



# **Does Disability Affect Labor Market Outcomes? Application of the case of Egypt**

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# Introduction

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- Disability is one of the most pressing issues that can affect the development process of all countries across the globe.
- About 16% of the global population have a disability.
- Persons with disabilities experience many barriers in accessing health care, education, employment, and social services.
- The labor market appears to be the main place where persons with disabilities experience various barriers.
- A worldwide movement has started to integrate people with disabilities into their societies through, for example, the United Nations Convention on the Rights of People with Disabilities (UN-CRPD) and the SDGs.

# Persons with disabilities in Egypt

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- In Egypt, at least 10.6% of the population has a kind disability.
- Egyptian efforts to include disabled people in society has been apparent and powerful to achieve long-lasting and better development strategies:
  - Sustainable Development Strategy (Vision 2030)
  - The Disability Rights Law, adopted in 2018
- Despite the legal and institutional reforms and initiatives aimed at enhancing the employment of disabled persons in the Egyptian labor market, disability has still been associated with substantial employment disadvantages.
- In 2017, the government of Egypt began to measure disability, using accurate measures developed by the UN-Washington Group (UN-WG).

# Contribution of the paper

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**First**: The paper seeks to develop a detailed profile of disabled people in Egypt according to levels of severity, the most prevalent types, and patterns of disability by socio-economic factors.

**Second**: The paper aims to assess the extent to which disability is associated with a lower probability of labor force participation and employment in Egypt.

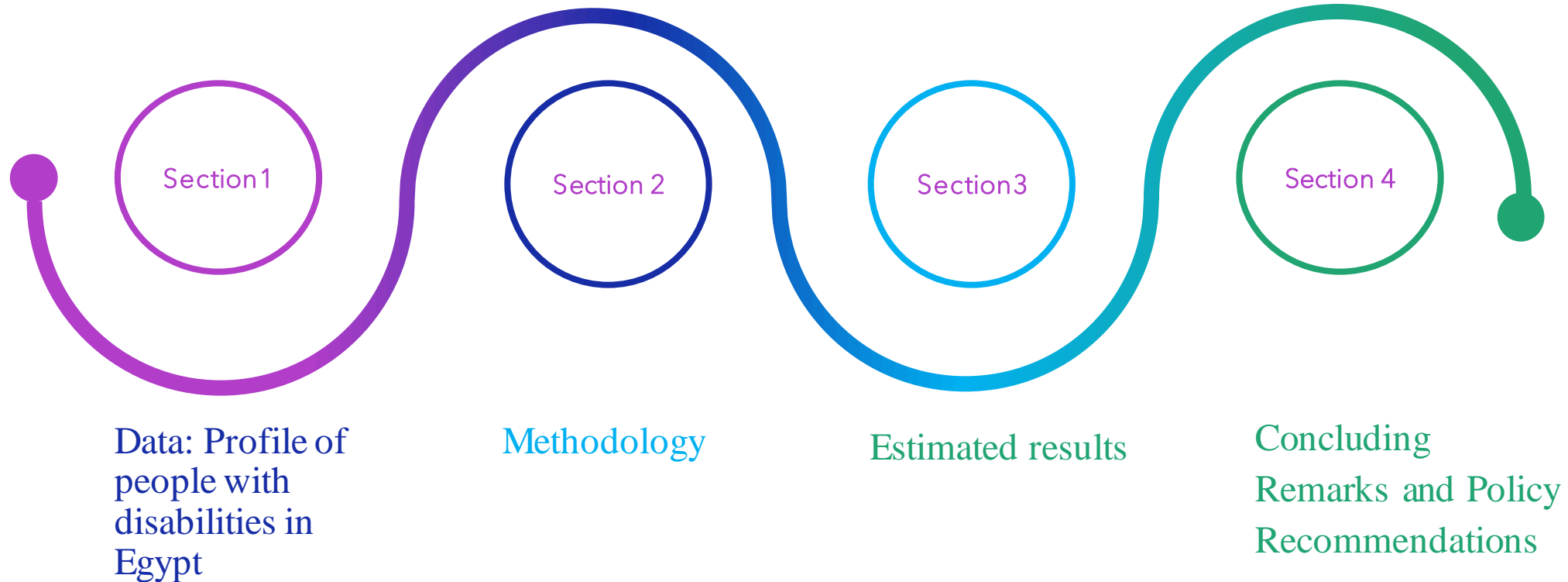
# Research Questions

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- To what extent disability is associated with a lower probability of labor force participation and employment in Egypt?
- Once in the labor market, what are the effects of disability on the probability of working in the public sector?

