill.

- Workers cannot benefit from the health insurance paid by the contractors (which is obligatory) because they do not pay their share (because it is not obligatory). No compensations or pension in case of disability or death if they are not subscribed to social insurance and pay their contributions, since they are considered evaders.

**Voice, representation and right to union membership**

"We have solutions to our problems, but no one listens to us."

- Workers have no voice on construction sites, and they don't have any representation or collective bargaining power before their employers.

- All participants are registered either in the general trade union for construction workers (the official trade union) or in an independent trade union, allowed by law, which were proliferating in 2011 and 2012 but faced increasing restrictions under the new law for trade unions (law no. 213 Dec. 2017). In general, trade unions are weak and lack effectiveness. "These are all fictitious memberships," as all participants confirmed. They need membership for governmental paperwork but do not think they give them any voice.

- Two of the participants are secretary generals of independent unions. They combine their role as workers' subcontractors with their role as trade union leaders.

- However, it is noticed that those who lead the small local independent trade unions have more awareness of their
rights and of the legislation that protects labour rights. They offer mei’mar workers rather better working conditions (such as meals and accommodation) and may have some leverage against bigger contractors. “Workers hired independently without any umbrella are prone to injustices of all sorts,” says one of them. “We file complaints with the relevant authorities in the name of workers who were not paid against the contractors to make sure that they get their rights.”

- Overall, all participants agreed that the majority of construction workers are unregistered in any trade union. “It’s total chaos. Workers are deprived of any union protection or rights,” as Kamal Abbas, the facilitator of the FGD and coordinator of the House for Workers and Unions Services, puts it.

All these features are consistent with the literature. In fact, union density has been decreasing almost everywhere. It is difficult to collect contributions, given the irregular nature of construction work.

**Dim prospects**

“We all want to migrate and would do so if we had the chance.”

“Mei’mari starts out a ‘bull’, ends up a beggar” (one of the participants echoing a construction proverb).

Due to informality, workers often do not have a defined career path. They usually move horizontally in their careers (from one employer to another to repeat the same set of skills), instead of moving vertically (in the same line of carrier, via promotion and training to upscale their set of skills). Most of the participants defined themselves as per their current position; some reported they had to take temporarily petty jobs, in times of construction slowdown.

They also move from one place to another looking for a job opportunity. This constant temporal aspect to their lives has its psychological and social costs. Constant change leads to what Guy Standing describes as “contemporary nomadism” (Standing, 2011), which has an impact on the precariat’s overall social status and connections, making most relationships shallow and transient.

The following chart (Figure 1) illustrates the summary of the main channels of precarisation as described by the mei’mar workers in the FGD:

**Construction precariat and migration**

Precarity is closely related to migration, internal and international. Precarious work conditions are usually among the drivers of migration, including irregular migration, especially in the case of low-skilled migrants, and migrants are susceptible to precarious conditions in the destination countries (Reza, 2021).

Migration of rural construction precariat to urban centres is also very common, as evidenced by the findings of the FGD, but it is less highlighted by the literature.

Participants expressed their eagerness to migrate while being aware of the security measures preventing irregular migration, which was explicitly mentioned.
The FGD also highlighted the utmost importance of offering a stable and predictable future outlook with viable and decent opportunities, especially for youths.

This paper is thus mainly concerned with improving quality of work for construction precariat to diminish demand for irregular migration, noting that other trends in studying the relationship between labour market and migration conclude that excess labour supply in Egypt, especially with high educational levels, would make migration a must, especially to labour shortage countries, e.g., France, Germany, Italy and the United Kingdom (Bruni, 2017).

**Figure 1.** Precariat characteristics summary

Source: Prepared by the authors based on the FGD findings.
Fighting the COVID-19-induced slowdown with mega projects

The ILO indicates that 0.4% of workers in Egypt are extremely poor, 12% of them are poor, and 44.4% are on the brink of poverty, and their situation is characterised by extreme vulnerability to any unexpected shocks (ECES, 2020).

