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**Issues and traps in labor statistics
in the Arab World
with a special focus on informal labor**

No.1 Said Al Mefthi Street
Swaifieh - Amman

850 290 Amman 11185 - Jordan

Tel. (962 6) 5824829
Mobile: 0779776777

Email: info@arabtradeunion.org

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Samir Al-Eita
Chairman of the Arab Economists Forum

Introduction:

Data and statistics on labor and employment in the Arab trade unions' literature are abundant. However, much of them are marred by issues that do not help towards clarifying the nature of the mainstream labor relations in the Arab world, nor do they contribute towards advancing collective bargaining or the struggle to achieve economic and social rights of male and female workers, let alone their basic human rights sometimes.

This paper aims to shed light on the key issues and traps that labor statistical terms present so as to warn against their misuse by governments, employers or international organizations and to help trade unions further focus their efforts and struggles. This is all the more important given that Arab countries are going through a unique phase that is characterized by the advent of a youth wave that swells the ranks of the workforce every year, the growing pace of migration from rural to urban areas, the importation of large numbers of Asian workers and a systematic management of informality and the lack of labor rights. Thus, informal employment has become the dominant form of labor relations, even outside the agricultural sector.

Population:

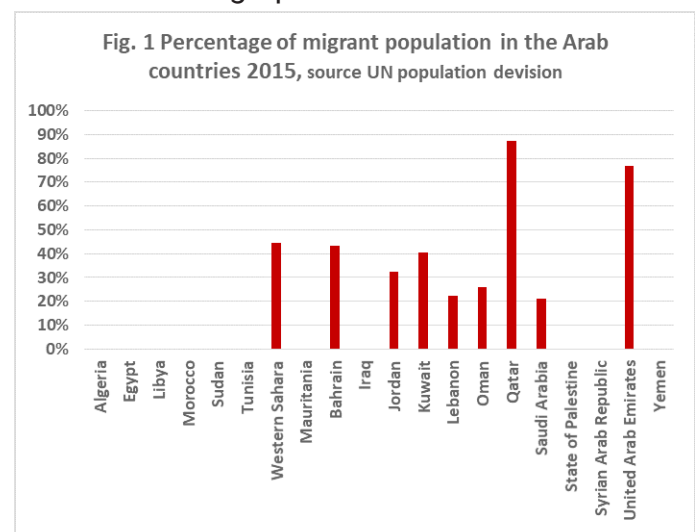
Statistically, the concept of population includes all the people living in a particular country, be them citizens or not, natives of the country or migrants who travel to another country to work or to seek asylum. On the contrary, those who leave the country to migrate abroad are not considered part of the population. The population censuses which are carried out by countries every ten years on average serve to measure this state of affairs and its characteristics.

A significant portion of the populations of many Arab countries are non-nationals (Figure 1). This is particularly the case in the Arab Gulf countries where the share of non-nationals from

the entire population could reach up to %80. In other countries, such as Lebanon and Jordan, the number of non-nationals exceeds one third of the total population because of the waves of Palestinian, Syrian and Iraqi refugees and also because of the relatively large influx of foreign workers. This clarification of the concept of population is paramount to the full range of economic and social indicators. In fact, the per capita GNI is the result of the division of this income on the total population. This means that if there exist significant discrepancies in income between nationals and non-nationals, then the per capita GDI for nationals would be much higher than the share of individuals from among the population. Moreover, from a statistical perspective for example, all labor and poverty indicators include citizens and non-citizens alike.

Democratic growth

It is often mentioned that the annual demographic growth rates exceed %3 in such Arab countries as Egypt, etc. In actual fact, these high demographic growth rates are related to different indicators, including, inter alia, fertility rates, child mortality rates and life expectancy rates, etc..., all of which indicate the social, human and developmental state of progress (the concept of human development). Some researchers¹ relate these rates to developments in political regimes through what is now known as the «demographic transition».



¹ Youssef COURBAGE & Olivier TODD : Le Rendez-vous des Civilisations ; ed. Seuil, coll. La République des Idées, 2016/ 2007

However, all these analyses are based on a view of these countries as entities that are demographically isolated from their environment while the fact is that most Arab countries have, since the independence witnessed huge waves of migration (migrant influxes but sometimes migrant outflows) which have had a strong impact on the their demographic makeup and growth.

The waves of incoming migrants have thus significantly influenced the demographic traits of Palestine, Jordan, Lebanon, and Syria with the displacement of Palestinians. Egypt, Yemen and Tunisia today have gone through a similar state of affairs with the Sudanese, Somalis and Libyans, respectively. On the other hand, the migration waves (particularly to Europe to look for employment opportunities) have, over long decades, impacted the demographic makeup of the Arab Maghreb countries. Indeed, at certain stages, the annual migration rates reached more than %0.5 of the total population number, which reduced the demographic growth rates in these countries. This situation lasted until this migration came to a halt in recent decades.

A fact that is often overlooked is that the Arab Gulf countries have witnessed the highest demographic growth rates since their independence because of the importation of workers from Asia in particular (figure 2). The UAE population was multiplied by 130 times between 1950 and 2015, the Qatari population by 89 times, the Kuwaiti population by 25 times, the Bahraini population by 12 times and the Saudi and Omani populations by 10 times. Meanwhile, the populations of the other Arab countries, even those known for their high demographic growth rates, have been multiplied by no more than 4 to 7 times (with the exception of Jordan because of the influxes of Palestinian refugees). Thus, the number of Saudis in 2015 was the same as the number of the Moroccan and

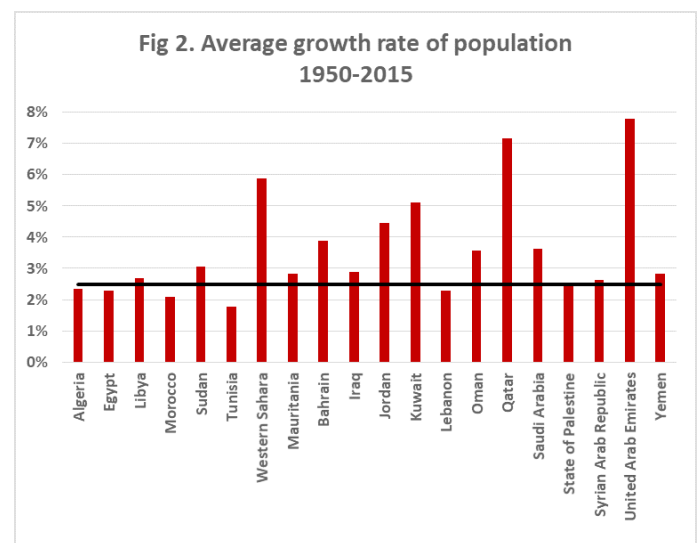
Algerian people together. The population of the UAE became double its Lebanese counterpart (despite the Palestinian and Syrian refugees and the importation of large numbers of domestic workers).

Against this background, that governments and international organizations justify the problems in the labor market by demographic growth should be taken with a grain of salt.

Working age population

Employment and unemployment indicators use «working age population» as a statistical concept. It is defined as the population in the -15 64 age group. 15 is the age under which a person is a child and 64 is the age above which a person is an adult who retires from work and production. However, using this concept in statistics and in labor force surveys is not without problems.