# Outline

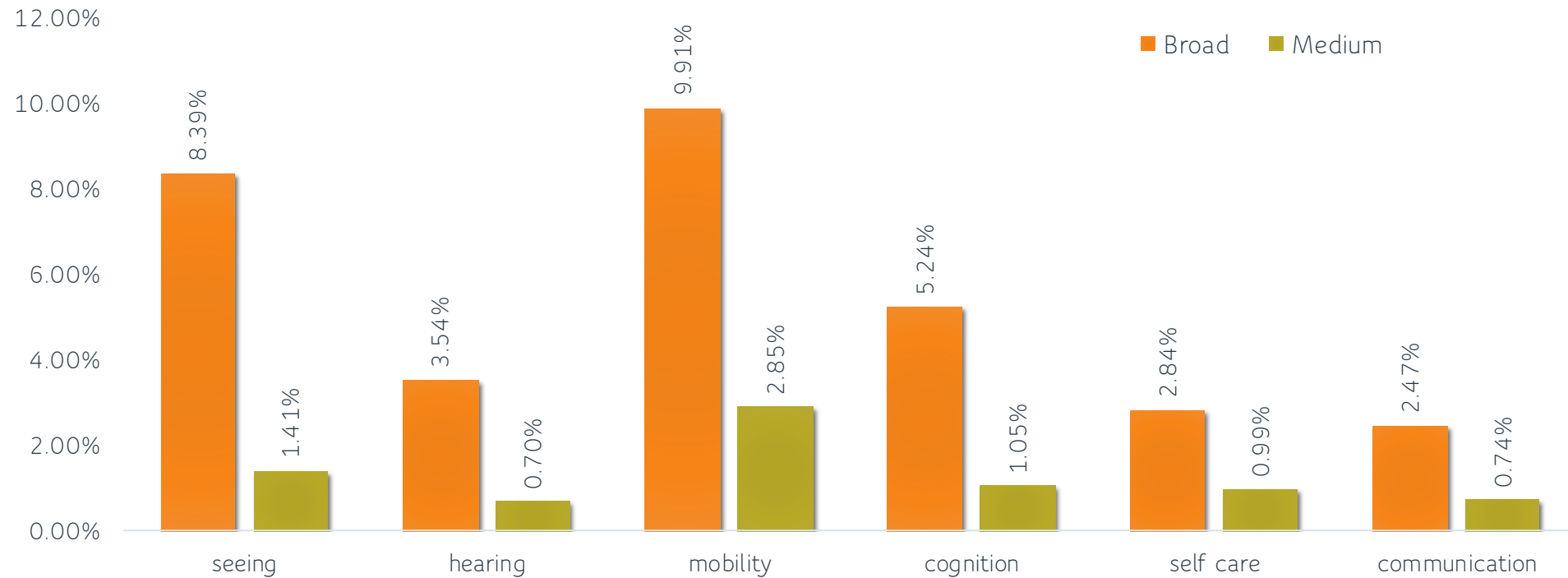
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- The research analysis draws on the UN-WG disability measures introduced in the nationally representative data of ELMPS 2018, executed by the Economic Research Forum (ERF) in cooperation with Egypt's CAPMAS.
- With a response rate of 82.7%, the developed profile of persons with disabilities depends on a sample of 50,634 individuals. For the labor force participation analysis, the sample is restricted to the working-age group (15-64) consisting of 35,401 individuals.

