

# Labour Market Profile 2018



## JORDAN

This updated profile provides a comprehensive overview of the labour market situation in the country.

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## PREFACE

The report is divided in eleven thematic sections including: trade unions, employers' organizations, tripartite structures, national labour legislation, violations of trade union rights, working conditions, situation of the workforce (with subsections: unemployment, sectoral employment, migration, informal economy, child labour, gender, and youth), education (with a subsection of vocational training), social protection, general economic performance, and trade. Additionally, the Appendix presents a list of approved labour market related legislations as well as status of ratification of International Labour Organization (ILO) Conventions.

Data are used from international databanks (e.g. the International Labour Organisation's (ILO) Key Indicators of the Labour Market (KILM) and NATLEX as well as the World Bank's World Development Indicators), national statistical institutions and ministries. Information is also collected from the International Trade Union Confederation (ITUC), U.S. Department of State, media sources (e.g. LabourStart, national news, etc.) along with trade unions centers, employers' organizations, NGOs, among others.

Several indexes such as the Global Rights Index, the Doing Business Index, the Governance Indicators, the Human Development Index and the Global Competitiveness Index are used as proxy indicators of the labour market's environment. The indexes' methodologies and the data quality can be followed by the sources' websites.

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All other labour market profiles of the countries where DTDA operates are available at our website: <http://www.ulandssekretariatet.dk/content/landeanalyse>

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## EXECUTIVE SUMMARY

The situation of the Hashemite Kingdom of Jordan economy is worrying. The Gross Domestic Product (GDP) per capita growth has been lower than the population increase since 2010. A deflation in consumer prices during 2015-16 was converted into a relatively low inflation in 2017. However, tax rises on food staples in 2018 will affect negatively the workers' income purchasing power as an impact of key donors who did not renew a financial assistance program. A developing middle-class was on a steady evolution in the country, but in recent years the human development ranking is declining. It is still not easy doing business. The export sector along with capital formation and foreign direct investment entered into downturns. This was reflected in the rising unemployment rate, which is overwhelmingly high among youth; and it exemplified that the economy and the labour market cannot create sufficient jobs.

Several labour market law reforms were approved from 2014 to 2016, but only few in 2017. A debate of the Labour Law was launched in 2018 in the Parliament attempting to make the code more gender-sensitive. The legal framework in terms of freedom of association and collective bargaining has a wide range of observations and workers confront systematic violations of rights, e.g. several categories of workers are prohibited or limited from forming or joining a union. Not to mention, at least one out of three of the workforce is not covered by the regulations in practice since they operate in the informal economy.

Tripartite structures are functioning in the country. It was registered that there was a slight upsurge in bipartite negotiations and reconciliation representative cases in the period from 2015 to 2016. Also the number of workers covered by Collective Bargaining Agreements is slowly on a rise peaking at 22% of the workforce in 2017. On the negative side, working conditions in Jordan are often opposing a wide range of non-compliant of regulations, e.g. discrimination in wages based on race.

National minimum wage was raised by 16% in 2017, but it remains lower than the poverty threshold. Ratio of minimum wage to value added per worker illustrates that the minimum wage is relatively high, which could reduce incentives to hiring more people.

Employment structures did not demonstrate a structural transformation since 2000 that continued to dominating the service sector (70%), some in industry (29%) and a very narrow agriculture sector.

The workforce rate is slowly decreasing in Jordan and already confronts a low employment-to-population ratio of 33% in 2018. Employment is very men dominated. Youth, who are working, is quite narrow for men and extremely low for women. This is related to that the education system absorbs a high level on the secondary and tertiary education levels and otherwise opposes the youth unemployment rate. Vocational education continues to be underestimated among the youth.

Jordan's migration flows have gone through changes due to an unprecedented regional flow of displaced persons. Reforms were launched in 2016 to issue work permits for Syrian refugees. Today, over half of the new jobs created annually are reportedly filled by lower paid foreign workers. This has created frustrations among Jordanian workers and the unemployed. Migration flow has furthermore formed pressure on both supply and demands on the country's systems of education, health and social protection.

As indicated, there are very glaring gender gaps on the labour market in Jordan that are bounded in traditional beliefs. Women are mainly working in the public sector, but this particularly sector experienced a diminishing role.

The trade union movement has been hard affected by the economic reforms directed towards privatization of state-owned enterprises. The number of membership fell sharply during the 2000s along with the trade union density rate. After turmoil period in the beginning of the 2010s, with a fast rise in protests, has been improved in recent years. Foreign workers were allowed to join unions, and take steps towards a new recognized independent trade union federation. This has been reflected in the membership that is slowly growing again, but a progress in the trade union density has been stalled and unionizing is confronting a wide range of trade union rights violations.



## COUNTRY MAP



Source: Google



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## TRADE UNIONS

Trade unions are organized in 17 industries and professions. They are not required to join the government-subsidized General Federation of Jordanian Trade Unions (GFJTU), but the institution is the country's sole legal recognized trade union federation. Also foreign workers were allowed to join unions since 2010. They are not permitted to create unions, head a union, or hold union office, though. There are some legal uncertainties whether domestic and agricultural workers are permitted to create or join unions or whether they are granted other protections in the Labour Code.<sup>1</sup> On the positive side, in September 2015 the first official migrant domestic worker network was formed to advocate for full rights for domestic workers. In addition to its trade unions, Jordan also has a large group of professional associations, with up to 100,000 members.<sup>2</sup>

In June 2011 independent trade unions were gathered and aimed to establishing their own federation. A founding congress was launched in 2013, a new coordinating body, the General Federation of Independent Unions (GFIU), which also has been called the Federation of Independent Trade Unions of Jordan (FIFU-J). The organization is still not recognized with a legal status. These unions are not allowed to collect membership fees or even establish bank accounts in the unions' name as well as participate in social dialogue forums. GFIU/FIFU-J has been supported by the International Labour Organization (ILO) and other labor market institutions, though; and initiated meetings with the International Trade Union Confederation (ITUC) to assess the affiliation.

A total 17 trade unions are registered with almost 131,000 members. Data revealed that the trade union membership rate in GFJTU was declining significantly from 230,000 members in 2001 to 124,000 in 2017 which equals a drop of 46%. According to GFLTU, the fall in the number of membership was related to the privatisation process in the economy that led workers to move from the public to the private sector. However, in recent years, the membership from GFJTU has been on an increasing trend of 2.9% in the period from 2015 to 2017.

Close to one out of two (45%) of the members are women. However, this is mainly due to that the large majority (80%) are women in the General Trade Union

for Workers in Clothing, Textile and Garment, which is the biggest union covering 51,000 members (41% of total GFJTU members). See more details on Appendix Table 27.

**Table 1: Status of trade unions in Jordan**

Trade union federations	1 *
Number of trade unions	17 **
Members of trade union centres	130,838 ***
Trade union density of workforce	6.0 %
Trade union density of employees	7.1 %
Women member share of trade unions	45 %

\* GFIU/FIFU-J covers an independent one; see Appendix Table 27. \*\* See more details on Appendix Table 28. \*\*\* This number covers GFJTU and GFIU/FIFU-J.

Source: DTDA research.

Table 2 illustrates that the trade union density (i.e. ratio of the number of employees who are members of trade unions to the employees or total employment) fell by 19 percentage points among employees (i.e. a person employed for wages or salary) in the period from 2001 to 2017 and by 14 percentage points among the total employment, reaching 7.1% and 6.0%, respectively. As already mentioned, this declining trend was triggered by the privatisation process on the labour market. The trade union density has stayed on a flat growth in recent years which points towards that the growing number of members is in par with the evolution of the employees and the total employment. Just as an observation, 33 OECD countries have a trade union density of 25% on average which equals a percentage point gap of 18 in comparison with Jordan's trade union density.

**Table 2: Trade union density trend in Jordan, 2001-2017**

	2001	2015	2017	Change, percentage point, 2001-2017
Trade union members to employees *	26%	7.2%	7.1%	19 p.p.
Trade union members to total employment	20%	6.0%	6.0%	14 p.p.

\* Definition of employees is a person who gets a basic remuneration not directly dependent the revenue of the employer.

Source: DTDA research.

### General Federation of Jordan Trade Unions (GFJTU)

GFJTU was established in 1954. The organization aims to strengthen the constitutional framework of the Jordanian





labour movement and promoting workers' rights. The organization is affiliated to the International Trade Union Confederation (ITUC). Sources estimates that a total of around 40 employees are full time working in the GFJTU and in all sector offices.<sup>3</sup>

GFJTU operates on the central level with political tasks that concern international cooperation and participation in tripartite forums. Other duties are related to joint activities as well as follow up on initiated actions and implementation of policies. In rare occasions, GFJTU also advises the sector federations in handling of legal cases.

On the sector federation level, activities are more related to advise enterprise committees, Collective Bargaining Agreements (CBAs) negotiations (at enterprise level), advises to enterprise committees and handling of labour cases and occupational safety and health (OSH) issues in relation to the enterprise level. Each sector selects their own sector federation president either during the elections or among elected federation committee members. These are elected for every fifth year and with the duties to monitor the sector federations.

On the enterprise level committees, the organization handles the cooperation and social dialogue at enterprise level as participation in OSH committees and other bi-partite enterprise level committees.

The Women Committee has for some time promoted a women's department with staff. Information was not available if it was approved.