On the one hand, UNICEF has documented that in many Arab countries, a significant number of children under 15 years of age actually work despite the fact that these countries have ratified the ILO conventions that prohibit child labor². The fact that labor force surveys do not include this category of children obscures both this issue and the need to fight for the actual prohibition of child labor.

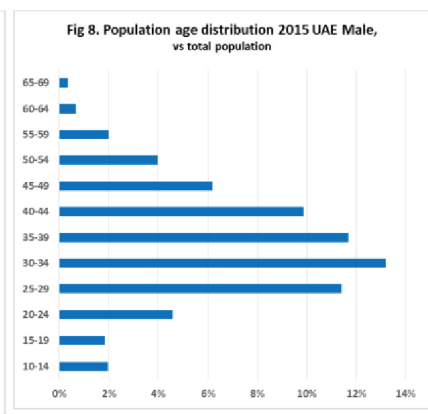
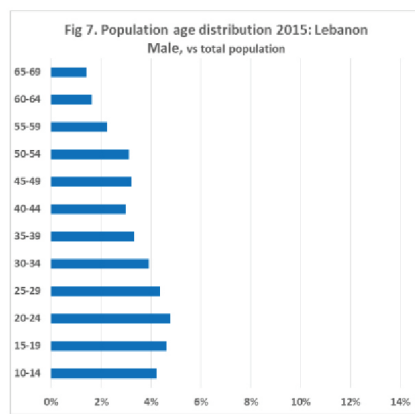
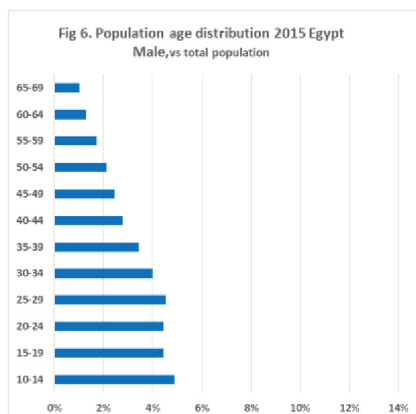
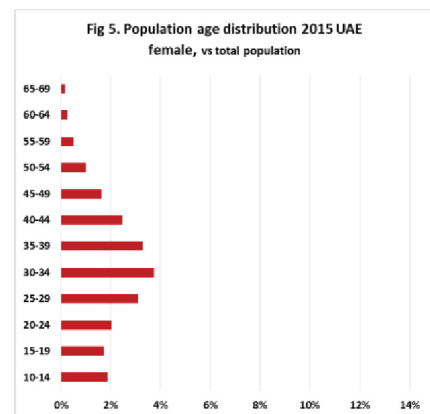
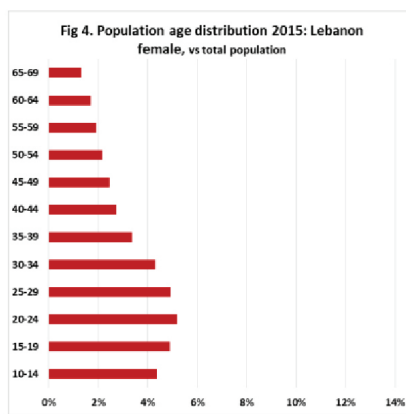
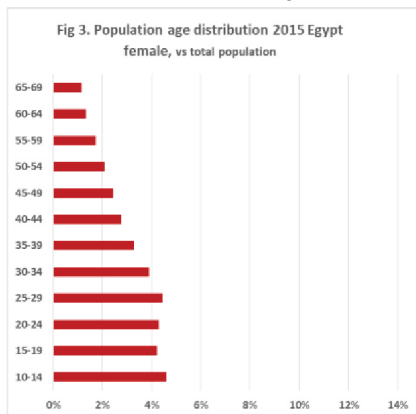


² The International Convention No. 138 of 1973 on the Minimum Age for Employment and the International Convention 182 of 1999 on the Worst Forms of Child Labor.

On the other hand, many senior citizens over 64 years of age continue to work because this is the only way they can ensure their livelihood. Meanwhile, many Arab countries have set the retirement age for civil servants at 45 or 50 while many others set this age at 60. The retirement age poses problems with regard to pension schemes for civil servants and some private formal sector enterprises in most Arab countries. With better health care and the rise in life expectancy, the question arises on whether the retirement age should better be set at 67 or 68. This question is related to the financial balances of the existing pension funds (despite the relatively small number of beneficiaries in the Arab world): up to what age should the employee continue to pay his contribution in the pension schemes, with all that this entails in terms of the employee continuing to work? and when should he turn into a net beneficiary who receives a pension from a fund? This is a real conundrum for the budgets of most social security schemes, particularly in Tunisia where their coverage is the largest, taking into account changes in the age distribution of

the employees who pay their contributions. The total amount of financial contributions no longer matches the total amounts disbursed, which leads to a deficit that could be seen as a burden for the State budget and which could provide an alibi for governments to shrink social protection.

There are other reasons why «working age population» is a concept with statistical significance. The annual increase in this population (the difference in the number of young people turning 15 years of age and senior citizens above 64) indicates the age distribution of the population and the potential existence of a «youth wave» in the country concerned (Figures 8-3). In reality, most non-Gulf Arab countries are witnessing such waves with noticeable growth rates of working age populations that exceed demographic growth rates. In previous periods, demographic growth rates were very high (baby-booms). Later, these rates declined sharply. The baby-boom effect becomes noticeable with the advent of a «youth wave», about 20 years after the birth of baby-boomers.



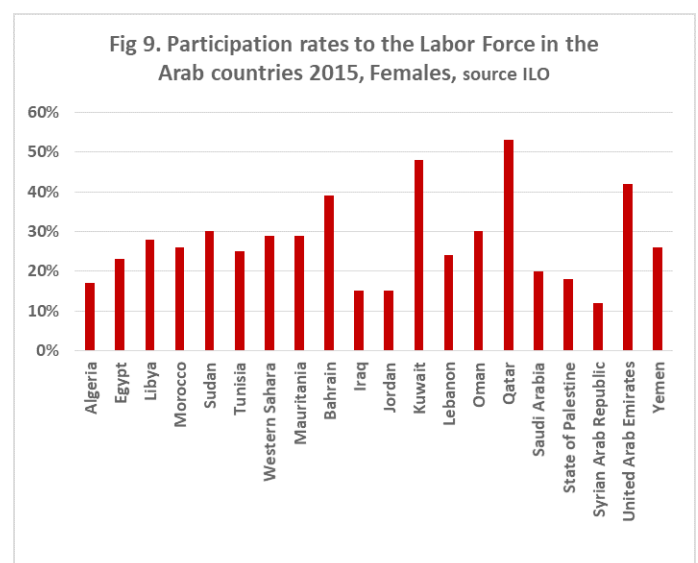
There is no such phenomenon in the Gulf countries as most imported labor are in working age when they come to these countries. Indeed, most are 25 years of age and they leave before the age of retirement. This causes large discrepancies in the age distribution of the population, and between men and women, if we compare the Gulf countries and the other Arab countries. This trend is clearest if we compare the age distribution of the population between men and women in the UAE and Lebanon with Egypt, for example.

Economic participation in the labor force

“The economic participation in the labor force” is statistically defined as the participation rates to the labor force /working age population ratio. Unlike other indicators, this indicator is a subjective, non-objective indicator that is the result of the answer to a question on participation to the labor force during surveys or during the collection of statistical data. Generally, this participation could be referred to holistically in relation to the entire working age population. It could also be distributed between men and women or considered by age groups for the purposes of a detailed analysis of labor characteristics.