Sec 1

# Prevalence rates of disability by severity and domains



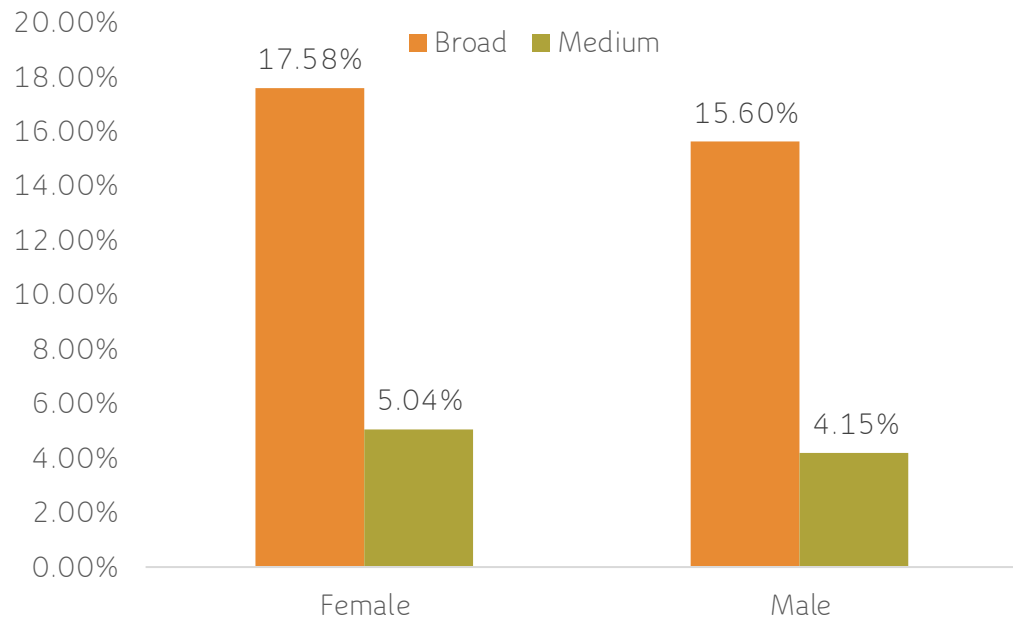
*Source: based on authors' calculations using ELMPS (2018).*