All 17 sector federations have an office. Fifteen of the 17 sector federation offices are in Amman; the Railway and Petro chemicals sector federation offices are placed in other regions. The 17 federations organize 154 enterprise committees and have a total individual membership of 123,838 in 2017. Approximately 45% of the total individual members were women and estimated 12% of the members were migrant workers. Migrant worker were earlier denied to become member of a union in Jordan just as illegal for GFJTU sectors connected unions to organize these workers, but there been opening up for it during recent years (see also the sub-section: Migration).

The Textile and Garment Federation is the largest sector federation, which covers 51,000 members; 80% of these members are women and a majority work in the

qualifying industrial zones. It is worthwhile to mention that this federation went through a declining trend of 4% in recent years. The federation of municipality employees remains as the second biggest federation but its membership dropped deeply by 41% since 2015 as an impact of privatization of public assets. On the positive side, especially the General Trade Union of the Employees of Banks, Insurance, and Auditing as well as the General Union of Food Industry Employees experienced a fast upsurge in membership at 150% and 79%, respectively, in recent years (see more on Appendix Table 27).

### **Federation of Independent Trade Unions of Jordan (FITU-J) / General Federation of Independent Unions (GFIU)**

Jordanian trade unions established the independent federation FITU-J/GFIU in April 2013. It covers nine unions representing more than 7,000 workers. The organization seeks to mobilize for greater political freedom, improved economic conditions and strong social justice.<sup>4</sup> During the congress in 2013, delegates elected as president Azzam Smadi, retired president of the Independent Phosphates Workers Union.

The nine participating unions represent workers in the phosphates industry and the pharmaceutical industry, electrical workers, land transport drivers, printing press operators, day laborers, agricultural workers, engineers' assistants and Department of Statistics employees.

## **EMPLOYERS' ORGANISATION**

Based on estimations, around 6.1% (131,000 persons) of the total employment in Jordan comprises of employers (see more on Figure 4). Out of these, only 4.0% of employers are women (see also the sub-section: Gender).

The Global Competitiveness Index provides the Jordanian employers' view on a wide range of aspects, including labour market efficiency. The latter is elaborated upon surveys among employers in the country. They considered the labour market as somewhat rigid; ranking 90 out of 137 countries (1<sup>st</sup> is the best). Based on information from the surveys, some of the main issues were women participation in the labour market, effect of taxation on incentives to work as well as the reliance on professional management. The labour market efficiency survey's



highest score is related to the redundancy costs and cooperation on labour-employer relations (Table 3).

**Table 3: Labour market efficiency in Jordan, 2017-2018**

Indicator	Rank	Value
Total	90	4.0
Cooperation in labour-employer relations	38	4.9
Flexibility of wage determination	43	5.3
Hiring and firing practices	43	4.1
Redundancy costs (weeks of salary)	11	4.3
Effect of taxation on incentives to work	93	3.6
Pay and productivity	53	4.2
Reliance on professional management	84	4.0
Country capacity to retain talent	67	3.4
Country capacity to attract talent	79	3.2
Women participation in the labour force	135	0.23

Note: Rank from 1 to 135 (1 is highest). Value is estimated: 1 = lowest, 7 = highest.

Source: [The Global Competitiveness Report, 2017-2018, 7<sup>th</sup> pillar: Labor market efficiency](#)

The first employer syndicate dates back from 1963 with the formation of the Syndicate of Public Truck Owners. It was followed afterwards by many other syndicates that reached 50 syndicates today (Appendix Table 29).

Employers of any occupation (i.e. numbering no less than 25 individuals) are entitled to form a syndicate for themselves for the purpose of safeguarding their professional interests in accordance with the Labour Code. It is prohibited to establish or formation of employers' syndicates with racial or religious activities.

Most employers are members of Commerce and Industry Chambers that evolved from one chamber in 1923 to 16 today that are located in the major cities and districts.<sup>5</sup> These institutions are responsible for issuing professional permits and offering arbitration services to curb the shortcomings of the judiciary and courts' efficiency in enforcing contracts. The membership of the chambers is compulsory in most cases while in employers' syndicates is optional.

The role of employer syndicates is related to the adoption of the national economic policies. In practice they defend their direct sectoral interest, e.g. confronting the pressures of taxation. According to sources, the employers' organizations have been affected negatively by the fast upsurge in labour protests losing their power on the country's political scene (see also Figure 1). This has also been related to that syndicates are impeded by

legislative restrictions that distancing them from political activity.<sup>6</sup>

The employers' organizations are generally active on the trilateral committees.

## CENTRAL TRIPARTITE STRUCTURES

### Mediation and arbitration

Conflicts during negotiations are referred first to a mediator appointed by the Ministry of Labour. If the case is unresolved, it moves to the minister of labour and then to a mediation council composed of an employee representative, a labour representative, and a chair appointed by the minister of labour. The minister refers conflicts not settled by the council to a labour court. Data revealed that the Ministry of Labour received 3,176 labour complaints and settled 241 during the year 2016 (per November).<sup>7</sup>

The Labour Court judges are divided over whether the entire Labour Code applies to domestic workers or whether only a specific regulation for domestic workers, cooks, gardeners, and similar workers applied.<sup>8</sup>

It has been noted that the government did not fully enforce applicable laws with effective remedies and penalties.<sup>9</sup> By the same token, the court efficiency has been argued to remain one of the major challenges faced in Jordan's business environment. As an example, resolving a commercial dispute through domestic courts takes almost two years and the process costs more than 30% of the amount of the claim. On the positive side, the judicial structure and to improve the efficiency of enforcing contracts, the government has worked on some reforms, e.g. equipping the courts with a digitalized case management system. There has also been an increasing trend towards alternative dispute resolutions (ADR) and a widespread acceptance. While mediation and arbitration can be used as ADR mechanism in the country, the former is functioning for civil issues and conciliation is used solely for settling collective labour conflicts.<sup>10</sup> Not to mention, there are steps towards ratifying international conventions on arbitration and amending the Arbitration Law from 2001 and the Mediation Law from 2006.

It was registered that there was a slight upsurge in bipartite negotiations in the period from 2015 to 2016



and Labour Council cases. Reconciliation representative cases more than doubled up from 7 to 18 in the same period (see more on Table 4).

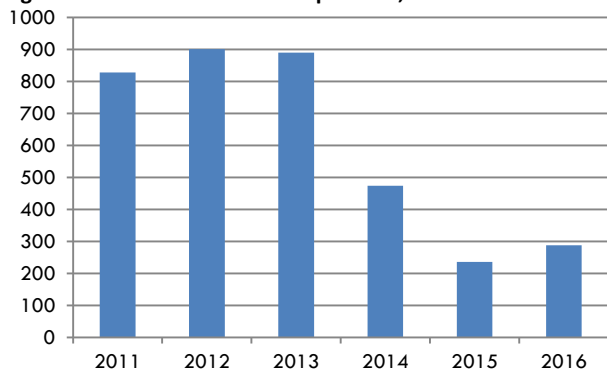
**Table 4: Status of mediation and arbitration in Jordan, 2015-2016**

	2015	2016
Bi-partite negotiation	51	53
Reconciliation Representative cases	7	18
Reconciliation Council cases	2	N/a
Labour Court cases	2	4

Source: DTDA

Figure 1 below shows that the labour market in Jordan was confronting a rough period in the beginning of the 2010s. The number of protests rose fast that were spurred by privatization of public assets, dire economic situation (rising cost of fuel and utilities, depreciating wages and growing unemployment) and the wave of the 'Arab Spring' in 2011. This upsurge peaked in 2012-2013, but dropped rapidly afterwards.

**Figure 1: Distribution of labour protests, 2010-2016**



Source: Jordan Labor Watch

### Tripartite Wages Committee

The minimum wage is fixed by the Tripartite Wages Committee either generally or for a particular area or trade. Members of the committee are holding a two-year renewable mandate. Albeit the Committee sets the minimum wage at national level, the King takes the final decision.

The Committee has contributed to some progress in relation to a more dialogue based minimum wage. As examples, the minimum wage was raised in 2008, 2012 and 2017 (see also the section: Working Conditions). However, in February 2018, the Jordan Labour Watch

issued a statement calling for the amendment of several articles in the Labour Law, which included an amendment of Article 52 to make it compulsory to raise the minimum salary in an annual basis according to the inflation (see also the section: National Labour Legislation).<sup>11</sup>

### Economic and Social Councils

The Economic and Social Councils institutions were established in February 2007. The consultations in the councils are mandatory by the government for all subjects concerning social relations, working conditions, social dialogue or issues proper at councils. The organ constitutes of five specialized permanent committees:

- The Committee for Evaluating Projects and Policies
- The Economic and Environmental Committee
- The Social and Cultural Committee
- The Committee on International Public Relations
- The Committee on Labor Relations

Each composition group is composed by 11 members:

- Government: 8 experts on the Council functions +3 experts on economic and social matter.
- Employers: appointed by the chambers of commerce and unions.
- Workers: appointed by the general federation unions.
- Civil Society: appointed by the organizations in relation with the functions of the Council.

During 2017, the government argued that it was necessary to use more practical and implementable programmes, not only theories, when it comes to increasing interaction between the ministerial economic team and the Economic and Social Council. This was related to financial and economic reforms adopted by the government, which included a reduction of public spending, were part of the solutions to confront the financial challenges facing the national economy (see also the section: General Economic Performance).<sup>12</sup>

### Other bi/tripartite organs

- National Council for Family Affairs (NCFA)
- National Commission for Women.