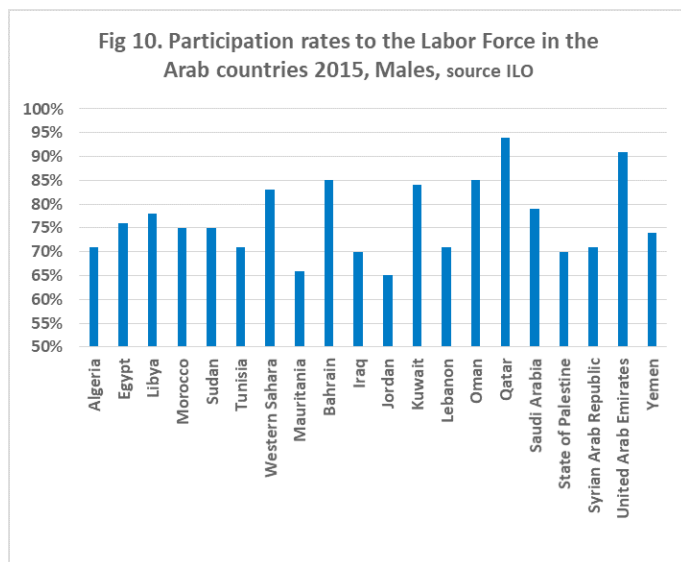
In this context, Arab countries have been notorious for their low ranking worldwide with respect to women's participation in the workforce. Over recent years, this trend has been confirmed instead of being reversed, which has left half the population without an effective participation in economy, production and financial independence. Explaining this phenomenon has ignited much debate with some international organizations attributing this to cultural and religious factors while in fact many non-Arab Muslim countries witness high rates of women participation.

In fact, the rates of women participation (figure 9) are related to several factors, including the size of agricultural work in the country, the trends of migration from rural to urban areas, social protection and migrant labor. In the Arab world, women very actively engage in agricultural work, especially as husbands leave to work in the city every day while women remain in the village to raise cattle and farm the land. Thus, rates of women's participation are relatively high in the countries where the share of agricultural workers is still high. On the other hand, these rates are significantly lower as rural migration gains momentum. In fact, families arrive to cities and city suburbs, often slums that are overcrowded with job seekers who rarely stand a chance to find one in the formal sector. Clearly, women do not wish to engage in informal sector work which is the predominant type of work in the Arab world, especially outside the civil service and the agricultural sector as explained below. Therefore, women's share in the informal sector work in employment is much lower than men's while their share in the civil service or the private formal sector remains higher overall. This means that in the city women do not want to have jobs where they are deprived of their economic and social rights, particularly those which directly affect them, such as the maternity leave.



It should be noted that statistical rules³ do not consider family work to be work unless it is an activity that leads to producing goods for the market and not for family consumption or if it is performed by way of participating in housekeeping tasks (bringing up children, preparing food, and cleaning the house, etc...). Some feminist organizations protest against this state of affairs and call for domestic work to be considered an economic contribution. However, even without this, Arab women often contribute, without being paid, to family work that produces goods for the market, especially in agriculture. Nevertheless, workforce surveys only rarely spot this «contributory family work» despite the international rules that apply to these surveys⁴.

On the other hand, migrant labor has a significant impact on the rates of economic participation (figure 10), especially female participation. On the surface of it, in Arab countries with large numbers of migrant female workers, particularly those working as housekeepers, women participation rates are higher.



In fact, most migrant women housekeepers are in the first place active in the workforce and actually in labor. In this way, female citizens' participation could be low despite the overall participation rates being high because it is the

entire population which is taken into account in the computation of the rate. This phenomenon is particularly noticeable in the Arab Gulf countries and in other countries where migrant labor is high is high in number, such as in Lebanon.

If it is the case that the incoming migrants are asylum seekers and that the women refugees cannot or are administratively prohibited from participating in the workforce, then the women's overall participation rate is significantly reduced. All these factors are clearest if we compare the participation rates in the various Arab countries and if we keep an eye on the variation of women participation between them, such as for example between the Gulf countries and the countries where agricultural activities are dominant and the other countries where the pace of rural migration is accelerating and countries in war. Some of these factors are related to males, especially with respect to the impact of migrant workers and refugees on rates of economic participation. Internal armed conflicts and the displacement of populations which lead to a significant decline in economic participation rates should also be taken on board.

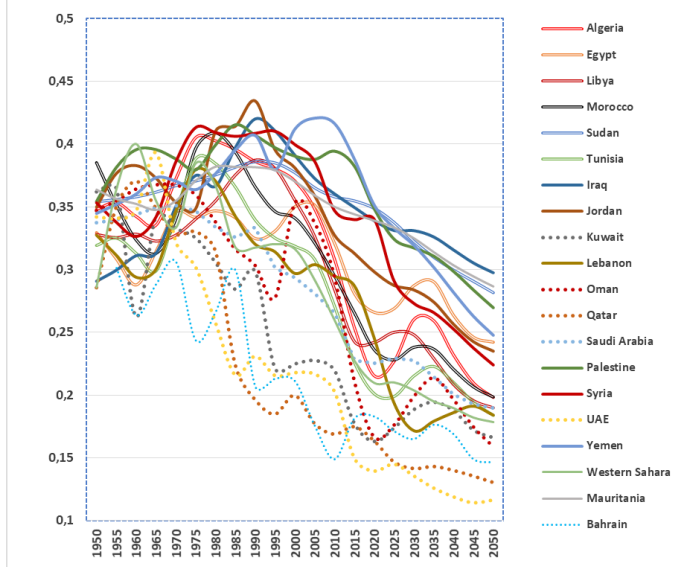
Youth participation in the workforce

Many Arab countries, especially non-Gulf countries, are witnessing a «youth boom» phenomenon. In fact, the population aged 15 and 24 years of age represent more than %35 of the total working-age population (aged 64-15) (a figure that exceeds %40 in some countries-see figure 11). This means that the countries concerned are witnessing rates of growth of the working-age population (as well as the numbers of people reaching the working age every year) much higher than the general population growth rates.

³ See the 19th ICLS resolutions (October 2013) at <http://www.ilo.org/global/statistics-and-databases/meetings-and-events/international-conference-of-labour-statisticians/19/lang--en/index.htm>

⁴ See Measuring Informality: A Statistical Manual on the Informal Sector and Informal Employment; ILO, 2013.

Figure 11. Evolution of the share of youth (15-24) in working age population (15-64), source UNDESA



With this boom, youth participation in the labor force and its developments take on a special significance. Thus, for the population in the age group 25-15, this participation is related to schooling rates, particularly with respect to educational attainment in the secondary and tertiary levels. As for the 34-25 age group, any decline in participation means that barriers are erected in the face of their economic participation because of a labor market congested with new comers while any rise would mean a stronger desire to participate in labor.

Thus, data from Morocco (figures 12 to 15) show how the rates of urban youth economic participation decrease to %90 for the 34-25 age group compared to %95 for the 44-35 age group. In rural areas, youth participation rates for the two age groups are similar. The data also show how the unemployment rates of urban youth males rise (%37 for the 24-15 age group and %16 for the 34-25 age group, compared to the overall unemployment rates (%11).