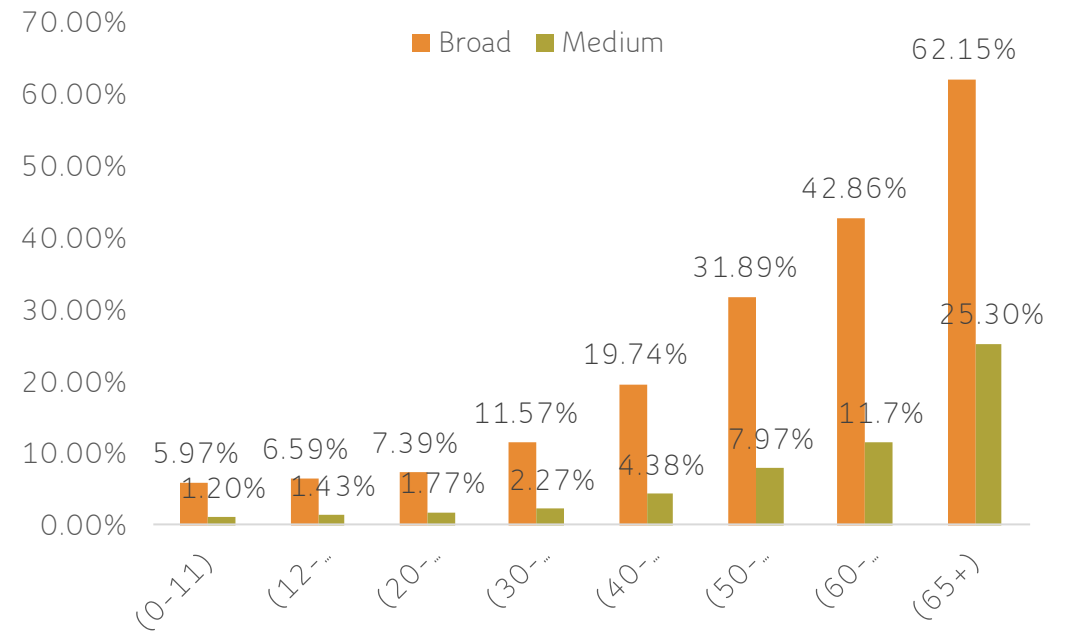
# Sec 1

## Prevalence rates of disability according to:

### Gender



### Age

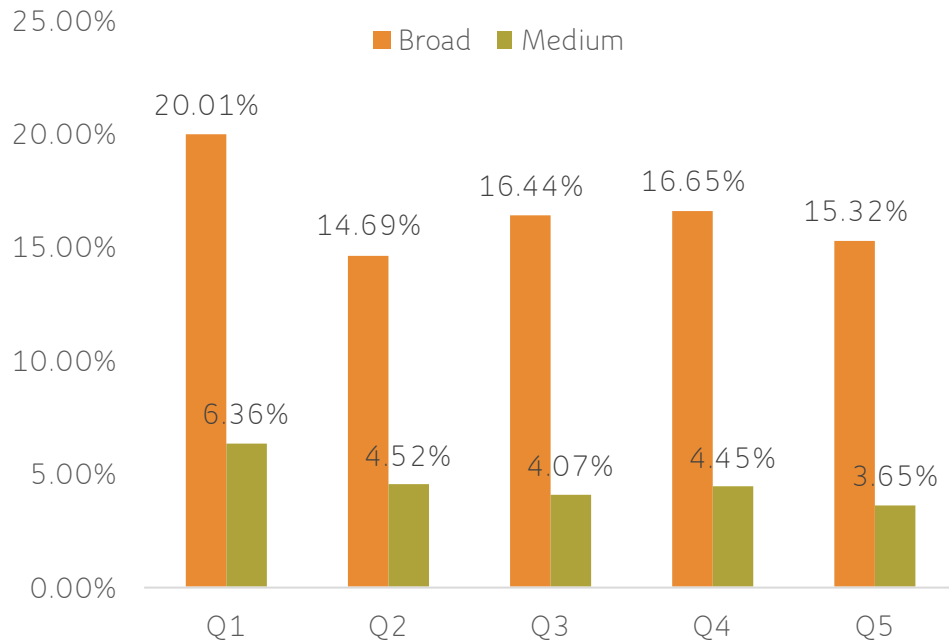


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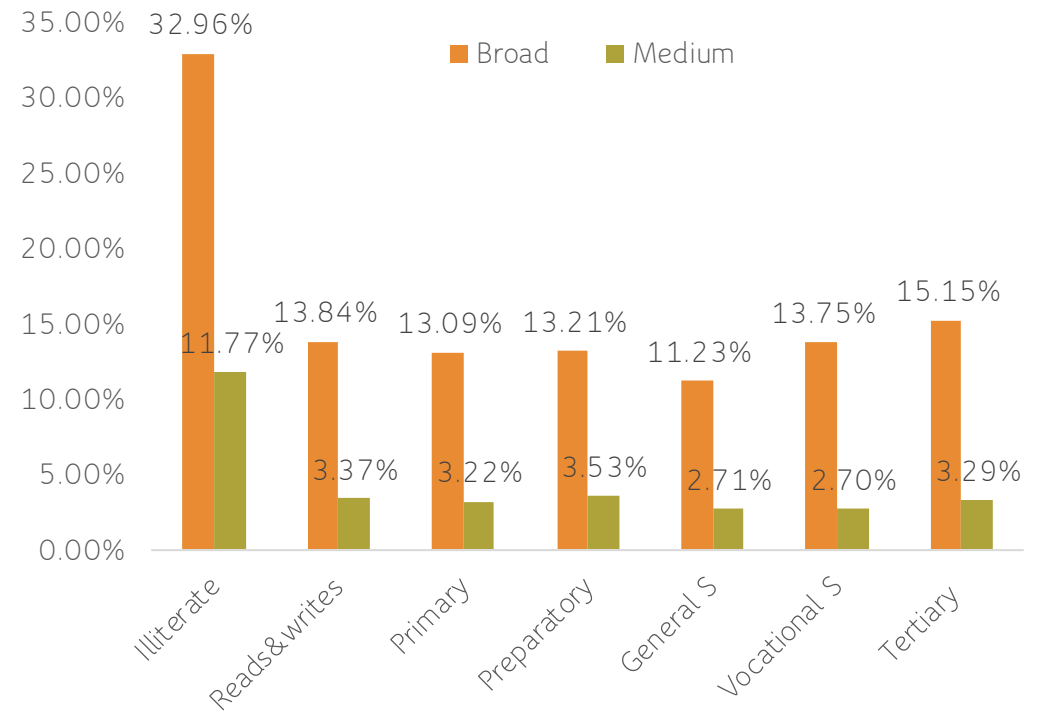
# Sec 1