## Collective Bargaining

During recent years, the collective bargaining processes have improved in Jordan. This was carried out by representatives from the 17 recognized sector federations who negotiate directly with enterprises; in some occasions the collective bargaining is also handled by the enterprise committees. However, the several groups of workers cannot bargain collectively (see also the sub-section: Observations on the labour legislation).

Collective Bargaining Agreements (CBAs) in Jordan can be scheduled for a specified period or of indefinite duration. With the former, the specified period is maximum two years. The latter outlines that the parties shall have the right to terminate the agreement after it has been implemented for at least two years, by giving the other party notice to that effect at least one month before the termination date. The provisions of the collective agreement cover also workers in any establishment covered by this agreement even if they are not members of any trade union.<sup>13</sup>

In terms of CBAs in the country, 11 of the previously mentioned 17 sector federations have one or more CBAs. This was concentrated in the Textile, Garment and Clothing sector, Food Industries, Public Services and Free Vocations as well as Construction (see more on Appendix Table 28). It was registered that 71 CBAs are active in 2017 and their coverage has risen by 6 percentage points from 2014 to 2017 (Table 5).

**Table 5: Status of Collective Bargaining Agreements (CBAs) in Jordan, 2014-2017**

	2014	2015	2016	2017
Number of CBAs	73	60	75	71
Workers covered by CBAs	263,141	349,247	349,242	394,488
Share of workforce covered by CBAs	16%	21%	21%	22%

Source: JKN, Appraisal Report Jordan – June 2015 and DTDA research

One case shows that garment workers have taken a significant step with the development of industry-wide collective bargaining that was signed in April 2013 after 12 months of negotiation, covering 62,000 workers of whom 70% were migrants and 70% were women.<sup>14</sup> The agreement was renewed in 2015, following 6 months of consultations with workers in the factories. By the same token, the number of strikes in the garment sector also fell

from 42 in 2012 to 12 strikes one year after signing the agreement. The agreement provides a standardized set of conditions that all parties - government, unions and buyers are able to measure compliance against.

However, recent assessments of the working conditions in Jordanian exporting apparel factories have still detected a wide range of non-compliant of regulations, e.g. discrimination in wages based on race and origin just as many factories are non-compliant under Freedom to Associate since the national law prohibits workers from freely forming their own unions.<sup>15</sup>

## NATIONAL LABOUR LEGISLATION

### Constitution

The Jordan Constitution was promulgated in 1952 and has been amended in 1974, 1976, 1984 and 2016. Particularly the Chapter two establishes a number of workers' rights, including and equitable working conditions; limited working hours per week; weekly and annual paid rest; special compensation given to workers supporting families and on dismissal, illness, old age and emergencies arising out of the nature of the work; special condition for the employment of women and juveniles; equal pay for equal work; free trade unions origination within the limits of the law. In addition, it states that free trade unions may be formed within the limits of the law and prohibits antiunion discrimination.<sup>16</sup>

### Labour Code

The Labour Code of 1996 was amended several times, latest in June 2010 with a wide number of provisions such as intellectual property rights, establishment of private employment agencies, employment and recruitment of non-Jordanian workers as well as technical and vocational training, among others.<sup>17</sup> In the beginning of 2018, the Parliament launched debates of a new Labour Law. Among others, the Lower House Labour Committee was reviewing a series of recommendations submitted by a coalition of organisations aimed at amending the Labour Law to make it more gender-sensitive.<sup>18</sup>

Overall, the law provides for the right to form and join free trade unions and conduct legal strikes, but with significant restrictions (see also the sub-section: Observations on the labour legislation). The law identifies specific groups of public- and private-sector workers who may organize and defines 17 industries and professions in which trade unions may be established. The



establishment of new unions requires approval from the Ministry of Labour and at least 50 founding members. The law requires that these 17 trade unions belong to the government-subsidized General Federation of Jordanian Trade Unions, the country's sole trade union federation. The law authorizes additional professions on a case-by-case basis to form professional associations. Authorities do not permit civil servants to form or join unions, and they cannot engage in collective bargaining. The constitution prohibits antiunion discrimination, and the law protects workers from employer retaliation due to union affiliation or activities. The law does not explicitly provide a worker fired due to antiunion views with the right to reinstatement.<sup>19</sup>

Point often overlooked is that several categories of workers are prohibited or limited from forming or joining a union, or from holding a union office, which includes: civil servants, gardeners and cooks.<sup>20</sup> A large segment of the workforce is not covered by the law in practice since they operate in the informal economy.

The law allows foreign workers to join unions. However, it does not permit them to create unions, head a union, or hold union office. Some sources pointed out that in at least one sector, elections for the union board may have excluded some migrant workers from voting for their leaders because it was unclear whether they could vote for offices they could not hold. It remained unclear whether the law permits domestic and agricultural workers to create or join unions or whether the code grants them other protections. The government did not fully enforce applicable laws with effective remedies, and penalties were insufficient to deter violations.<sup>21</sup>

### Other legislations

Several other legislations exist that regulate and set standards and restrictions for the labour market in Jordan. ILO registered a total 179 national labour, social security and human rights related legislations.<sup>22</sup> It was registered that a wide range of reforms were approved in 2015; fewer in 2016 and none in 2017 (Table 6).

**Table 6: Status of the national labour, social security and human rights related legislations in Jordan, 2014-2017**

	2014	2015	2016	2017
Number of new/amended legislations	5	20	9	0

Source: [ILO, NATLEX, Jordan](#)

Some of the main legal reforms on the labour market were in 2015 and they were related to regulation of the organisation of Private Recruitment Agencies for the Recruitment of Non-Jordanian Domestic Workers. This piece of legislation requires employers to purchase insurance from any legally licensed company that will cover the householder (employer) for financial losses resulting from the worker leaving or 'refusing to work'. This bylaw gives also the Ministry of Labour the authority to classify recruitment agencies based on compliance, and to close and withdraw the license of poorly ranked agencies. Under the bylaws the ministry closed seven recruitment agencies and temporarily suspended 18 agencies as of September 2016; most had been subject of repeated complaints. Other bi-law from 2016 made it mandatory to hire Jordanians in state projects.

New insurance policies covering non Jordanian domestic workers were launched in 2015. These policies aim to both protect employers and provide comprehensive healthcare for domestic workers (see also the section: Social Protection). During 2018 it was noted in the media that domestic workers recruitment agencies' marketing campaigns have been under fire of dehumanising the workers by using improper language that treats them as "commodities". Instructions on Domestic Worker's Insurance Policies were also approved.<sup>23</sup> Appendix Table 30 also illustrates more details of the legislation reforms.

### Observations on the labour legislation

The International Trade Union Confederation (ITUC) has registered some observations of the labour market legislations, among others:<sup>24</sup>

- The Labour Code does not specifically protect workers from anti-union discrimination.
- Trade unions must obtain Ministry of Labour approval to become officially registered.
- Excessive representativity or minimum number of members required for the establishment of a union.
- Unions must belong to GFJTU. The government subsidizes the GFJTU staff's wages and some of its activities. At its 2008 Congress, the GFJTU agreed to change its structure and that of its unions by replacing elected union branches with union committees. New trade unions must be directly linked to 17 professions



and sectors in which unions already exist, effectively making trade union pluralism impossible.

- Public and municipality employees cannot bargain collectively. In addition, domestic servants, gardeners, cooks and the like; and agricultural workers are not granted the right to bargain collectively.
- The right to strike is considerably limited, as government permission must be obtained beforehand.
- Workers cannot strike without giving notice to the employer at least fourteen days prior to the date specified for strike. This period is doubled if the action relates to any of the public interests services. In practice, strikes generally occur without advance notice or registration.

### Ratified ILO Conventions

With reference to Jordan's ratification of the international labour standards, a total 26 ILO Conventions are ratified (see more details on Appendix Table 31):<sup>25</sup>

- Fundamental Conventions: 7 of 8.
- Governance Conventions (Priority): 3 of 4
- Technical Conventions: 16 of 177.
- Out of 26 Conventions ratified by Jordan, of which 24 are in force, 2 Convention has been denounced; 1 has been ratified in the past 12 months.

The latest ratified Conventions were the Social Security (Minimum Standards) Convention (No. 102) of February 2014 and the Maritime Labour Convention (MLC, 2006) from April 2016. Not all conventions deployed, published in the official gazette, which means that it cannot be invoked to them in litigation, for example the Workers' Representatives Convention (No. 135) and Worst Forms of Child Labour Convention (No. 182).

## TRADE UNION RIGHTS VIOLATIONS

Jordan was ranked as four out of five at ITUC's Global Rights Index in 2017, registered with 'systematic violations of rights', i.e. the government and/or companies are engaged in serious efforts to crush the collective voice of workers putting fundamental rights under threat.<sup>26</sup> The ranking stayed on this level during the last four years (Table 7).

**Table 7: Global Rights Index, Jordan ranking, 2014-2017**

	2014	2015	2016	2017
Ranking on the Global Rights Index	4	4	4	4

Note: Five clusters in total with ratings from 1 to 5. A country is assigned the rating 5+ by default, if the rule of law has completely broken down.

Source: ITUC, Global Rights Index

In the period from 2015 to 2018 (February), the ITUC registered one case with regular violations of rights in Jordan.<sup>27</sup> This case is related to arrests in the Aqaba port. According to ITUC, around 150 workers employed were dismissed for taking October 2014. The strike began but entered into a stalemate in negotiations over the renewal of the collective bargaining agreement. Afterwards the police interfered and stopped the strike by arresting the workers. Despite this crackdown, workers continued to insist on their demands. The ended when the government guaranteed that the grievances of the workers would be addressed by the national labour court and the company waived penalties imposed on workers during the strike.