As concerns urban female youth, the participation rates for the 34-25 age group reach %25 compared with %21 for the 44-35 age group (compared to a median value of %16 for women

in urban areas), while the opposite occurs in the rural areas. Very high unemployment rates are registered among urban female youth (%54 for the 24-15 age group and %29 for the 34-25 age group against a total of %22). The relatively low economic participation rates of women in rural areas (%23 against a total of %36) are coupled with a relative rise in unemployment rates to %8 compared with a median value of %3.

Fig 12. Morocco, Distribution of urban male working age population along activity and work 2016

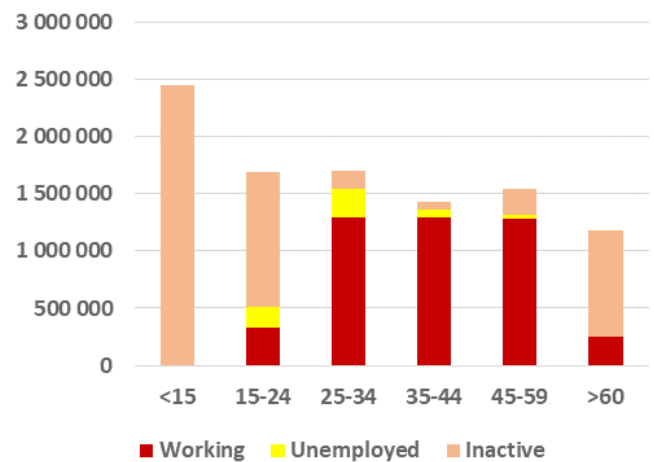


Fig 13. Morocco, Distribution of urban female working age population along activity and work 2016

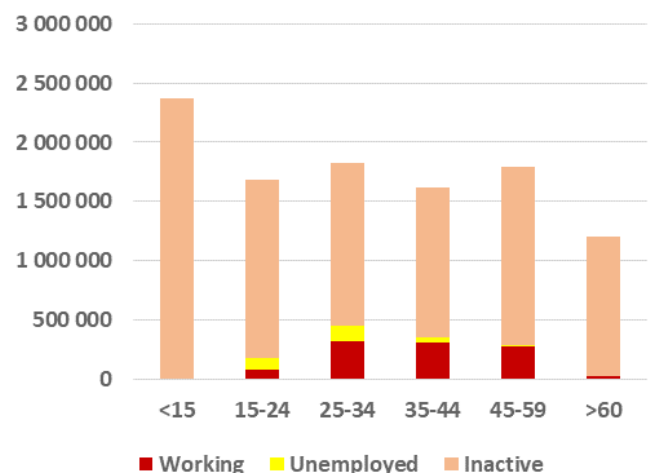
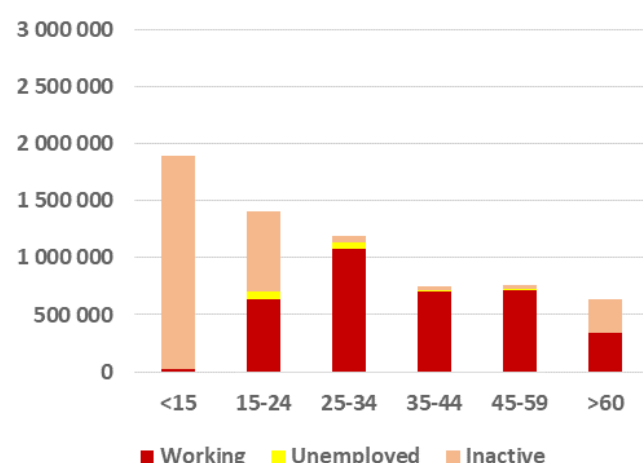


Fig 15. Morocco, Distribution of rural female working age population along activity and work 2016



Fig 14. Morocco, Distribution of rural male working age population along activity and work 2016



Thus, much of the literature on labor and on the analysis of labor policies focus on the overlap between the participation of male and female youth in the labor force and the high unemployment rates in their cases as well as on the relationship between this overlap and the «youth boom» phenomenon and the capacity of the Arab economies to create job opportunities for the new comers under the current circumstances taking into account their weak growth rates. It should be noted that the increase of male and female youth participation (or lack thereof) in the labor force is a key determinant of the labor force growth rates.

Rural-urban migration

Arab countries show large differences in terms of whether their populations are mostly settled in rural or urban areas. The overwhelming majority of the people of the Gulf countries live in cities. Only Oman still has about %25 of its people living in rural areas. In contrast, in some Arab countries, the share of rural population is still the highest (more than %50), such as in Sudan, Yemen or Egypt. Meanwhile, many countries are witnessing an acceleration of rural-urban migration, such as in Syria, Mauritania, Morocco, Tunisia, Algeria and Sudan.

Naturally, rural-to-urban migration has an impact on the characteristics of labor force as well as on the quality of the work opportunities available.

The countries with an accelerated rural-to-urban migration (figure 16) are witnessing a decline in the rate of economic participation, particularly with respect to women. In fact, women who have traditional occupations in rural areas cannot work when they move to small cities or to the suburbs of large capitals which are overcrowded with job-seekers. Moreover, most job opportunities in urban areas are in the commercial sector which is significantly different from agriculture. This phenomenon may cause the total workforce to decline, especially if these migrations are intensive and rapid as a result of certain economic policies or of natural phenomena, such as drought.

On another hand, the urban workforce growth rates are rising significantly, usually much more than the overall population growth rates, except where there are obstacles to youth economic participation, as indicated above. Hence, Morocco witnessed an annual decline of %1.3- in rural labor force in 2016 and a slight rise (%0.2+) in the urban workforce. Meanwhile, rural areas did not see their populations increase in number while the urban population grew by %2⁵.

⁵ Data from the High Commissioner for Planning in Morocco

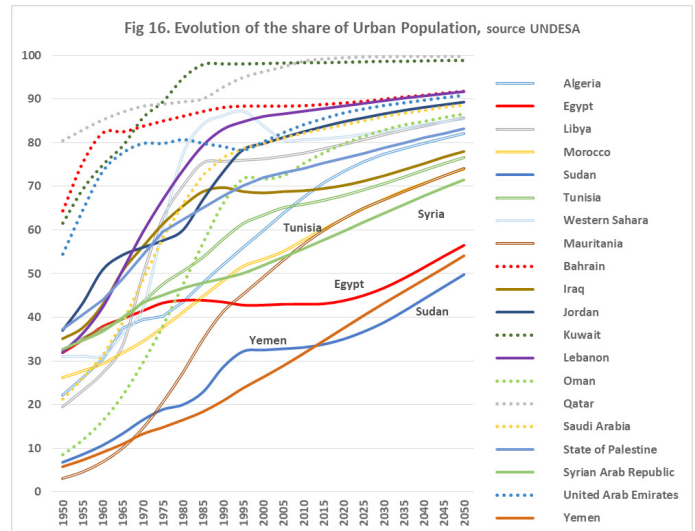
Workforce growth:

The results of the workforce surveys available (figure 17) show that the total workforce growth rates were high (2016-2010)⁶ in most Arab countries before the «Arab Spring with rates exceeding %5 and reaching up to %10 yearly sometimes in the Gulf countries as a result of the importation of foreign labor and the economic boom. These rates were also high compared to the population growth in Palestine, Tunisia and Yemen. Meanwhile, the growth rates remained weak in Morocco as a result of the acceleration of rural to urban migration.