## Prevalence rates of disability according to:

### Wealth



### Education

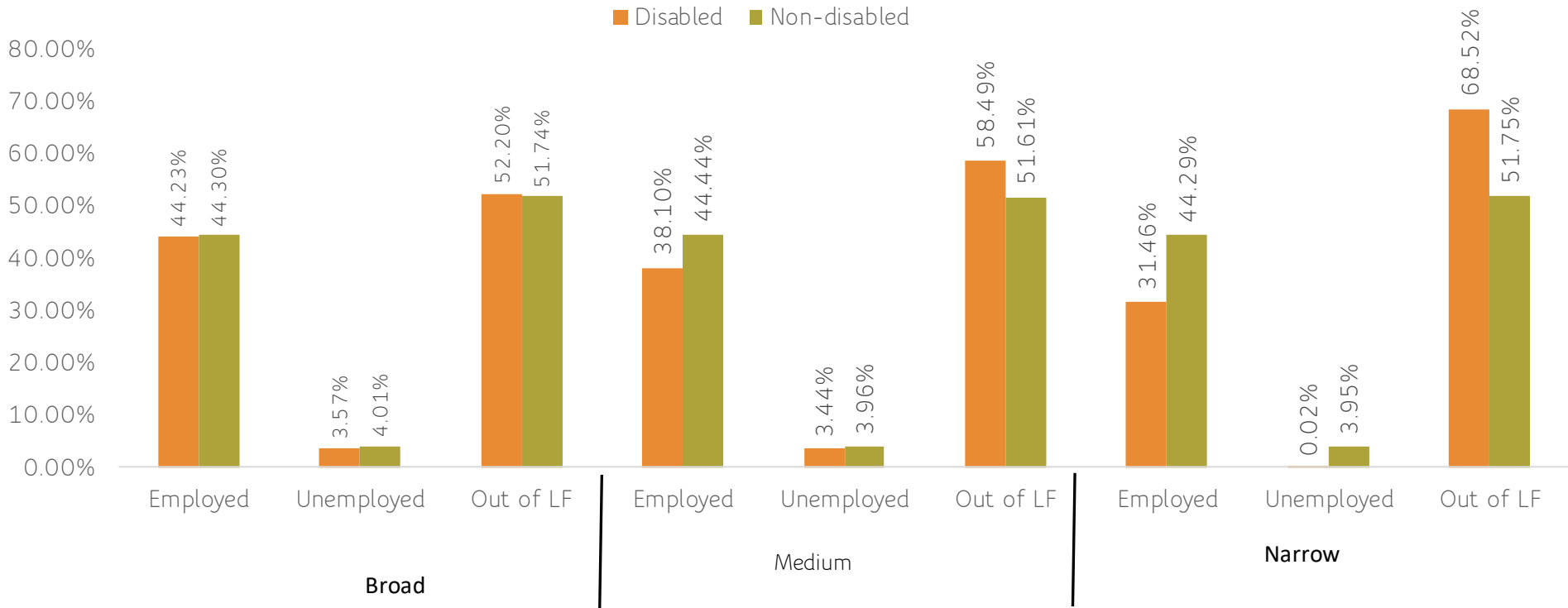


Source: based on authors' calculations using ELMPS (2018).