According to other sources, labour organizations reported that management representatives used threats to intimidate striking workers. Labour organizations and industry representatives reported that workers also sometimes used threats and physical violence to retaliate against management officials or to coerce colleagues into participating in labour actions. It was furthermore mentioned that foreign workers in the garment, construction, services, and agricultural sectors, whose residency permits are tied to work contracts, were vulnerable to retaliation by employers for participating in strikes and sit-ins. The Ministry of Labour sometimes prevented management from arbitrarily dismissing foreign workers engaged in labour or other activism, but its enforcement was inconsistent. Observers reported management's common practice of refusing to renew foreign workers' contracts due to "troublemaking" or attempting to organize in the workplace.<sup>28</sup>

Forced labour or conditions indicative of forced labour occur in Jordan, particularly among migrant workers in the domestic work and agricultural sectors. Domestic workers are particularly vulnerable to exploitation due to inadequate government oversight, social norms that excused forced labour, and workers' isolation within individual homes.<sup>29</sup>



Table 8 below shows that Jordan has no active cases in ILO's Committee of Freedom of Association. One follow-up case was filed in 2012 by two independent unions (ITUPSW and ITUWJEC) that denounced the refusal by the authorities to register them in application of the labour legislation and regulations, which they consider are not in conformity with the principles of freedom of association; as well as acts of discrimination in favour of non-strikers, the refusal by the employer to recognize the union and the denial of its right to collective bargaining.

**Table 8: Status of ILO Freedom of Association cases, Jordan, 2018 (February)**

Complaints Procedure	Cases
Active	0
Follow-up	1
Closed	11

Source: [ILO, NORMLEX, International Labour Standards country profile, Jordan](#)

## WORKING CONDITIONS

The trilateral Committee on Labour Relations held several meetings during 2016 to discuss raising the minimum monthly wage but confronted difficulties in reaching a consensus. An agreement was finally succeeded and the national minimum wage was raised from 190 dinar (US\$268) in 2012/16 to 220 dinar (US\$310) per month for the Jordanian workers since 2017, which equals a growth of 16% (Table 9). The wage was lower than the poverty threshold that was set at 366 dinar (US\$512) per month for a family of five; and nearly one-third of Jordanians were living below the poverty line at some point throughout the year. Estimations suggest that around 49% of workers are getting wages 400 dinar (US\$564) or lower.<sup>30</sup> The inflation in consumer prices was on a deflation in 2015-2016, which kept the income purchasing power more stable, but prices are now on the rise (see also Figure 19).

Looking at the ratio of minimum wage to value added per worker (Table 9), which is a proxy indicator of difficulty of hiring, it points towards that it is relatively high at 0.6 (the scale goes from 0-10). Countries with higher mandated minimum wages relative to average value added per worker are given lower ratings.<sup>31</sup> It means that the minimum wage in Jordan is fairly high compared

to the value added per worker, which discourages the hiring of more workers in relation to competitiveness.

**Table 9: Wages and earnings in Jordan**

Monthly average and legal minimum wages

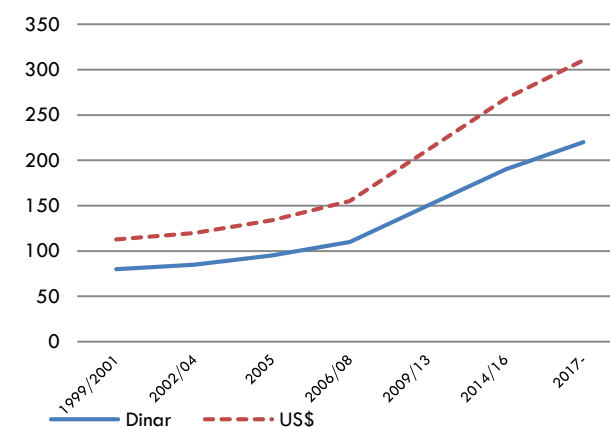
	Current Dinar	Current US\$
Average wages (2012)	437	616
Mean wages (av.) (2010)	392	553
Men	403	568
Women	359	506
Gender gap *		-11%
Minimum wage (2017-)	220	310
Minimum wage growth (2013/16 - 2017-)		16 %
Ratio of minimum wage to value added per worker		0.6

\* Ratio of mean wage of women to men.

Source: [ILO, Earnings and labour cost](#); [ITUC](#); [World Bank, Labor Market Regulation Data](#) and DTDA calculations on percentages.

The average wages have been on a steady growth in Jordan. Figure 2 illustrates the minimum wage increases since 1999.

**Figure 2: Monthly minimum wage trend in Jordan, Dinar and US\$, 1999-2018**



Source: [ILOSTAT](#) and the Jordan Times

It is important to realize that the minimum wage increase excluded noncitizens and all workers in the garment industry. As an example, noncitizen workers in the garment industry received a minimum wage that is 28% lower than the citizens' wage in the same sector. Authorities granted this exemption in part because employers often provided room and board for noncitizen workers in this sector. Some garment factories continued



to deduct room and board from foreign workers' already lower salaries.<sup>32</sup>

Women employees in Jordan are paid less than men in the same skill category. As an example, a gender wage gap in the mean nominal monthly earnings has been estimated at 11% (Table 9). When skill level is included in the assessment, it shows that women in Jordan are often paid even much less than men, e.g. women professionals in Jordan are paid 33% less than men professionals.<sup>33</sup>

The standard workweek in Jordan was set by law at 48 hours which is in line with the other countries in the Arab States. The minimum duration of maternity leave in Jordan is 70 days. It is interesting to note that the source of maternity leave benefits is covered by employers in all Arab States, except for Bahrain and Jordan that are covered by social insurance. Overall, wage, overtime, safety, and other standards often were not upheld in several sectors, including construction, mechanic shops, day labour, and the garment industry. Some foreign workers faced hazardous and exploitative working conditions in a variety of sectors. More information on the working conditions in Jordan is available on Table 10. A new Regulation of Flexible Employment No. 22 of 2017 issued pursuant to the Labour Law was approved and it introduced flexible working arrangements for certain categories of employees in Jordan. However, certain issues still need to be elaborated upon of aligning this regulation of amending to the Labour Law.

**Table 10: Working Conditions in Jordan**

Fixed-Term Contracts Prohibited for Permanent Tasks	No
Maximum Length of a Single Fixed-Term Contract (Months)	60 months
Maximum Number of Working Days per Week	6 Days
Premium for Overtime Work (% of Hourly Pay)	25 %
Paid Annual Leave (Average Working Days with 1, 5 & 10 Years of Tenure)	18.7
Minimum Length of Maternity Leave	70 Days
Amount of Maternity Leave Benefits	100% of Wages
Source of Maternity Leave Benefits	Social insurance
Unemployment protection after one year of employment	No

Source: [World Bank, Labor Market Regulation Data](#) and [ILO, Working Conditions Laws Report 2012](#)

The country is covered by 215 labour inspectors, dropped down from 230 in 2015. It equals that these inspectors cover 1 per 9,372 workers. It appears to be high since

the ILO recommends 1 per 10,000 workers in industrial market economies and one inspector per 20,000 workers in transition economies.<sup>34</sup> In practice the labour inspectors have a special focus on enforcing compliance in the Qualifying Industrial Zones (QIZ), which largely employed migrant garment workers (see also the sub-section: Export Processing Zones). The authorities do not consistently apply all the protections of the Labour Code to domestic and agricultural workers, which has been related to that applicability is not clear.<sup>35</sup>

## WORKFORCE

Jordan's total population is estimated at 10.3 million people in 2017, which includes an estimate of the net migration rate due to the increased flow of Syrian refugees. The population growth was estimated at 2.1%. The degree of urbanisation (i.e. the share of urban population in the total population of a country) has risen from 81% in 2006 to 84% in 2016.<sup>36</sup> Around 2.1 million are workers; of these approximately 350,000 are registered foreign workers (unofficial indicators speculate that unregistered foreign workers are nearly double this number).<sup>37</sup> Estimations suggest a very low employment-to-population ratio of 33% in 2018 (Table 11). The workforce is projected to grow faster in the future at around 4% per year during the next 10 years.

**Table 11: Employment-to-population ratio, Age and Sexes distribution, Jordan and Arab States, %, 2018**

Sex	Age	Jordan	Arab States	
Men & women	Total	15+	33 %	47 %
	Youth	15-24	14 %	22 %
Men	Total	15+	56 %	72 %
	Youth	15-24	24 %	36 %
Women	Total	15+	11%	16 %
	Youth	15-24	3.2 %	6.6 %

Source: [ILO, Key Indicators of the Labour Market \(KILM\)](#)

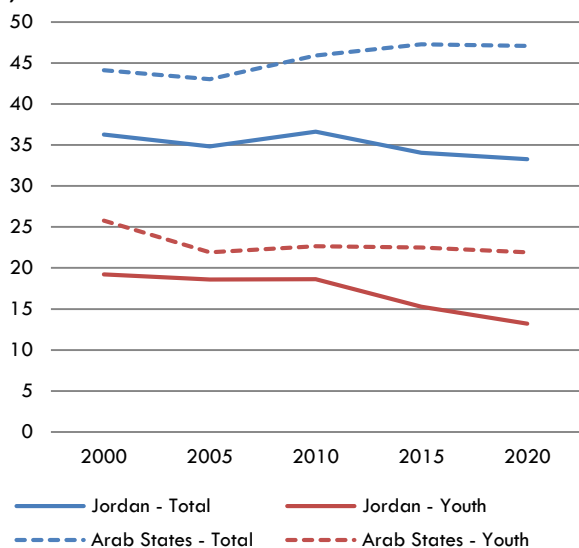
Men represent 56% in the employment-to-population ratio while women only at 11%. Youth employment-to-population is very low for men at 24% and extremely low by women of 4%. On all levels, Jordan has a significant lower employment-to-population ratio than the Arab States average (Table 11). The authorities has registered that men enter the labour market at normal rates but exit early, while women do not enter the labour market at sufficient rates; when they do, they exit too quickly.<sup>38</sup>





Based on estimations and projections, the labour participation rate is declining for both total and youth. This is demonstrated by increasing participation rate gaps between Jordan and the Arab States averages (Figure 3). The relatively low participation rate among the youth is related to higher enrolment on higher education levels (see also the section: Education).