The current COVID-19 crisis is expected to lead to a rise in poverty rates in Egypt. In the absence of government intervention, “12 percent would be displaced from poverty to extreme poverty, driving 44.4 percent (12.9 million workers) below the poverty line” (ECES, 2020).

COVID-19 hit the country at a time when the construction workers were already battered by a multitude of government policies and decisions in the period 2016-2019.

- Energy subsidy reform, in addition to the devaluation of the Egyptian Pound and the introduction of Value Added Taxes (VAT) contributed, together with the rise in inflation and the deterioration of real incomes.

- The International Monetary Fund (IMF)-backed programme led to a slowdown in most of the economic sectors. Consequent austerity measures led to a loss in purchasing power. The share of local consumption in GDP growth decreased for the first time in years to near 0% in 2018/2019, against 4% growth in 2015/2016 and 6% in 2011/2012.

- The government started a strict policy to ban informal housing (mainly on agricultural land).

- Hence, fighting the pandemic’s slowdown via the preservation of the pace of the government’s medium-term plan for developing new cities and upgrading transport and utilities offered support for construction workers.

There are indicators showing that the generous public investments in housing and infrastructure projects are playing a role in protecting construction workers against unemployment and income insecurity.

Despite the decline in the GDP generated by the sector in 2020, on the employment side, the fallout in the construction sector appears to be largely contained when compared to other industries. According to CAPMAS, the sector lost only 288,000 jobs – less than half of the 624,000 jobs shed by the retail and wholesale sector (Enterprise, 2020).

Public investments increased in 2020-2021 to €13 billion (10% of total public expenditure). It is planned to increase it to €20.7 billion (14.6% of total public expenditure) (MOF, 2021). The private consumption’s share in growth rate rose to a solid 6% (IMF, 2021).

However, the following factors have diluted the workers’ optimal benefit from these policies:

1. Geographical concentration of investments

FGD participants suffered the most in the first three months of the pandemic, during partial lockdown, which was made worse by lack of opportunities in their localities. “During the Corona peri-
The government started a strict policy, the International Monetary Fund (IMF) intervened by a multitude of government policies, and decisions in the period 2016-2019. Energy subsidy reform, in addition to the construction workers were already batt-
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d from poverty to extreme poverty, driving 
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d from poverty to extreme poverty, driving 
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tion, "12 percent would be displaced 
The current COVID-19 crisis is expected 
characterised by extreme vulnerability to 
brink of poverty, and their situation is 
of them are poor, and 44.4% are on the 
The ILO indicates that 0.4% of work-
om workers in Egypt are extremely poor, 12% 

2. As per the FGD, informality is part of the scene in mega projects

One participant referred to a first-hand experience working in the new administrative capital under informal conditions, and others recounted stories they heard.

"Informality is the norm. No written contracts, no health insurance, no registra-
tion in the database of irregular workers, no meals, no safety measures."

Wages are not negotiated. One partici-
pant described: “There is an enormous amount of work there (high demand on construction workers).” “The work-
load is higher than normal, but our dai-
ly wage is the same, around 200 EGP (12.5 USD).”

Finally, workers are only offered short-
term jobs, threatening their income se-
curity. “There is a high rotation rate. One week they get workers from Giza, another Menofeya, then Gharbeyea, etc.”

3. Government financial assistance for irregular workers:

In addition to the increase in public in-
vestments, the government offered ir-
regular workers 500 EGP (32.5 USD, an amount that almost covers the mini-
mum basic food needs for one person). It is a monthly allowance for a period of 6 months, starting in the month of October 2020. 7.4 million workers ap-
plicated to receive the allowance but only 2.6 million were eligible, one third of whom work in the tourism sector. All participants within the FGD applied for the allowance. Only a few were deemed eligible.

Thus, given that irregular workers in the construction sector alone are es-
imated at 3 million, it can be said that the assistance programme did not reach the majority of the targeted ben-
eficiaries.

8. Participants perceive the “Corona period” as the three-month period (March-June 2020) where a partial lockdown was imposed. Since then, the government has opened up most of the sectors and activities, mainly because of the rise of unemployment and the loss of income wage-earners witnessed during the lockdown period.