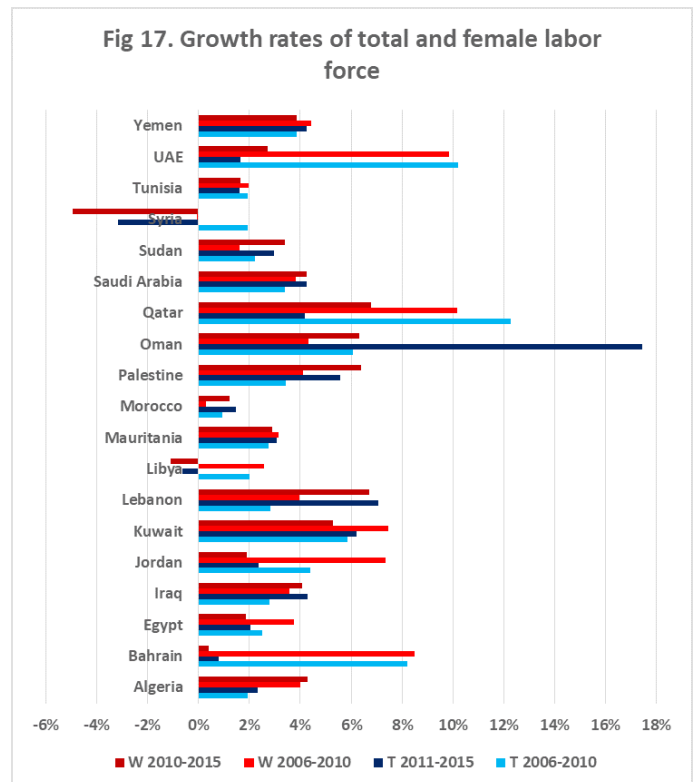
Unfortunately, most available survey data do not make it possible to track labor force growth rates in urban and rural areas separately. The urban workforce growth rates at that time reached %4 and even %7 in some non-Gulf countries, which posed a serious challenge to Arab economies and to the economic policies followed, a challenge that was tagged the «youth Tsunami⁷ and that represented one of the factors behind the break out of the «Arab Spring.

During the same period that preceded the “Arab Spring”, the women workforce growth (W -2006 2010) rate was higher than men’s in most Arab countries.

However, after 2010, many Arab countries reported a decline in total as well as in women workforce growth rates. Moreover, Syria and Libya, which have gone through a civil war, witnessed a decline in the overall labor force.



The comparison between the relative size of the workforce in the Arab world (before the Arab Spring) (figure 18) with the relative size of the new comers (before and after the Arab Spring; see figures 19 and 20) shuns light on the fundamental imbalances in the nature of the labor market in the Arab countries, which will have significant implications for the future.



⁶ Based on ILO data and estimates

⁷ Samir AITA: The economic futures invented by Arab countries and the Middle East; in Planet for Life, 2015, Agence Française pour le Développement, Armand Collin.

The UAE, before the Arab Spring, used to import foreign workers in numbers that are equal to the number of the new comers to the workforce every year in Egypt despite the vast difference between the population number and the size of the total workforce in the two countries.

Subsequently, the growth of the labor force in Egypt declined by %20- because of the consequences of the «Arab Spring (%17- in Tunisia), which means that economic participation declined («frustration!). Meanwhile, the UAE was able to reduce this growth by %80- %90-) for Bahrain and %67- for Qatar), which reflects the ability of the Gulf countries to control the size of the workforce in accordance with the economic conditions because of the reliance on imported labor. On another hand, the labor force growth rate in Lebanon grew by %150 because of the influx of Syrian refugees while it declined in Jordan (%46-) despite the fact that the country witnessed a significant wave of Syrian refugees. This is an indication of the marked differences with respect to migrant labor policies.

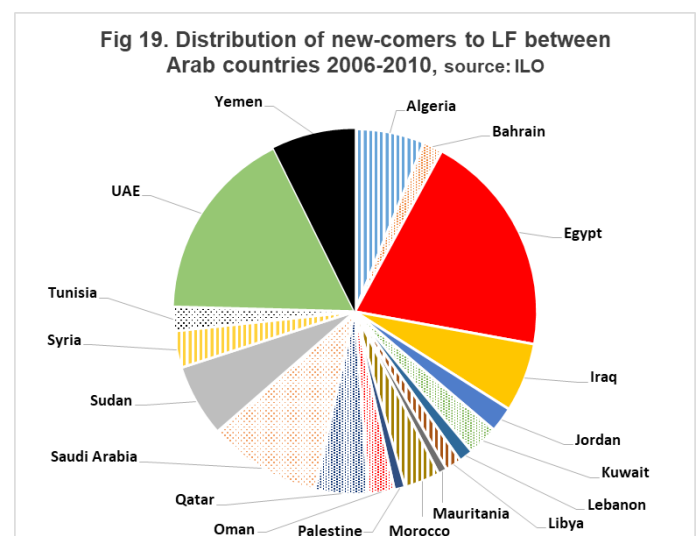
Unemployment and new job opportunities

Most analyses of labor are carried out under the concept of «unemployment. This concept could be seen as a subjective concept and not an objective one, especially that it is statistically premised on answers to the following survey question «did you work last week, even if for only one hour? This definition makes a distinction between participation, or lack thereof, in any type of work. However, it does not make it possible to determine the type of work, particularly whether it is regular or insecure or whether it is affected by significant seasonal changes. For example, if the survey is carried out during the farming season or the tourism high season, it may yield very different results compared to other seasons. Moreover, some surveys that contain more detailed questions, including, inter alia, whether the person concerned has worked for only one day per week at least or for the entire

week, will yield significantly different results. Of course, unemployment rates will soar, perhaps to the sky, if the survey questions narrow the focus to work sustainability.

Unemployment as a concept is much debated especially in developing countries where most work is precarious and informal⁸. In other countries where workers enjoy social security rights, unemployment is related to indemnification during the period when the work is interrupted, especially if this happens as a result of the company having gone bankrupt or if the worker's rights have been violated. It is related to the government's effort to up skill or reskill the unemployed and support him in looking for a job in more dynamic economic sectors. On the other, questions may be raised regarding the meaning of unemployment when there is neither a contract that organizes the labor relationship nor any social security protection, or when the person considered to be employed works for one day per week and spends four days waiting another work opportunity.

In all cases, unemployment rates remain high in most Arab countries (figure 21) despite using a definition that takes one hour a week as its basis. Unemployment exceeds %10, except in the Gulf countries which could have control over the workforce and its growth through importing foreign labor when there is a need for it.



⁸ Samir Al-Aita: Unorganized Work in Arab Countries, Reality and Rights; Report of the Monitor of Social and Economic Rights, Network of Arab NGOs for Development; 2017.