**Figure 3: Estimations and projections of labour force participation rate, Total and Youth, Jordan and Arab States, %, 2000-2020**



Source: ILO, Key Indicators of the Labour Market (KILM), 9th Edition

Status of employment did basically not go through structural changes since 2000 and it is projected to continue on a status quo. As demonstrated on Figure 4, employees (i.e. workers receiving a basic remuneration not directly dependent the revenue of the employer) in the country is the main segment of the total employment and it was estimated at 84% in 2018. This is slightly higher than the Arab States average that was measured at 78%. As already mentioned, Jordanian employers represents 6.1% of the total employment. A small group is still concentrated among the own-account workers (i.e. self-employment and not engaged as 'employees' on a continuous basis) that covers around 9.2% of the total employment. 'Contributing family workers' category (i.e. self-employment in an establishment operated by a related person) is very limited.<sup>39</sup>

**Figure 4: Estimations and projections of the status of employment in Jordan, 2000-2020, %**



Sources: ILO, Key Indicators of the Labour Market (KILM)

Jordan's labour productivity was hovering above the World average but the gap is declining. This has been related to that the labour productivity stalled during the 2000s and it is projected to stay like that. The labour productivity is also much lower than the Arab States average. It is worth mentioning that the region is on a declining trend (see more on Figure 5).

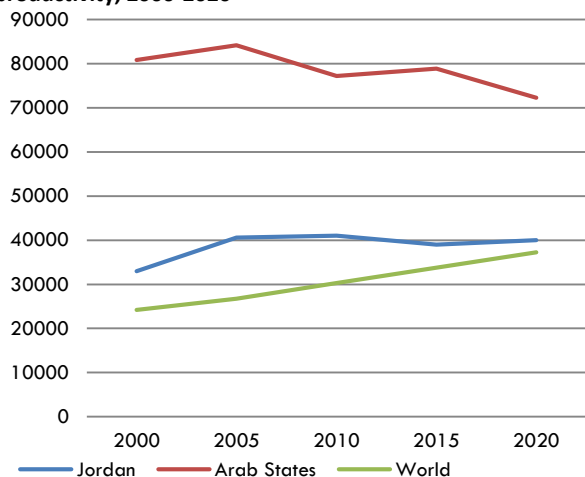
Growth in the labour productivity depends on three main factors: investment and saving in physical capital, new technology, and human capital. A growing labour productivity is interpreted as improved standards of living in the form of higher consumption just as it produces more goods and services for the same amount of relative work. This is measured in physical capital in the amount of money that people have in savings and investments. New technologies are technological advancements, such as robots or assembly lines. Human capital represents the increase in education and specialization of the workforce. By the same token, if output is increasing while labour hours remain static, it could be a sign that the economy is advancing technologically and should continue to do so. Conversely, if labour hours increases in relation to flat output, it could signal that the economy needs to invest in education to increase its human capital.<sup>40</sup>

On this background, it is clear that Jordan is confronting challenges in applying more technological advancements, increasing the capital formation and foreign direct investments as well as improving the education quantity and quality. As demonstrated in this report, the presence of the informal economy; weak conditions of doing business; deteriorating human development; and a



decade-long effort to implement economic reforms to encourage foreign investment has not resulted in an increasing share of employees, which indicate challenges of increasing the labour productivity in Jordan.

**Figure 5: Estimations and projections of the labour productivity, 2000-2020**



Note: Labour productivity is estimated as output per worker (GDP constant 2011 international \$ in PPP).

Sources: [ILO, Key Indicators of the Labour Market \(KILM\)](#)

## Unemployment and Underemployment

The unemployment rates in Jordan are significantly higher than the Arab States averages on all levels. Table 12 displays that the total unemployment rate was estimated at 15% in 2018. An unofficial rate is approximately 30%.<sup>41</sup> One of the most evident features of the unemployed is that the young population is confronting overwhelmingly high unemployment rates, e.g. the total youth unemployment rate was estimated at 41%, which is 16 percentage points higher than the Arab States average.

Stark gender gaps also exist on all levels: Among others, the men in youth unemployment were estimated at 35% and 64% among women. These gender gaps are common in the Arab States. Since the unemployment has more severe effects the longer it lasts, it is worrisome that the share of long term unemployment, which is higher than 12 months, has stayed very high on a rising trend and reached 44% in 2014.

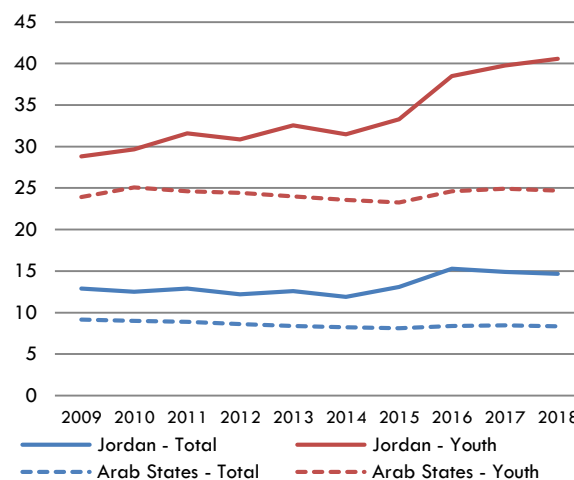
**Table 12: Unemployment Rates in Jordan and the Arab States, %, 2018**

	Gender	Jordan	Arab States
Unemployment	Total	15 %	8.3 %
	Men	12 %	6.8 %
	Women	25 %	16 %
Youth Unemployment	Total	41 %	25 %
	Men	35 %	21 %
	Women	64 %	41 %
Share of unemployed >12 months (2014)	Total	44 %	-
	Men	40 %	-
	Women	52 %	-

Source: [ILO, ILOSTAT](#)

Based on estimations, the total unemployment rate has stayed on a flat growth at around 13% for a long period, but with an upsurge in 2015 peaking at 15% since then. And it was reflected by a growing gap that reached 6.4 percentage points with the Arab States average. Youth unemployment rate was growing slowly on a long period until in 2015 when it really rose fast and peaking at 41% in 2018, so far. This fast growing unemployment rates in recent years has diverged from the region averages. These changes in Jordan have been fuelled by an economic slump and spill over from conflicts in Syria and Iraq.

**Figure 6: Unemployment trends in Jordan and Arab States, 2009-2018, %**



Source: [ILO, ILOSTAT](#)

The already mentioned high levels of youth inactivity on the labour market coupled with the high youth unemployment rate reflect structural challenges. The labour market does not create sufficient new job creation for Jordanians or create incentives among the inactive



population who have given up hope to start searching jobs.

### Sectoral Employment

A structural transformation of the employment has not happened during the last 15 years in Jordan. First of all, a large majority (70%) of the employment is present in the service sector, followed by the industry sector (29%) and a minority (3.7%) is in the agricultural sector (Figure 7). It is interesting to observe that the Arab States average is in par with reference to the employment in industry, while the agricultural sector is higher at 12% and the service sector at 62%.

Figure 7: Estimations and projections of employment by aggregate sector in Jordan, %, 2000-2020



Source: [ILO, ILOSTAT](#)

Table 13 below shows that men are dominating the employment in Jordan in all economic sectors: 85% of the total employment is men. According to the statistical data, women are basically not present in the agricultural and the industrial sectors; they are more active in the finance sector (21%), public sector (e.g. administration, education, and health) (25%), and other activities such as households as employers and services-producing activities of households for own use (23%).

Without a doubt the community, social and personal services cover the largest sector of 46% of the total employment followed by the trade, restaurants & hotels sector (18%). Employment in manufacturing and transportation are also significant sectors (see more on Table 13).

One reason why many women stay out of the labour market is related to traditional social pressures that discourage them from pursuing professional careers. And this is often after marriage.

The country has a very low employment in the agricultural sector. Based on estimations, this sector covered around 30,000 workers in 2014. One reason of this is related to the scarcity of natural resources, covered by arid or desert terrain and with barely 3% of arable land. In addition, most workers in the agricultural sector are Egyptian migrants. With this in mind, the labour legislation does not apply to non-Jordanians, making the migrant workers vulnerable segment that are earning lower wages.