9. The allowance is a kind of targeted cash transfer. Eligibility criteria excluded those who own a new car, or have a bank account, and those registered in the SSF.
Last but not least, compared to cash assistance provided by other Arab countries during the crisis (Tunisia, Morocco and Jordan), Egypt reached a smaller fraction of the labour market. Governmental support reached only 14% of irregular workers spanning different sectors (Krafft et al., 2021).

**Improving the quality of work for construction precariat: conclusions and recommendations**

The conditions of construction precariat inside and outside the workplace are a...
very telling example of the shortcomings of traditional growth paradigms and the need for deliberate policies to improve people’s quality of life through a human rights-based approach that provides decent opportunities conducive to resilient, fair, inclusive and empowered societies.

Although the Decent Work and Quality of Work are two principles advocated by ILO, they are very difficult to measure. ILO offers different attempts to quantify Quality of Work (ILO, 2020).

The Sustainable Development Goal (SDG) 8 is one of these attempts (ILO, 2020). It focuses on promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all, and is explicit about the importance of decent work for sustainability. It specifically highlights the importance of protecting labour rights, ensuring safe and secure working environments for all workers, especially those in “precarious employment” (ILO, n.d.).

The study’s fieldwork emphasised many areas where policy change could go a long way in transforming the precarious situation of construction workers. Building resilience for these workers is a long process, one that entails immediate, short-term measures, in addition to long-term ones.

First and foremost, a minimum wage/hour, in addition to a fair wage scheme related to the nature of work and the degree of expertise should be part of the remedies.

Universal non-contributory social and health protection as long-term desirable goals, the study puts forward a scheme that takes into consideration current capacities and focuses on achievable goals, especially those called for by me’mar workers during focus group discussions. Recommendations are divided into short-term policies, either because of their urgency or easiness to adopt, and longer-term policies, which would need more time and resources to muster.

Short-term and immediate policies

Registration

In order to tailor better policies and programmes, an essential background requirement is to have an accurate database of informal labour, detailing sectoral and geographical divisions, and educational and skill profiles. Through the FGD, a suggestion was made for having registration points on sites, to make it more accessible and less time consuming for workers to register.

Short-term contracts

Some of the participants in the FGD mentioned the short-term contract or the project contract. It used to be offered to irregular workers by the public sector construction companies. It ensures their right to their wage and procures them minimum protection for their rights, such as temporary access to health insurance, in case of occupational hazards. Moreover, the short-term contract helps workers to pay their share in the SSF.

Occupational Safety and Health measurements

Health and personal safety of the workers on-site is an area that demands utmost prioritisation. This entails Personal

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10. Throughout the FGD, workers asserted there have been earlier attempts at registration which have not followed through, and the Assistant Minister of Social Solidarity for Protection and Social Safety Nets also mentioned there was a pilot project for registration and digitisation of IDs, which did not transpire.
Protective Equipment (PPE) to become available, accessible and mandatory.

It also requires inspection by the government to be more effective and systematic, assigning clear responsibility for accidents to employers regardless of the recruitment process, and training in case of the use of hazardous equipment or substances. Prior inspection before approving the commencement of a site could also help enforcement and mainstreaming OSH, in addition to regular inspections that could help to ensure that facilities are maintained in the best and safest working conditions.

A national programme for occupational health and safety could also be developed for the construction sector outlining government duties, enterprise responsibilities and workers' rights (Alli, 2008), given that the sector is risk prone, with a much higher than average risk of injury, fatality and occupational diseases (ILO, 2015).

Payment facilities and safeguards

In terms of payment schedules, the customary practice of paying instalments upfront then settling the difference after work is completed creates financial pressures on workers, especially with risks of late payment or payment deductions. In this regard, Reza recommends following a specific schedule of payment, which ensures timely and full payment. These could be part of the contractual agreement, and every construction site could have a payment monitoring record to register the amount and date of payment (Reza, 2021).