Fig 20. Distribution of new-comers to LF between Arab countries 2011-2015, source: ILO

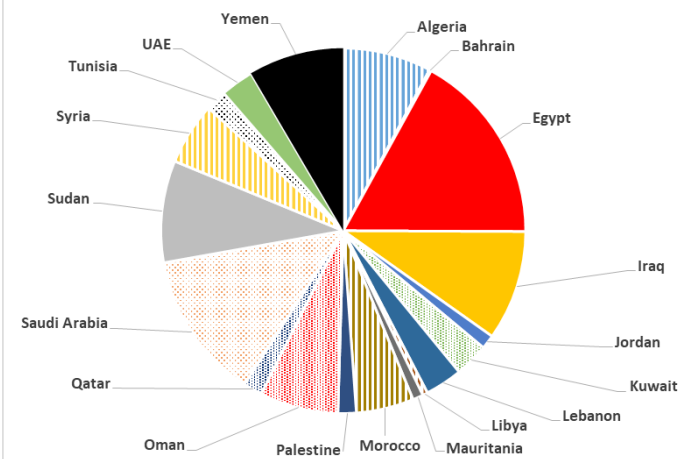
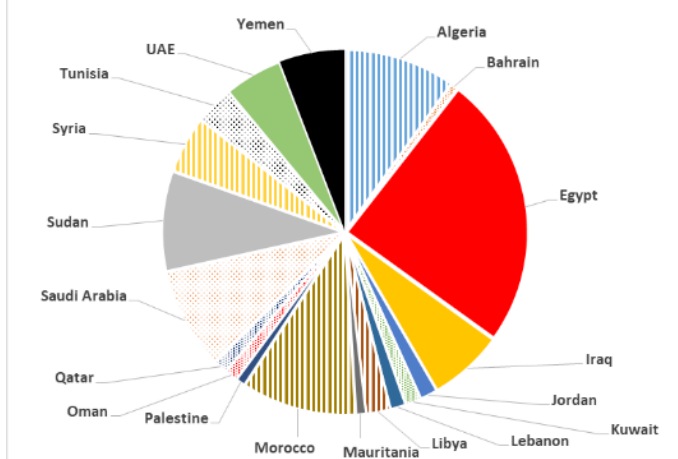
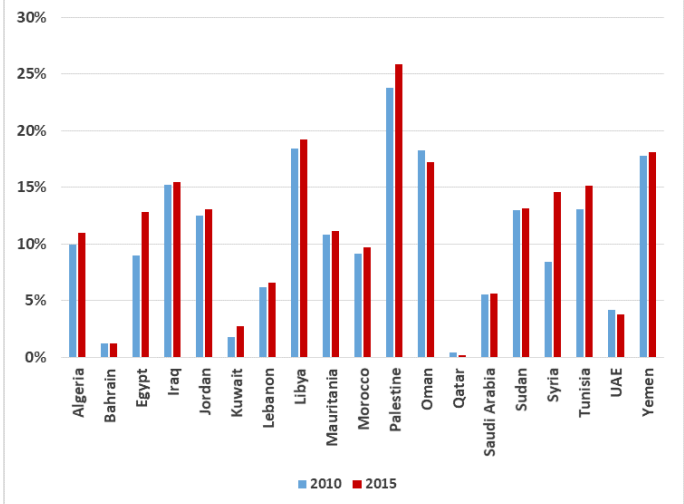


Fig 18. Distribution of Arab Labor force 2015 source: ILO



A clearer picture could emerge if we compare the job opportunities created every year (figures 22 and 23) despite the definition of the one hour, with the numbers of the new comers to the workforce every year, also despite all the aforementioned factors that could bring about significant changes. Thus it becomes obvious that the economic growth rates for the period 2010-2006 could barely help to keep constant unemployment rates in most Arab countries. However, the situation deteriorated greatly in the period 2015-2011, particularly in the countries having witnessed major changes in the aftermath of the Arab Spring as in other countries.

Fig 21. Unemployment Rates in Arab Countries, source ILO



To turn the corner, there is a need not only for the creation every year of job opportunities that outnumber the new comers to the labor market, particularly from among the youth, but also for this not to be concomitant with a decline in economic participation. The issue of male and female youth employment and their participation in the economic activity, even in a precarious manner, is a central issue which will, to a significant extent, determine social and political stability in the Arab world in the short run.

Informal labor ⁹

Labor capacity is contingent upon participation in production (more specifically with regard to producing added value and its measure, GDP) and upon creating decent living conditions for the workers with respect to the nature of the work, its location, the relevant economic sector and the labor relations between the employee and the employer, both for citizens and non-citizens.

Historically, these factors evolved with the shift from traditional economies to industrial then to modern economies since the 19th century. Social struggles have led to a new organization of labor relations in accordance with contracts, laws, collective agreements and international

⁹ The expression lack of structuring is used in this paper, to denote informality, instead of non-organized.

conventions. These struggles also tied labor to economic and social rights, including the right to fight for rights, the right to association, the right to organize into unions, and the right to strike to improve the working conditions.

The establishment of the International Labor Organization in 1919 in the aftermath of the First World War was a major milestone in this context which led up to international conventions that identify the aforementioned factors. According to the ILO, «improving working conditions is a top priority because «conditions that create levels of inequality, injustice and poverty for large numbers of people to this extent will only lead to serious turmoil that may jeopardize international peace and harmony¹⁰. These rights were further reinforced with the advent of the UN after the destruction caused by the WWII and the adoption of the International Bill of Human Rights¹¹ in 1948 and the International Covenant on Economic, Social and Cultural Rights in 1966¹².

Despite all this, it is obvious that the economies of developing countries did not necessarily develop to provide for organization of work and to protect labor through rights. It appears also that this lack of organization and protection has regained momentum in many developed countries, especially with the latest technological developments and the changes towards globalization and the «knowledge-based economy. Thus, the concept of informal employment has emerged (also under the name of informal economy) to refer to all employment¹³ models and relations that are not protected by rights that have been acquired through laws or through social security systems that include in particular health care and pensions. Informal employment was then adopted as a statistical concept in 2003¹⁴ to become part of

Fig 22. Yearly newcomers and jobs created in the Arab countries (in thousands) 2006-2010 Source: ILO

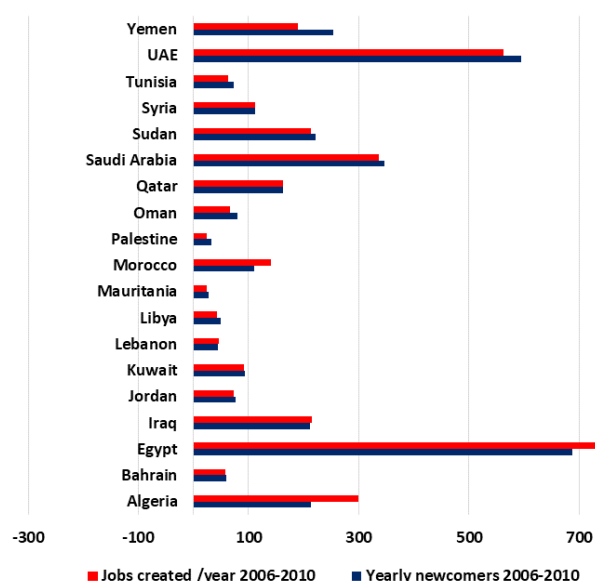
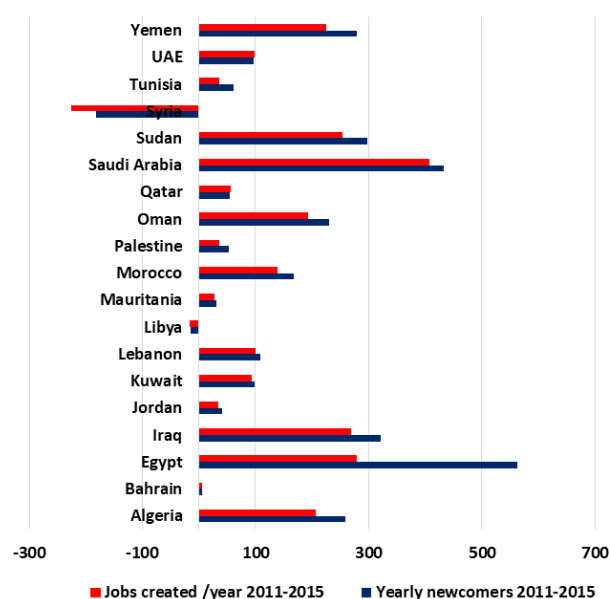