Table 13: Employment sector share in Jordan, 2014

Sector	Total sector employment	Sector employment share, %	Ratio of men in employment, %
Agriculture	30,107	1.8 %	96 %
Mining & quarrying	13,381	0.8 %	98 %
Manufacturing	170,604	10 %	91 %
Electricity, gas & water	15,053	0.9 %	98 %
Construction	110,391	6.6 %	98 %
Trade, restaurants & hotels	297,720	18 %	95 %
Transport, storage & communication	160,568	9.6 %	95 %
Finance, real estate & business services	45,160	2.7 %	79 %
Community, social and personal services *	777,752	46 %	75 %
Other sources **	53,523	3.2 %	77 %
<b>Total</b>	<b>1,674,258</b>	<b>100 %</b>	<b>85 %</b>

\* This sector include: Professional, scientific and technical activities; Administrative and support service activities; Public administration and defence; compulsory social security; Education; and Human health and social work activities.

\*\* Other sources include: Arts, entertainment and recreation; Other service activities; activities of households as employers; undifferentiated goods- and services-producing activities of households for own use; and Activities of extraterritorial organizations and bodies.

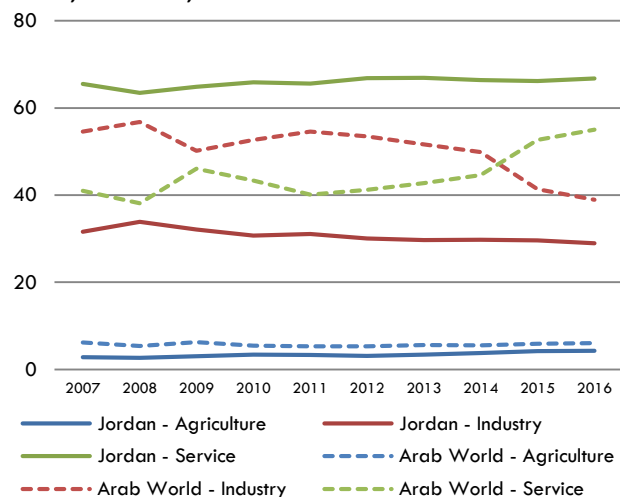
Source: ILO, Key Indicators of the Labour Market (KILM), 9th Edition.

Just as among the sectoral employment, the country has neither gone through an economic transformation. During the last decade, basically no changes were registered on



the distribution of Gross Domestic Product (GDP) per aggregate sector in Jordan. This trend in the agricultural sector continued similar among the Arab World average. It is worthwhile to mention that the service sector was on a rise while the industry sector dropped in the Arab World. Jordan's industry sector continues to be quite low in comparison with the region average (Figure 8).

**Figure 8: Sector Share of value added in Jordan and the Arab World, 2007-2016, % of GDP**



Source: [World Bank, World Development Indicators](#)

## Migration

Jordan has a very high population of non-nationals and over half the new jobs created annually are reportedly filled by foreign workers. Migrant workers in Jordan come primarily from Egypt and several countries in South East Asia like Sri Lanka, Bangladesh, the Philippines, and Indonesia. These migrants are often employed in agriculture, construction, garment, tourism and hospitality, and domestic work.<sup>42</sup>

Jordan's migration flows have gone through changes. First of all, the country had a high positive net migration of almost 1 million persons in 2015 (Table 14). An ongoing turmoil in Syria and Iraq has created an unprecedented regional flow of displaced persons. Jordan is today home to over 1.3 million refugees, which constitutes 13% of the country's own population. Of these refugees, 668,000 are children while around 650,000 are in working age. Both segments remain a pressing issue for Jordan's domestic economy. An impact of the high influx of refugees is disrupting trade routes as well as the country's

social fabric, the economy with negative effect in the tourism sector, and overall security issues.

Secondly, remittances received are an important part of the country's economy but it has entered into a declining rate from 18% of GDP in 2014 to 11% in 2016. This drop was related to that the high remittances received were related to many Jordanians work in oil-producing countries and that sector was affected negatively since 2014 due to declining international oil prices. Despite the decreasing remittances they remain 11.8 percentage points higher than the Arab World average.

**Table 14: Migration Facts in Jordan and the Arab World**

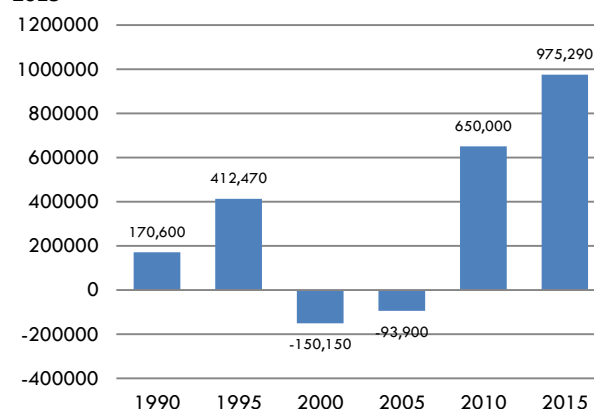
Net migration (2015)	Jordan	975,290
Net migration rate (migrants/1,000 population) (2015)	Jordan	23.9
Remittances received, % of GDP (2012-2016, av.)	Jordan	14 %
	Arab World	2.2 %

Note: Net migration rate is the difference of immigrants and emigrants within five years. A positive value represents more people entering the country than leaving it, while a negative value means more people leaving than entering it.

Source: [World Bank, World Development Indicators](#) and [KNOEMA](#)

Figure 9 outlines the net migration trend from 1990 to 2015. Jordan experienced a significant higher outflow than inflow of persons in the 2000s. As just mentioned, changes erupted in the 2010s, so far, and a fast inflow of migrants entering the country, peaking on a historical high level of close to 1 million people.

**Figure 9: Net migration rate trend in persons in Jordan, 1990-2015**



Source: [KNOEMA](#)



Demonstrated by the abovementioned migration data, the country encounter a strain on an already complicated labour situation that is reaching an unprecedented level.<sup>43</sup> Attempts were launched to curb the pressure. As previously reported in the Jordan Labour Market Profile 2016, the tripartite negotiations signed a unified contract for all migrant workers in the garment sector in 2015. The unified contract clarifies the rights and duties of foreign workers recruited to the garment sector, to be executed in Arabic and the language of the foreign worker. The unified contract should help address the problem of contract switching. The government worked to ensure the unified contract was used by all garment factories.

In 2016, Jordan also became the first country from the Arab region to facilitate issuing work permits for Syrian refugees to reduce barriers to the legal employment of refugees. Even the first official migrant domestic worker network was formed the same year to advocate for full rights for domestic workers. In August 2017, based on a tripartite agreement, the first non-employer and non-position-specific work permits for these refugees stated to be issued. By the same token, a program was launched in 2017 to create around 200,000 jobs for Syrian refugees with issued work permits. For Jordanian industries to be able to benefit from the European Union simplified rules of origin, each factory needs to have Syrian employees constituting no less than 15% of its manpower. The rate will be increased to 25% in the third year of the program.<sup>44</sup> However, this has created concerns among many Jordanians workers, especially in the construction and agriculture sectors that fear they could suffer from a declining demand of them.<sup>45</sup>

As already demonstrated, seven of the ILO eight core labour conventions were ratified by the Government of Jordan. The Convention 87, which guarantees freedom of association for migrant workers, including the right to form their own unions, is still not ratified. Despite encouraging progress in addressing the rights of migrant workers, significant gaps remain with regard to worker protection in different sectors of the Jordanian economy (see also Table 31).

The arid rural areas in Jordan have limited economic activities. It makes many people seek for job opportunities in urban areas. The relatively low income and high unemployment are factors that have induced workers to migrate internally from rural to urban zones.

## Informal Economy

Employees are dominating the labour market in Jordan, which could be interpreted as more formal employment and workers from the informal economy appear not to be widespread. However, it depends also on the definition of informal economy. Taking into consideration that many Jordanians are not covered by social insurance, which includes no unemployment protection after one year of employment (see also the section: Social Protection), along with the low labour force participation rate, many with income lower than the poverty level income threshold and a high youth unemployment rate suggest that many men and women are forced to operate in informal activities.

No official national data of the informal economy is available. But, according to the International Monetary Fund (IMF), the size of the informal economy was estimated at around 26%. A larger informal economy places greater taxation pressures on firms operating in the formal sector. In terms of informal workers, some estimations based on statistics suggested a range from at least 30% of all Jordanians workers (Table 15).<sup>46</sup> This could even be slightly higher when taking into consideration those who have not been counted such as non-Jordanians.

**Table 15: Status of the economic and employment in the informal economy in Jordan**

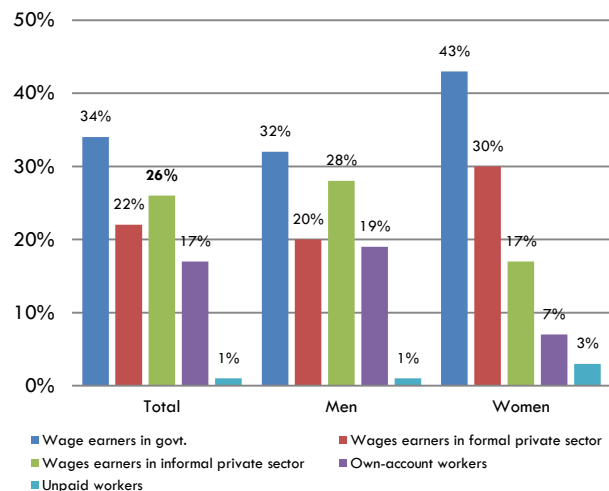
Size of the informal economy in % of GDP	26 %
Informal workers	30 % - 44 %

Sources: [IMF, Regional Economic Outlook: Middle East and Central Asia, 2011](#) and [UNDP, The Informal Sector in the Jordanian Economy, 2013](#)

Other results from surveys pointed out that informal employment in the private sector represented one out of four (26%) of total workers in 2010 (Figure 10). It is interesting to observe that women have relatively less wages earners in the informal private sector (17%) than men (28%). Broadening the interpretation of the informal employment, i.e. 'informal labour in the private sector' and 'workers in households without pay', the informal employment could be representing 44% on the total employment in Jordan.