Moreover, practical and novel methods could be adopted to shield workers against late and no payment even with the absence of a written contract. New payment methods could include project bank accounts (PBAs) to make workers’ payments timely. Direct payment methods, not through intermediaries and subcontractors, could also be explored. Introducing legislation that stipulates prompt payment to contractors within a reasonable (30-day) period of the valuation date, penalising the principal contractor when the direct contractor fails to pay, and identifying a source of funds as a reserve to be drawn upon in case of proven inability to pay workers are examples of policies to handle payment problems resulting from subcontracting and levels of intermediaries (Wells, 2018).

Adapting pension schemes to informal labour

Adjustments in social protection contribution payment methods can make them better suited for the income patterns of informal labour. For instance, flexible payment schemes instead of monthly instalments could help those with intermittent income to abide. Moreover, incentives to continue or reintegrate dropouts could also be effective. These could include grace periods for payment, and non-interest or very low interest on unpaid or delayed instalments for those who started and were then not able to pay because of crises or shocks.

Enforcing labour protection laws and regulations

Some policies that would improve labour protection are already in place but are not being enforced. For instance, the Egyptian 2015 directive, which tackles the issue of intermediaries and subcontractors and calls for an end to all kinds of labour exploitation through intermediaries, remains unenforced. Moreover, the rising phenomenon of recruitment companies demands regulation in a manner that protects workers against exploitation.
**Raising awareness**

Workers are sometimes not fully aware of their rights or of programmes they could benefit from. For instance, the law stipulates that the government pays the employer’s share of freelance workers’ social insurance subscriptions, according to the Assistant Minister of Social Solidarity for Protection and Social Safety. Throughout the FGD, workers were unaware of that, and were also not informed that they were eligible for universal health coverage pending their payment of their social insurance contribution. The Assistant Minister of Social Solidarity for Protection and Social Safety Nets also mentioned that there is a finance facility providing training, employment opportunities, and credit in the form of productive assets, from which informal workers could benefit, under the name Forsa (opportunity). It was not obvious whether the workers did not know about it or its lending criteria and procedures did not match their profiles and needs because they never mentioned it, even critically.

**Emergency compensation funds**

Dealing with incidents of injury and accidents that could lead to incapacitation or even death according to the FGD is highly non-standardised and left to informal networks. Law 148/2019 stipulates compensations in the case of disability and death. However, bureaucratic and long procedures usually take time and hinder timely compensation, which is also confined to subscribed contributors. Premium collected by the Ministry of Manpower from constructors could allocate a designated percentage in the form of emergency funds for informal labour (including non-subscribers with proven emergency situations) or compensate their families in the case of fatality.

**Medium to long-term policies**

**Formalising recruitment**

Most workers in the construction sector work without any written contract or agreement designating their rights. The dominance of intermediaries passes on risks to workers. Although they are in principle covered by national labour law, informality deprives them of most of their rights. The government could provide incentives for enterprises to formalise recruitment policies, and reward collective standardised contracts. Meanwhile, joint liability schemes that establish shared responsibility between principal and intermediary employers for informal workers could be adopted. Ultimately, labour formalising could contribute to better social and health protection and universal coverage.

**Wage floor and fair wage practice**

In the absence of collective bargaining, governments could set wage floors that are a variant of minimum wage, which...
could be set differentially according to each industry’s capacity to pay. Guidelines for wage floors could include a minimum decent wage that is set on time units, and a pay structure that takes into consideration the amount of hard work or intricate skill it entails. ILO guidelines also include assuring equal pay for work of equal value.

**Social Protection Floor**

Social protection is increasingly being considered as a primary development priority. The state as the main guarantor for universal social and health protection is at the core of this recommendation, guided by the ILO’s standards including the Social Protection Floors’ recommendation, which was initiated in 2012 and adopted by 185 countries.

National social protection floors should comprise at least the following four social security guarantees, as defined at the national level:

- access to essential health care, including maternity care;
- basic income security for children, providing access to nutrition, education, care and any other necessary goods and services;
- basic income security for persons in active age who are unable to earn sufficient income, in particular in cases of sickness, unemployment, maternity and disability;
- basic income security for older persons.