Fig 23. Yearly newcomers and jobs created in the Arab countries (in thousands) 2011-2015 Source: ILO



the system of benchmark national calculations. This benchmark system comprised urging surveys and statistics to scrutinize employment models and the factors that determine it in order to design policies and build struggles that

¹⁰ See ILO : <http://www.ilo.org/public/french/bureau/leg/download/constitution.pdf>

¹¹ <http://www.ohchr.org/Documents/Publications/FactSheet2Rev.1ar.pdf>

¹² <http://www.ohchr.org/AR/ProfessionalInterest/Pages/CESCR.aspx>

¹³ Samir El-Eita: Unorganized Work in Arab Countries, Methodological Framework; Report of the Monitor of Social and Economic Rights, Network of Arab NGOs for Development; 2017.

¹⁴ After the concept of the «informal sector» was defined statistically at the Fifteenth International Conference of Labor Statisticians 15th ICLS, (Resolution concerning statistics of employment in the informal sector, adopted by the Fifteenth International Conference of Labour Statisticians; January 1993.

could ensure the rights of workers and protect them socially. The “Delhi Group” endeavored to clarify the definitions and to design survey and statistical methodologies with respect to informal employment. A statistical guide was thus developed in this respect in 2013¹⁵ and later became a reference that census bureaus in the Arab world have not fully adopted yet.

This effort was necessary to refocus attention of the central issue, namely labor and labor relations, on the one hand, and, on the other, to distinguish informality, both with respect to enterprises or the work situation, from illegal or criminal activities. In the literature of many trade unions, this distinction is yet to be adopted despite the fact that informal employment is but one way to gain a livelihood at the minimum level and is the dominant pattern of labor relations in the Arab world .

The statistical concept of « informal employment adopted two points of entry: the type of the production unit and the work situation.

Regarding production units, a distinction was made between formal sector enterprises which includes the government sector and the private sector which is registered with the authorities with respect to its compliance with the laws in force, for example in fees and taxation, the informal sector enterprises which includes all the enterprises that are not legally established and which do not comply with the legislation on taxation, and finally households where part of the production process takes place with regard to goods sold on the market (and not for the private use of the household), particularly in agriculture.

With respect to the work situation, a distinction was made between own-account workers

(only the owner is employed), entrepreneurship (employers who employ at least one person), contributing family workers (working within the family in the market usually without pay), unpaid work and finally membership in producers' cooperatives.

If we take the case of Egypt, for example, (table 1)¹⁶ and apply the informal employment analysis according to enterprises and the work situation¹⁷, it becomes clear that %59 of workers are in a state of informality and that most of them work for a pay. It should be noted that the above estimate is a minimum one since it includes only paid precarious employment in the informal sector while a significant portion of those working in the formal sector, whether public or private, remain employed without contracts, health care coverage or social security. Own-account workers and entrepreneurs represent only %10 of the total number of workers. This entails that the issue of formality/informality in Egypt is a question of paid workers working without rights or health care coverage¹⁸. Based on this, the government policies¹⁹ that have been implemented for decades and that focus on encouraging own-account work, especially through granting microcredits, could be criticized on the grounds that they address the small portion of informal workers while ignoring the need to extend social security coverage to paid workers. Trade unions could also be criticized because most of their members are in the formal sector while the organization into unions of informal sector workers to defend their rights has remained poor despite the fact that these workers are the most vulnerable. True, union struggles are important to defend the rights of informal sector workers that the

¹⁵ In the 17th Conference of Labor Statisticians (17th ICLS).

¹⁶ Samir Al-Aita: Unorganized Work in Arab Countries, Reality and Rights; 2017, reference cited above.

¹⁷ The so-called Hussmanns' Matrix. Hussmanns. Ralf Hussmanns: Measuring Informal Economy: From Employment to Informal Sector to Informal Employment; ILO, Bureau of Statistics; Working paper 53, December 2004.

¹⁸ Since the absence of health insurance is the basis for the classification of labor as informal.

¹⁹ The economist Hernando de Soto was its reference expert.

policies in place try to undermine. However, these struggles cannot be crowned with success if the rights of the informal sector workers, who are the majority, are not ensured. The Tunisian experience which has extended social protection to large segments of workers, including in the agricultural sector, stands out here. In fact, the work situations in Tunisia are the best in the Arab world and informality is the lowest.

Table 1- Rates of informal employment categories in Egypt (out of overall employment)									
Type of production unit	Employment according to the work situation								
	Own-account workers		Employers		Contributing family workers	Paid workers		Members in producers' cooperatives	
	informal	Formal	Informal	Formal		Informal	Formal	Informal	Formal
Formal sector enterprises									
Informal sector enterprises	%10.0		%10.0		Informal %7.0	%32.0		?	
Households									

In actual fact, surveying informal labor in Egypt (as in the other Arab countries) and defending their rights require that surveys comply more with the criteria developed by the Delhi Group and the ILO, especially with respect to shedding the light on the distribution of the workers on economic activities. In Egypt, outside agriculture and the government sector, %79 of workers are in the informal sector, without a possibility for measuring their distribution on the various industrial, craft and commercial activities.

Beyond surveys, all those working in the informal sector need to see trade unions focus on the labor relations that are relevant to them. In the case of ambulant vendors, there are those who work for their own account and those who work for a pay or for a share of the sales. However, all of them are part of a complex set of labor relations with the municipal authorities and the local police that control their work locations, namely public squares or streets crowded with passengers.

In consequence, part of the collective bargaining should focus on providing them with decent work conditions in these public premises. Here, the case of Mohammed Bouazizi which ignited the Arab Spring should be recalled. He worked in the private sector which both the governments and the international organizations claim that it should be encouraged. He was not unemployed

either but an own-account worker. The tragedy that led to him burning himself to death was caused by the municipal police confiscating his cart (his means of work) and the goods he sold. The basic relationship here is the one with the municipality that organizes the use of public space.

Many paid work cases are related to state or formal private sector enterprises employing workers through subcontractors. Here the labor relations become blurred with respect to the responsibilities of the primary and subcontracted employer and the inefficient control role of the labor market institutions in this respect. Moreover, there are cases where unions play a role in sustaining informality (as is the case for workers in bakeries or quarries in Egypt).

Female informal employment

As mentioned above, situations of informality vary between men and women with women's weak participation in urban workforce (in cities) and their preference for labor that is protected by rights. In Egypt, the share of informal employment in women falls to %41 of their overall employment (table 2) and to %34 outside agriculture and government employment.

Type of production unit	Employment according to the work situation								
	Own-account womenworkers		Women employers		Contributing family workers	Women paid workers		Women members in producers' cooperatives	
	informal	Formal	Informal	Formal		Informal	Formal	Informal	Formal
Formal sector enterprises									
Informal sector enterprises	%10.0		%3.1		Informal %18.3	%9.8		?	
Family									

The available surveys indicate that most informal work is unpaid contributing family work (to sell goods on the market), especially in agriculture²⁰. This is the case in most Arab countries where the majority of women's work is in the agricultural sector.