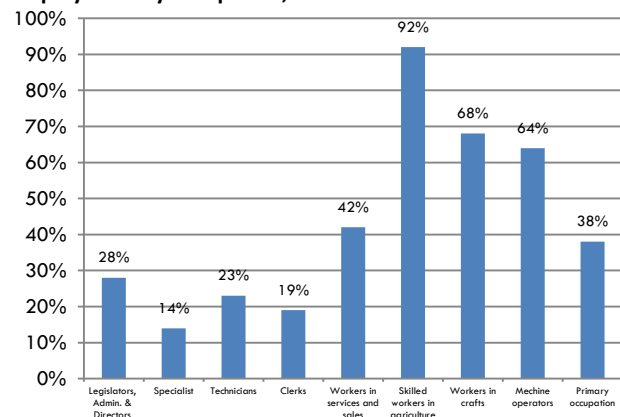
**Figure 10: Distribution of Jordanian Labour according to sexes, 2010**



Source: [UNDP, The Informal Sector in the Jordanian Economy, 2013](#)

The majority of workers in informal employment are operating as workers in services & sales (28%), workers in crafts (26%) and machine operators (18%). In terms of the informal employment to total employment, the majority are skilled workers in agriculture (92%) followed by the workers in crafts (68%) and machine operators (64%) (Figure 11).

**Figure 11: Distribution of informal employment to total employment by occupation, 2010**



Source: [UNDP, The Informal Sector in the Jordanian Economy, 2013](#)

Workers in the informal economy have often a low productivity and their product quality could often be improved. Many of them lack the sort of skills that would enable them to make better products. They are also struggling in micro-enterprises. Formalizing and starting a business is somewhat cumbersome just as getting credit

and protecting minority investors are quite challenging, which complicate the formalization of doing business (see also the section: General Economic Performance).

Another angle of the evolution of the informality on the labour market in Jordan is that it was pressed by the high influx of Syrian refugees. Among others, data illustrated that as the Jordanian informal workers decreased, the influx of self-employed Syrians increased fast. This was related to that since the Syrian refugees were not legally allowed to work in Jordan until 2016, which constrained them from competing for jobs in both the public sector and the formal private sector. Instead the employment options for the refugees were basically in the informal economy.<sup>47</sup> In May 2017, it was noted that the number of work permits issued was around 45,000 Syrian refugees are formally employed in Jordan.

### Child Labour

By law, employment of children forbids younger than 16 years of age, except as apprentices in non-hazardous positions. The legislation also bans those between the ages of 16 and 18 from working in potentially hazardous jobs, limits working hours for such children to six hours per day, mandates one-hour breaks for every four consecutive working hours, and prohibits work after 8:00 p.m. on national or religious holidays and on weekends.<sup>48</sup>

Sources have argued that the government's capacity to implement and enforce child labour laws has not been sufficient to deter the practice, especially in the agricultural sector.<sup>49</sup>

The instances of child labour are quite low in Jordan in comparison with other neighbouring countries. In the country it was estimated that around 76,000 children are engaged in child labour, which equals 1.9% of the total children population in 2016. This was a slight increase of 0.3 percentage points since 2007 when the child labour was estimated at 1.6% (Table 16). This change has been related to the economic downturn along with an increasing number of Syrian refugee children worked in the informal economy without legal work permits.

Working children are more present among boys (88%) than girls (12%). The largest majority of working children are operating in the agricultural sector (32%) followed by the whole sale and retail trade (28%), manufacturing



(11%) and household activities (9%). Of these working children, close to one out of two (47%) are employees dominated by boys; one out of three (33%) are unpaid family workers with a high distribution of girls; 6% are self-employed and 14% are in 'other' status. It is also noted that 81% of child labourers in Jordan were found to be Jordanian, while the remaining 19%, were either Syrian or possessed other nationalities.

**Table 16: Working children proportion of all children in age group**

Region	Age	Type	Proportion
Jordan (2016)	5-17	Children in employment	1.9 %
		Child Labour	1.7 %
		Hazardous work	1.1 %
Middle East, North Africa, Europe and North America (2008, average)	5-17	Children in employment	8.4 %
		Child labourers	6.7 %
		Hazardous work	5.7 %

Note: Children in employment include all children who conduct some kind of work, whereas child labourers are a narrower term without mild forms of work. Hazardous work is the worst form of child labour as defined in ILO C182.

Source: [The Center for Strategic Studies University of Jordan, National Child Labour Survey 2016 of Jordan](#) & [ILO, Accelerating action against child labour, International Labour Conference, 99<sup>th</sup> Session 2010](#)

According to the Jordan National Child Labour Survey (NCLS) 2016 results, the main activity performed by children is attending school only (65%) while almost one out of three (29%) are attending school and involved in household chores. Other activities are quite limited such as inactivity (3.3%) and involved in household chores only (1.2%).<sup>50</sup>

The work character of children in employment are most often related to mechanical repair, agriculture, construction, quarrying, tour-guiding, and the hotel and restaurant industry. They also work as street vendors, carpenters, blacksmiths, domestic workers, and painters, as well as in small family businesses.

Approximately one-third of working children works more than 48 hours per week, while 55% work less than 36 hours per week. Many child workers are vulnerable to ill-treatment in the workplace, including physical and psychological abuse.<sup>51</sup>

## Gender

There are very stark gender gaps on the labour market in Jordan. First of all, the country has one of the lowest women workforce participation rates in the world. This is illustrated by a percentage point gender gap at 45 in 2018. This gap has been on a declining trend during the last decade by 4 percentage points, but this has mainly been a higher reduction of men's participation rate than women's, i.e. minus 5 p.p. and minus 1 p.p., respectively. Secondly, women are significantly more unemployed than men (see more on Table 17). By the same token, wide pay gaps are present. Sources have argued that men working in the country's private sector earn on average 41% more than women. In the public sector, men earn about 28% more. This pay gap is similarly in manufacturing at 41%; in health and social work at 28% and 25% in education.<sup>52</sup>

**Table 17: Gender gaps in employment-to-population and unemployment among workers in Jordan, Age 15+, 2009-2018**

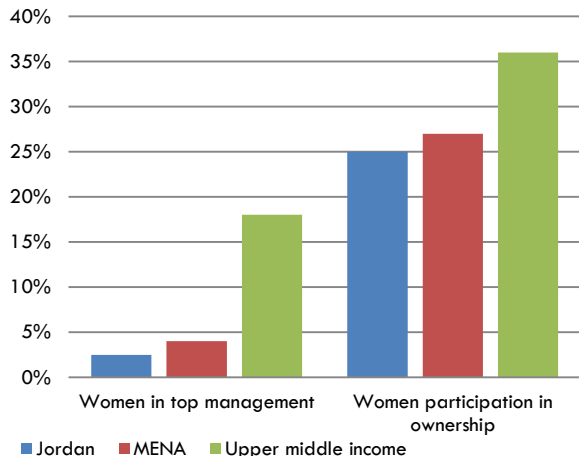
Employment rate	Men	Women	Men/women, percentage point
2009	61 %	12 %	+ 49 p.p.
2018	56 %	11 %	+ 45 p.p.
Change, percentage point	- 5 p.p.	- 1 p.p.	N/a
Unemployment rate	Men	Women	Men/women, percentage point
2009	11 %	23 %	- 12 p.p.
2018	12 %	25 %	- 13 p.p.
Change, percentage point	+ 1 p.p.	+ 2 p.p.	N/a

Sources: [ILO, Key Indicators of the Labour Market \(KILM\)](#)

These gender gaps on the labour market are bounded in traditional beliefs and cultural restraints enforced by family and community networks. It is interesting to observe that a shift in the attitudes towards gender equality is in progress as a result of recent modernization efforts in Jordan.<sup>53</sup> However, as shown, this has not yet been demonstrated fully in dwindling statistically lower gender gaps on key labour market indicators. With reference to women participation in ownership is close to the regional average, but remains extremely low in top management as in impact of the present gender stereotype culture (Figure 12).



**Figure 12 : Women in management and ownership, 2013**



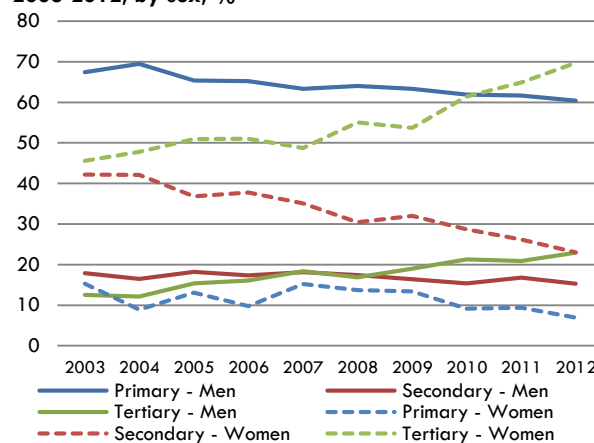
Source: [World Bank, Enterprise Survey: Jordan 2013, Country Profile](#)

On the positive side, Jordanian women have a rising educational attainment on the secondary and tertiary education level, exceeding those of men's, and delaying in the age at first marriage which has an impact of falling fertility rates (see also the section: Education). This has so far not changed the labour market opportunity structure, though; as demonstrated on the table above.