Such guarantees should be provided to all residents and all children, as defined in national laws and regulations (ILO, 2012).

**Labour Ombudsman and municipal counsellors**

A “go to” for labour complaints against late or no pay, or any form of exploitation or rights violation. The FGD participants also recommended a municipal counsellor for labour to give them a voice and represent their needs and interests at local levels. This would go a long way in the day-to-day resolution of problems and disputes, and would give labour a representation at the levels most needed (the local level). It would also be a channel for trust-building between the state and informal labour, where they feel empowered and represented.

**Vocational education and training**

The importance of training has been emphasised in multiple instances throughout the study. It is an essential safeguard against injury in risk-prone jobs, in addition to its importance for decent work opportunities and work progression, including the ability to move from physically demanding jobs to inspection or highly skilled jobs for elderly workers. It is important, therefore, to develop a training strategy for

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11. The benefits offered through the SSF to informal, irregular workers in construction, under the law 148/2019, replacing an older law passed in 1975, covers old-age pensions, and compensations in the case of disability and death. According to Mervat Sabrin, the Assistant Minister of Social Solidarity for Protection and Social Safety Nets, workers have to subscribe and pay contributions for at least 10 years to benefit from social and health insurance, and the government pays the employer’s share for workers who are registered as freelance.

12. Providing access to free good education provides people with a voice, better jobs and more income, which helps remedy the problem of excess of labour supply in the informal construction, as it seems, for many workers deprived of good education, to be the job of last resort.
construction taking into account the gaps, capacities and market needs (ILO, 2015). Training could be boosted through cooperation with the European Union (EU) Platforms of Centres of Vocational Excellence.

**Credit and lending facilities for informal labour**

Among the main grievances expressed through the FGD was that workers could not get loans in times of a crunch, or in-between jobs, and could not buy them in instalments because they are not formally employed and have no guarantor or proof of income. Access to finance was also stressed as a means to get productive assets during times of low market demand for their services.

The Ministry of Manpower could set up fund facilities to provide credit for informal labour and become the guarantor, or act in the capacity of the employer in credit funds and facilities set up elsewhere.

Given that banking and traditional lending methods are not adapted for informal labour, other forms of concessionary or state-guaranteed lending facilities could be explored and adopted. These could depend on novel credit scoring models to compensate for the absence of stable income. Such methods are already in use, and gaining ground, albeit in private profit-seeking forms. In the case of informal labour, creditworthiness could rely on alternative data and artificial intelligence (AI) as well, in addition to registration records, which might be used to include scoring for commitment and past behaviour. Gradual lending schemes could also be adopted (iterative credit scoring) where gradual access to finance is gained based on previous behaviour.

Other schemes and financing facilities could build on accessible local ideas, such as the long-standing and popular practice of gameya. This could help workers pay off larger expenses they normally would not be able to afford, depending on their income alone, promote savings to regulate income interruptions, and support them when they are out of work. The practice is already adopted on small scales among families and personal acquaintances but could provide more significant support if it is organised or guaranteed by the government to provide an interest-free support facility for informal labour.

Besides the aforementioned recommendations, legislative revisions also need to consider bringing down the retirement age for hard labour and physically demanding work, which is set in the current law at 65, in addition to encouraging and reforming collective bargaining and labour unionism.

Finally, it is important while crafting policies to bear in mind that precariat is inherently about insecurity and short termism. If one has too little security, irrationality and mistrust prevails (Standing, 2011). This could partially explain workers' apathy towards long-term commitment to social security. Tailoring policies needs to take these aspects into consideration, giving rewards, building trust and being consistent in the pursuit of empowerment for long-term results to accrue and hold.

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13. Gameya or association is a collective saving scheme. It is a long tradition of communal financial support adopted in the Middle East (and some African countries), whereby a group of people, on a monthly, weekly or daily basis, put an agreed amount of money in a pot, and everyone takes prescheduled turns taking home all of the accumulated money at the end of the designated interval (day/week/month). The practice is also called Rotating Credit and Savings Associations (ROSCA).
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