

Egypt

Overview



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What's happening

29%

Population below international poverty line

€104

per month

National minimum wage

€206

per month

Rural living wage

21%

Agricultural workforce

11%

Agriculture share of GDP

5

very high

Risk to workers' rights

Context

Egypt has a population of approximately 100 million people,^[1] of which 57% live in rural areas^[2] and the remaining 43% in urban centers.^[3] The agricultural sector accounts for 23% of total employment^[4] and contributes to the country's GDP by 11%.^[5]

Despite its relatively small contribution to GDP, agriculture is of vital importance for Egypt as a major economic activity. Many citizens highly depend on sustenance farming. Smallholder farmers represent half of Egypt's agricultural holdings, with plots of less than 0.42 hectares.^[6]

Despite its dry climate, Egypt has the Nile to thank for its fertile land, allowing the country to be a large marker for various agricultural products. The top produced crops in Egypt are sugar cane, sugar beet, wheat, maize, tomatoes and rice, respectively.^[7] Egypt's top commodities in terms of export quantity are oranges, potatoes, refined sugar, beet pulp and wheat flour.^[8]

Wages

Minimum wage

The minimum wage in Egypt is set by law at 2,000 Egyptian Pound (104 EUR) per month. It is based on 8 hours per day for 5-day workweek or on 7 hours per day for a 6-day workweek.^[9]

However, the minimum wage only covers public sector and government workers, leaving a lack of regulation in the private and informal sectors. This uneven playing field poses a challenge to improve the poor working conditions faced by workers in the informal economy, who make up 40% of the total workforce.^[10]

Living wage

The **Global Living Wage Coalition**, has developed a living wage reference value study for rural Egypt, based on the Anker methodology, which refers specifically to the rural areas of the country.

The Anker Living Wage Reference Value is estimated at 3,957 Egyptian Pound (206 EUR) per month, which is almost double the national minimum wage. The reference value is a wage which would guarantee workers a basic but decent standard of living in a typical rural area in Egypt. It represents the merge of a net living wage of 3,686 Egyptian pound (192 EUR) per month, plus 272 Egyptian pound (14 EUR) per month for workers to be able to cover taxes and social security costs. Due to the heterogeneous poverty rates in Egypt, it is expected that the minimum living wage gaps will vary greatly from one area to another.^[11]

What's happening

RESOURCE

[Living Wage Reference Value, Rural Egypt](#)

Living wage estimate for workers in a typical rural area of Egypt to afford a basic but decent living standard. Global Living Wage Coalition, 2020.

RESOURCE

[Inside Inequality in the Arab republic of Egypt](#)

A book, collaboration of the World Bank and the Social Contract Center of Egypt, drawing a picture on inequality inside of Egypt's borders.

Footnotes

1. World Bank (2019). <https://data.worldbank.org/indicator/SP.POP.TOTL?locations=EG>
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3. World Bank (2019). <https://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS?locations=EG>
4. World Bank (2020). <https://data.worldbank.org/indicator/SL.AGR.EMPL.ZS?locations=EG>
5. World Bank (2019). <https://data.worldbank.org/indicator/NV.AGR.TOTL.ZS?locations=EG>
6. FAO (2016.) AQUASTAT Country Profile –Egypt. Food and Agriculture Organization of the United Nations (FAO). Rome, Italy. <http://www.fao.org/3/i9729en/i9729EN.pdf>
7. FAOSTAT (2018). http://www.fao.org/faostat/en/#rankings/commodities_by_country
8. FAOSTAT (2018). http://www.fao.org/faostat/en/#rankings/commodities_by_country_exports
9. WageIndicator Foundation (2020). Minimum Wage-Egypt. <https://wageindicator.org/salary/minimum-wage/egypt>
10. U.S. Department of State. (2019) <https://www.state.gov/reports/2019-country-reports-on-human-rights-practices/egypt/>
11. Global Living Wage Coalition (2020). Anker Living Wage Reference Value: Rural Egypt 2020. <https://www.globallivingwage.org/wp-content/uploads/2020/11/Rural-Egypt-LW-Reference-Value-FINAL.pdf>