Here again, the policies of governments and the recommendations of international organizations should be taken with a grain of salt and union struggles should be focused on ensuring social protection to the women workers and to extending social security protection to urban labor, be it own-account employment or paid work. Otherwise, the trend shall remain towards lower female participation in labor because rural to urban migration is an inevitable development.

Informal labor and migration

Importing foreign labor significantly affects the situation of informal labor. In Bahrain,

a Gulf country, most informal labor (%65 of the total workers, %73 of the total number of foreign workers compared to %37 of the total number of workers from among citizens, table 3) is foreign labor, be them in paid jobs in the government sector or in the private or family sectors (especially housekeepers). In fact, all members of the population are equally entitled to labor, economic and social rights, whether these members are citizens or not. However, government policies are based in the first place on the fragmentation of the labor force into categories with seemingly contradictory interests and on a systematic and organized management of informality. All studies show, however, that employing citizens shall require that the cost for importing foreign workers be made higher, hence granting these workers more rights and narrowing the gap that separates them from the national labor force.

Table 1- Rates of informal employment categories in Bahrain (out of overall women employment)													
Type of production unit	Employment according to the work situation												
	Own-account workers			Employers			Contributing family workers		paid workers			Members in producers' cooperatives	
	informal		Formal	Informal		Formal	Informal	Formal	Informal		Formal	Informal	
	Bahraini	Migrants		Bahraini	Migrants		Bahraini	Migrants	Bahraini	Migrants		Bahraini	Migrants
Formal sector enterprises									%0.6				
Informal sector enterprises	%3.2	0.1 %		%4.2	0.1 %		%0.1	%0.0	%0.0	40.9 %			
Family										15.5 %			

²⁰ See Salwa al-Entari and Nafisa al-Dessouki 2015: Women's unpaid work, Working with the family in the informal economy in Egypt; 2015/12.

The question of the fragmentation of the labor force even more complex in the countries having witnessed an important influx of migrants. In Jordan, the Jordanian authorities publish clear results of surveys only when it comes to Jordanians and only international organizations, such as UNRWA or UNHCR carry out surveys on Palestinian non-citizen workers or on Syrian refugees. At the same time, non-citizen labor represents today a significant part of the labor force (%12 for the imported, non-refugee labor from Egypt and Asia and %20 of Syrian refugee

labor (despite being reduced administratively). An analysis of informal non-citizen labor shows that the main issue is the paid informal work for Jordanians in the formal sector much more than non-citizens labor who work mainly in the informal sector. Once again, the importance of trade unions is underscored with respect to ensuring the rights and social protection for Jordanian workers as well as to defending the rights of all non-citizen workers, including Asians (most of whom work in specialized economic zones), Egyptians and Syrian refugees.

Table 1- Rates of informal employment categories in Jordan (out of overall women employment)													
Type of production unit	Employment according to the work situation												
	Own-account workers		Employers			Contributing family workers		paid workers			Members producers' cooperatives		in
	informal		For mal	Informal		For mal	Infor mal	Infor mal	Informal		For mal	Informal	For mal
	Jord anian s	Migra nts		Jord anian s	Migra nts		Jord anian s	Migra nts	Jorda nians	Migra nts		Jord anian s	Migra nts
Formal sector enterprises									%25.3	%5.0			
Informal sector enterprises	%6.0	1.2 %		%3.2	0.0 %		%0.1	%0.0	%3.4	12.5 %			
Family										?			

The same applies to Lebanon where the share of Syrian refugees in labor force reached %18 compared to %6 for Palestinian refugees and %13 for imported labor (especially Egyptians in low-skill occupations and Asian and African female workers employed as housekeepers). The main issue is informality with respect to paid Lebanese workers, refugee migrant workers and imported labor (%90 of them are in the informal sector compared to %59 of the total number of Lebanese workers). Lebanon is also unique as regards the significant size of own-account Lebanese labor (%32 of the total number of Lebanese workers) who enjoy no social security protection.

Concerning women, the main problem is with women housekeepers in the family sector who do not benefit from health care coverage despite the high cost of health care in this country.

Table 1- Rates of informal women employment categories in Lebanon (out of overall women employment)													
Type of production unit	Employment according to the work situation												
	Own-account women workers			Women employers			Women contributing family workers		Women paid workers			Women members in producers' cooperatives	
	informal		For mal	Informal		For mal	Infor mal	Infor mal	Informal		For mal	Informal	
Lebanese	Migrants	Lebanese		Migrants	Lebanese		Migrants	Lebanese	Migrants	Lebanese		Migrants	
Formal sector enterprises									%13.8	12.0 %			
Informal sector enterprises	%5.6	0.4 %		?	0.4 %		%2.5					?	?
Family									?	32.5 %			

It should be recalled that the birth of trade unions in the European countries in the 19th century and the early 20th century was in the milieu of workers the majority of whom did not come from rural areas to urban centers only but from other countries, such as Italy and Maghreb countries in France. These trade union movements fought against discrimination between citizens and non-citizens and most trade union officials came from the ranks of the non-citizen workers. At the time, most labor was informal and it is thanks to trade union struggles that the scope of social, economic and social security rights gradually extended to encompass all workers in all economic activities.

Regional variations:

At the end, I should be noted that most published surveys and statistics represent national averages despite the presence of significant differences between regions in the same country. These differences are not only between the more urban areas and the more rural or peripheral ones, but between the main globalized capitals and the smaller cities whose populations have recently significantly grown in number and where infrastructure and services are missing to a large extent, even between neighborhoods in the same city. Some neighborhoods are inhabited by social classes that have integrated the global economy and others have been built in an informal manner

and are overcrowded with inhabitants looking for minimum livelihood means.

Therefore, national statistical averages cannot be enough, especially when it comes to labor indicators. It is necessary to collect data on regional and in-country disparities which may be important so as to target struggles towards establishing a social justice that has now become much needed to ensure stability and decent living conditions.

Summary

This paper addressed the labor-related statistical indicators with a focus on the issues posed by them. Intentionally, such indicators as poverty are overlooked. Measuring poverty and tackling it through progressive social policies and price support will take us to endless debates. To get out of poverty, only two scenarios are possible: social insurance if the poor is unable to work or providing decent and protected job for those who can work. This last scenarios fits the needs of most poor people and should represent a main target for government policies and union struggles alike.

Struggles and collective bargaining are efforts to ensure all categories of workers are represented, but also those who cannot find their way to the labor market. This includes citizens and non-citizens, informal and formal workers, paid workers and own-account employees. The only way the rights of each of these categories can be ensured is through trade unions that represent all of them. It should be said that employers and governments as well as most international organizations intentionally proceed to the fragmentation of the labor force to create contradictions that help to serve private interests instead of the public interest. Informality, on the other hand, is not the outcome of a state of chaos that is impossible to address, but it is the result of systematic policies that aim to reduce the cost of labor.

Of course, the greatest effort in the union struggles for labor rights is devoted to the various categories of workers to get them to be affiliated with the unions and to fight injustice and social inequality. However, these struggles and collective bargaining, if any, should be grounded in full knowledge of statistical indicators, their pitfalls and traps. Our hope is that this paper has at least helped to shun light on all these questions.