Sec 1

# Profile of persons with disabilities in the Egyptian Labor Market

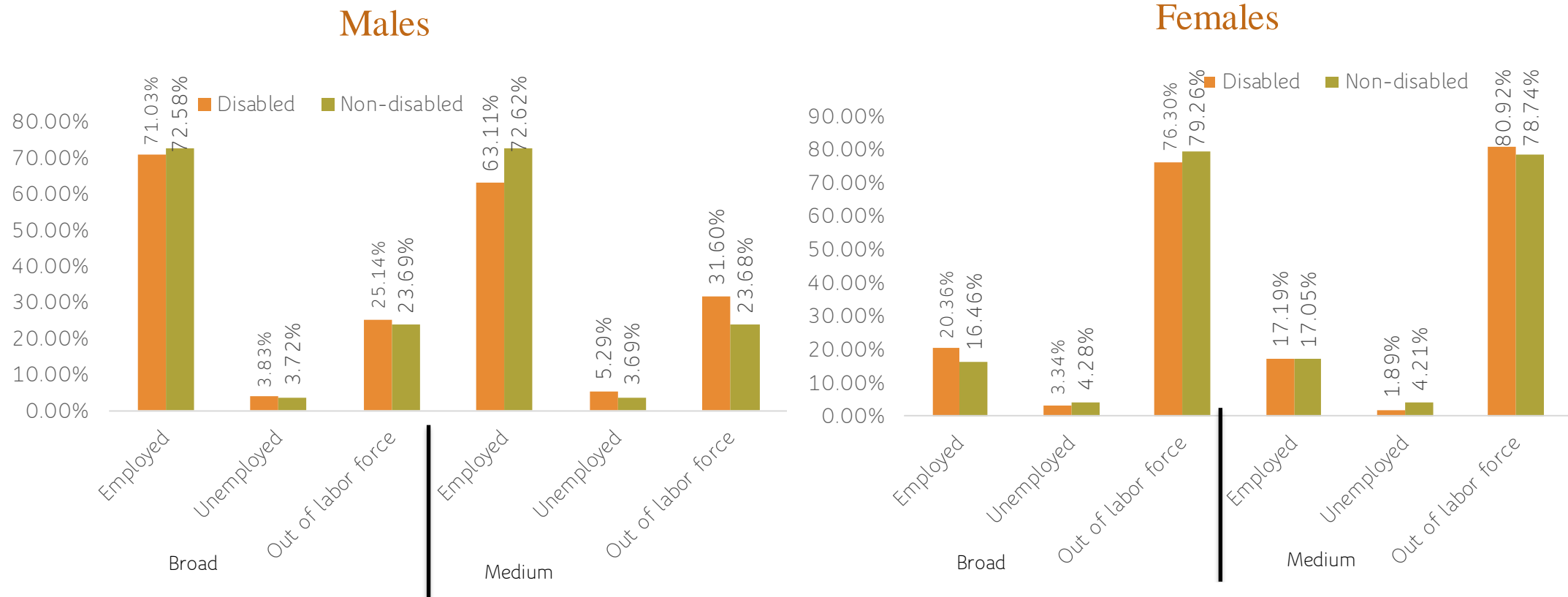
## Labor Force Participation



Source: based on authors' calculations using ELMPS (2018).

# Sec 1

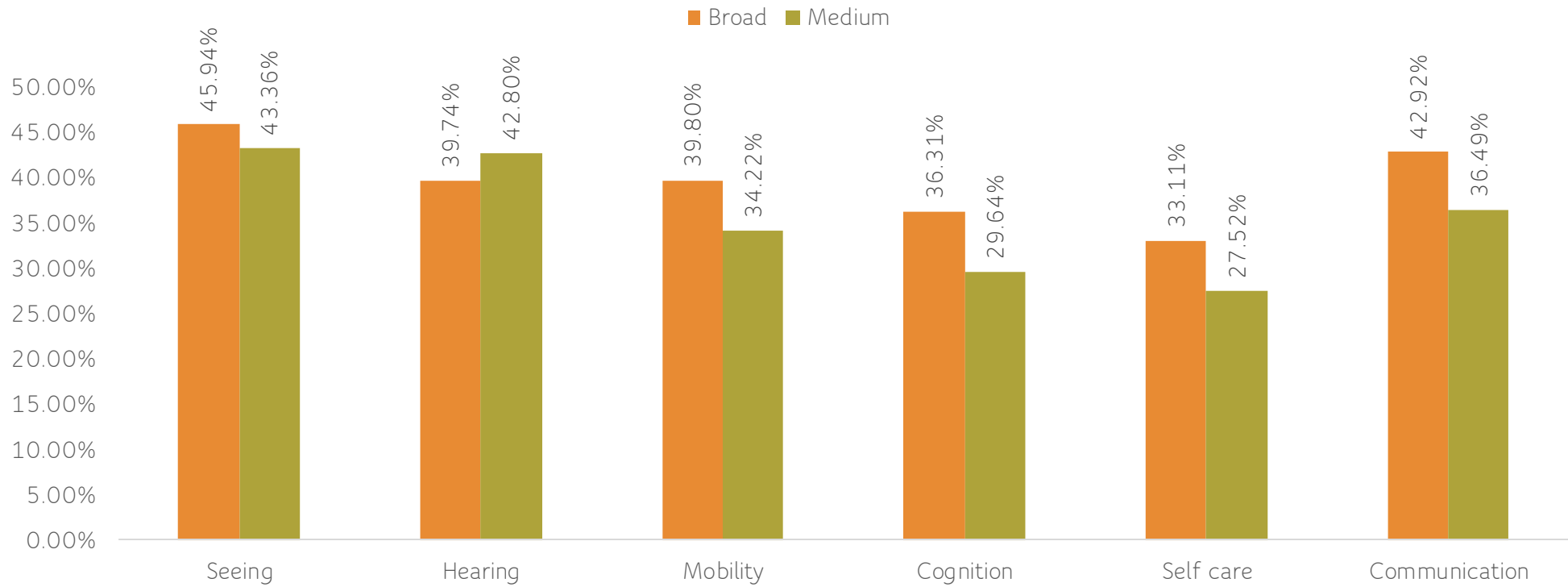
## Profile of persons with disabilities in the Egyptian Labor Market



