

# Towards a Labor Law Stimulating Investment in Egypt

Hassan Abass\*

Department of Law, Partner - Sarie El Din & Partners of ce, Egypt

## Introduction

There is no doubt that the Labor Law is a legislation of a social nature, as it aims primarily to protect the working class as the weak party in the labor relationship between workers and business owners. However, the social nature of the Labor Law does not make it immune to economic changes. The Labor Law, in addition to being of a social nature, is a law with economic dimensions, as it would affect many economic variables such as the volume of investments, employment opportunities and unemployment. This effect may be positive or negative, so the labor legislator must take into account the impact of the labor law on economic variables, and work to avoid negative effects and target positive effects. This is taking into account the balance between the social and economic aspects, and not giving preference to one of these aspects over the other. Because of its negative effects and danger to the public interest, it must be avoided and warded off. Tweaking the balance of the economic side

Represented in the investments and interests of business owners - may lead to social unrest, and in favoring the social aspect - represented by the worker - a risk represented in the business owners' reluctance to invest and thus reduce employment opportunities and increase the volume of unemployment.

Among the most important of those positive effects that the labor legislator should aim to achieve by regulating the provisions of the Labor Law is to stimulate investment, stimulating investment would contribute to achieving economic development, which in turn leads to creating job opportunities to employ the largest number of unemployed graduates and contribute to reducing the proportion of unemployed graduates. Unemployment among young people, and increased incomes of workers. Hence, the labor legislature should work to stimulate investment and remove all obstacles that would hinder investment in Egypt.

Perhaps one of the most important of these obstacles is the weakness in Egypt of the efficiency and skills of the outputs of vocational and technical education and training. The investor aims to invest his capital to achieve the largest profit. So since the beginning of his investment project, he has been seeking to employ and employ highly skilled and technically skilled workers through which he can achieve the targeted investment return. Given the weak efficiency and skills of the outputs of vocational and technical education and training in Egypt, the investor seeks to employ foreign workers with technical and technical skills, but in this regard he finds himself facing the restrictions imposed

by the Egyptian legislator regarding the employment of foreign labor to protect national labor, especially those related to Determining the percentage of foreign workers that may be employed.

Therefore, the investor considers the lack of efficiency and skills of national labor and the restrictions imposed on the employment of foreign workers as an obstacle to investing his capital in the optimal investment in Egypt, which leads him to refrain from investing in Egypt, and to prefer investing in countries that have skilled trained labor.

Therefore, the issue of vocational and technical training and human development is one of the important issues that must be addressed by the labor legislation to be issued in the optimal organization aimed at stimulating investment by raising the capabilities of national labor to match work requirements to increase their competitiveness in the face of foreign labor, and we believe that this can be done through the following:

1. Creating specialized mechanisms to develop and deepen the link between the educational and training institution and labor market institutions, as the most common problems faced by education systems in the world are their inability to prepare people to meet the needs of the labor market, and to keep pace with the permanent changes in these needs. Therefore, we need legislation that creates specialized mechanisms to develop the performance of educational and training institutions and work institutions, with the aim of raising the ability of these institutions to prepare and qualify young graduates in line with the needs of the labor market. It should be noted here that the Global Employment Opportunity Pact, adopted by the International Labor Organization in 2009, has previously emphasized that one of the most important policy solutions to end employment crises around the world will be to provide the workforce with the skills necessary for employment.

2. Encouraging the participation of the private sector to improve the performance level of educational and training frameworks working in Vocational and technical education and training institutions, as the private sector is best able to determine its requirements of manpower and the type of skill that must be characterized. The absence of competition for the private sector and the singling out of the public sector with vocational and technical education and training is one of the main reasons for the gap between the diversity and quality of

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\*Corresponding author:

& Partners of ce, Egypt, Tel: 01003699021; E-mail: Hassanabas12345@gmail.com

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