Source: based on authors' calculations using ELMPS (2018).

Sec 1

# Percentages of disabled who are employed by domain and level of severity



Source: based on authors' calculations using ELMPS (2018).

## Sec 1

# Persons with disabilities in the public sector

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- For those who are employed, the study found that 18% of the public sector workforce are disabled people:
  - Such a remarkably high percentage of disabled people in this sector is likely the result of the older age profile of workers.
  - These findings also may highlight the commitment of employing persons with disabilities by the public sector.

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**First**, a **logistic model** is estimated to tackle the impact of having any disability on the likelihood of labor force participation (*Model 1*).

Two other versions of model 1 are estimated:

- One model controlling for the interactions terms (*Model 2*),
- Another model assessing the effect of disability types on the probability of labor force participation (*Model 3*).

**Second**, three other models are estimated using **probit models with selection**:

- *Model 4* assesses the impact of disability on the likelihood of being employed.
- Another version of model 4 is estimated to assess the effect of disability types on the probability of employment.
- *Model 5* tackles the impact of being disabled on the likelihood of being employed in public sector.

## Sec 3

# Estimated Results- Models 1 and 2

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- Being disabled decreases the odds of participating in the labor force by around 13% (**Model 1**).
- The relationship between participation and disability probably depends on gender and household status of the individual (**Model 2**):
  - For both disabled and non-disabled, being a female reduces the odds of participation in the labor market.
  - Among males, disability significantly decreases the likelihood of participation in the labor market by approximately 43%.
  - Being a disabled female significantly increases the odds of participation by approximately 20% compared to non-disabled females.
  - Being the household head increases the odds of participation in the labor market for the disabled person and more for the non-disabled person.



## Sec 3

# Estimated Results- Model 3

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- Being disabled in mobility is associated with a decrease in the likelihood of participation by approximately 28%, compared to other disabled or non-disabled individuals.
- Disability in cognition, self-care, or communication tends to decrease the odds of being in the labor force by approximately 13%.
- Disability in hearing and seeing does not have a statistical impact on the probability of participation in the labor market.

## Sec 3

# Estimated Results- Models 4 and 5

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- Disability has a negative significant impact on the probability of being employed (**Model 4**).
- In another version of this model containing the different types of disability, mobility and vision impairments tend to decrease the likelihood of being employed.
- Disabled persons are less likely to enter the labor force and be employed, but once they are employed, disability is no longer a significant determinant concerning employment in the public sector (**Model 5**).

## Sec 4

# Concluding Remarks and Policy Recommendations

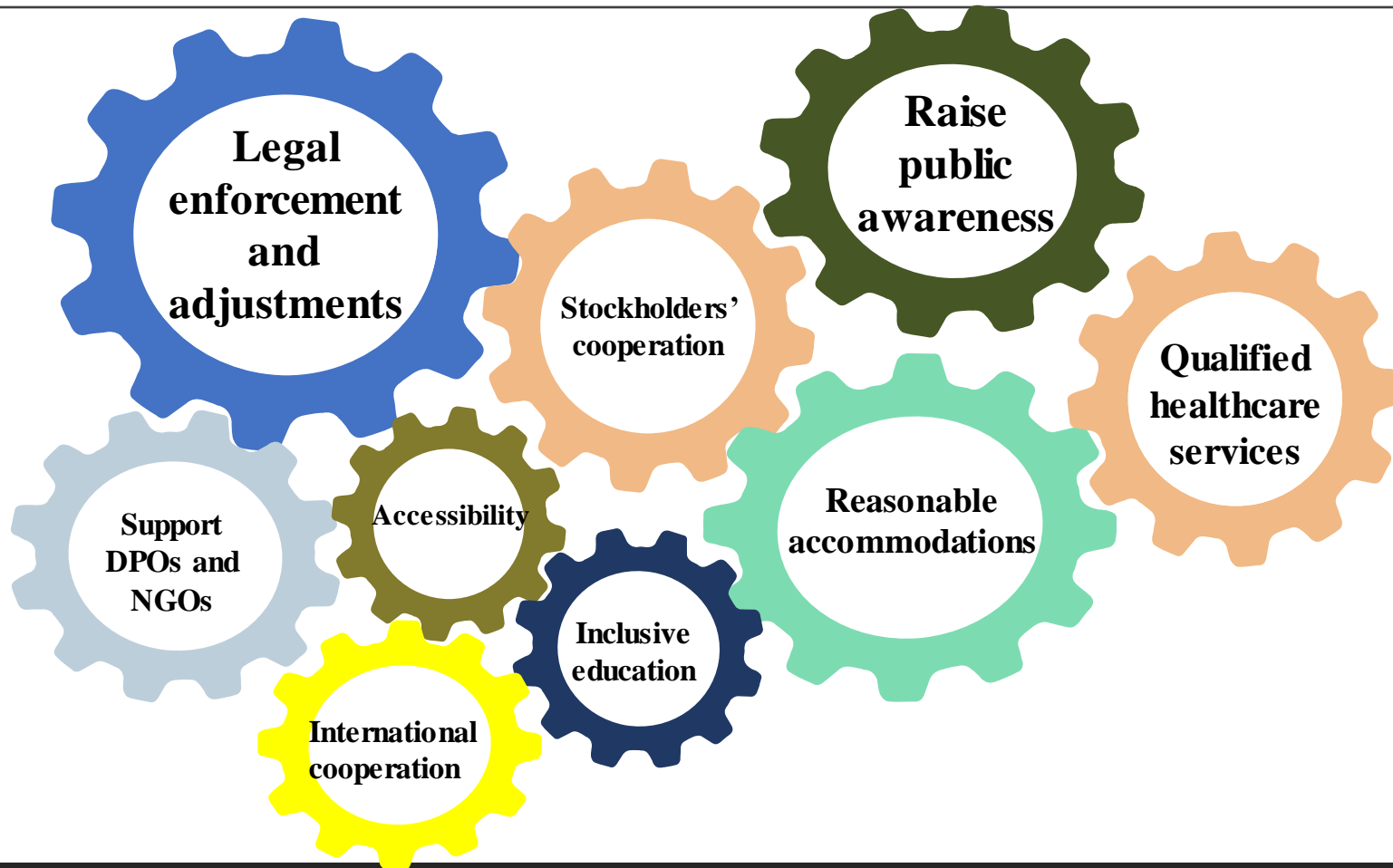
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- A sizable part of the Egyptian workforce is under-utilized. The Egyptian labor market appears to be a major source of disability-based inequality.
- Although the related policy initiatives and reforms undertaken appear to be useful in fostering inclusion of people with disabilities, it seems too early to conclude that such policies and reforms are having their intended impact.
- Evidence based research based on accurate data on disability is necessary for the decision-makers to develop appropriate policies to integrate disabled people in the Egyptian labor market.

~~DISABILITY~~

# Concluding Remarks and Policy Recommendations

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# Thank you for your attention

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