Based on Table 13, women's highest levels of concentration on the labour market is in the public sector (education and health sectors) and to a lesser extent in insurance and finance; all other employment sectors are extremely men dominated. However, the public sector has experienced a diminishing role. The formal private sector employers have risen significantly. With this in mind, the private sector has not provided a hospitable environment for women in general and for married women in particular.<sup>54</sup>

Other data also reveal that men have a much higher unemployment rate in the primary education level at 60%, while it is much lower at 6.9% among women. It is also interesting to observe that unemployed women in terms of tertiary education level are on a fast rise peaking at 70% in 2012 while the trend is decreasing on the secondary education level; men have similarly trends, but with much less changes (Figure 13).

**Figure 13: Unemployment by level of educational attainment, 2003-2012, by sex, %**



Source: ILO, Key Indicators of the Labour Market (KILM), 9th Edition.

### Youth

Jordanian youth represents the largest population group in the country, with nearly 1.9 million people (29%) out of the total population aged between 15-24 years and it grew fast at 39% during the last decade. This segment is much lower on employment which is estimated at 254,000 people (14%). Table 18 below illustrates that both young men and women employment-to-population are decreasing and a wide gender gap remains stark. It is very worrisome to note that youth unemployment rate is on a fast increase for both men and women at 11 p.p. and 15 p.p. respectively; both peaking at 35% and 64% in 2018. Again, a deep gender gap is present.

**Table 18: Gender gaps in employment-to-population and unemployment among workers in Jordan, Age 15-24, 2009-2018**

Employment rate	Men	Women	Men/women, percentage point
2009	34 %	5.9 %	+ 28 p.p.
2018	24 %	3.2 %	+ 21 p.p.
Change, percentage point	- 10 p.p.	- 2.7 p.p.	N/a
Unemployment rate	Men	Women	Men/women, percentage point
2009	24 %	49 %	- 25 p.p.
2018	35 %	64 %	- 29 p.p.
Change, percentage point	+11 p.p.	+15 p.p.	N/a

Sources: [ILO, Key Indicators of the Labour Market \(KILM\)](#)





Young people in Jordan enjoy good access to education, including higher education. Most are achieving a higher educational attainment than their parents (see also the section: Education). On the other hand, the youth inactivity rate is very high at 60%. The tendency to inactivity is not an age-specific feature, though, but more related to the more gender stereotype culture.

According to result of the Labour Market Transition Survey from 2014, the workforce is remarkably homogeneous in urban and rural areas. As already indicated, Jordanian young women are generally highly educated, but the majority of them remain inactive after leaving school.<sup>55</sup> Those who do enter the labour market face very high unemployment rates.

In terms of the high unemployment rates, some of the key issues are mismatch between education outputs and the skills required by the labour market; the inability of both the private and public sector to absorb new market labour entrants; and lacking access to and quality of national programs that facilitate a smooth school-to-work transition, including vocational training and career guidance. Not to mention, Jordan is negatively affected by extend of emigration of its educational elite, resulting in brain drain.<sup>56</sup>

Based on the mentioned survey from 2014, the informal employment still involved 53% of employed youth. Most of them are engaged as paid employees holding informal jobs in the formal sector. They hold contracts, but they do not give them access to fundamental benefits such as paid sick leave, paid annual leave and pension contributions. On the same token, the majority of working youth receive a below-average wage.<sup>57</sup>

According to a study on Jordan's youth policies, every fourth of youth believed that there were no jobs, which is a significant part of the high unemployment. Many juveniles, mostly men, start working before they reach maturity. Many work on a temporary basis and do not receive any pay for their work.<sup>58</sup>

## EDUCATION

The education system in Jordan has created a relatively well educated population with a total schooling at 9.1 years on average. To point out, Syrian children are granted access to Jordanian public schools. The high influx of Syrian refugee children has created pressure on the public schools in Jordan in recent years, e.g. during the last school year, over 140,000 Syrian students were enrolled, compared to almost 17,000 in 2011-2012. This has not only impacted the quality of education but also negatively affected the infrastructure of schools. Likewise, as of December 2016, more than 40,000 Syrian refugee children were still not enrolled in formal or informal education, a figure representing 17% of all Syrian refugee children ages 5 to 17. This has challenged a progress in reforming the education sector in the country, which include changing the system of traditional education and decentralisation of the management of the schools.

During this profile it has been demonstrated that the labour market is fragmented into low participation rate, high inactivity and unemployment rates with deep gender gaps. All this is also related to a disconnected education system in Jordan from its society and the labour market.

Basic education is compulsory until year 10. Figure 14 demonstrates that the net enrolment in primary education was on a declining trend, but with an upsurge in 2013 with a quite narrow gender gap. It was lower rates than the Middle East and Northern Africa (MENA) average.

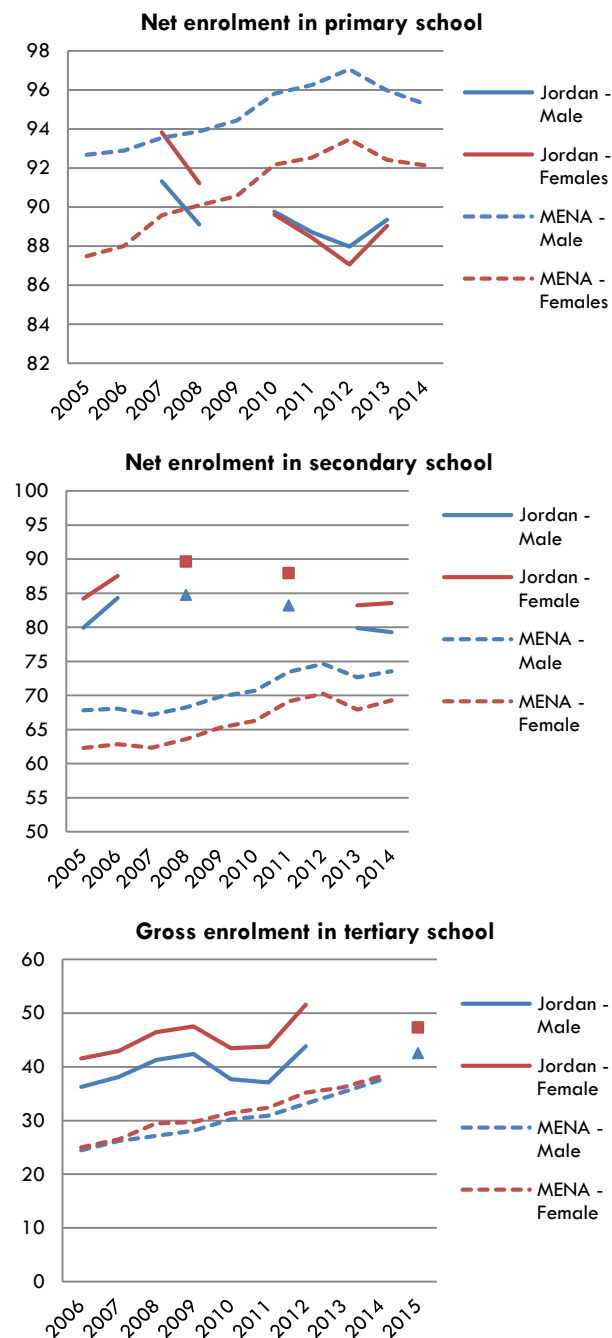
The net enrolment in secondary education is significantly higher in Jordan in comparison with MENA. An expansion of the enrolment was curbed in 2008 that ended on the same level since 2005. Females have higher enrolment in secondary school than males on this level (Figure 14).

The gross enrolment ratio in tertiary education level was also on a growing trend with a similar gender gap as in the secondary education level. It was hovering above the MENA average. However, data reveal that the enrolment dropped in 2015 (Figure 14). Actually half of the country's university graduates were women, but they comprised only 11% of the workforce.



**Figure 14: Enrolment in Primary, Secondary and Tertiary schools**

2005-2015, Male and Female, Jordan and Middle East and North Africa (MENA), %



Note: Net enrolment is the ratio of children of official school age, who are enrolled in school to the population of the corresponding official school age. Gross enrolment is the ratio of total enrolment, regardless of age, to the population of the corresponding official school age.

Source: World Bank DataBank, Education Statistics.

Despite the achievements in school enrolment to higher education levels has yet to achieve more equitable inclusion of the lowest-income families. One out of ten still have no schooling; stated differently, youth from poor households still represented a minority of secondary graduates and only a fraction of tertiary graduates.

### Vocational training

The Technical and vocational education and training (TVET) system in Jordan consists of three main public segments:

- Technical education and training as offered by community colleges (grades 13-14) under the aegis of Al-Balqa Applied University (BAU).
- Secondary vocational education (grades 11-12) as part of upper secondary education under the Ministry of Education.
- Non-formal and formal vocational training as delivered by the VTC.

The TVET has also two non-public aspects:

- Private, or non-government, training provision consisting mainly of private community colleges, for-profit non-formal training and some training sponsored by NGOs.
- Enterprise-based training.

The training infrastructure network includes 190 secondary schools offering vocational streams, 50 existing vocational training centres distributed throughout the country, and 45 community colleges.<sup>59</sup>

Overall, the ratio of enrolment in vocational training to the enrolment in secondary education is significantly lower than the Arab States average. This is similarly among the total youth population (Table 19).

**Table 19: Status on vocational training, 2008-2014**

Jordan	2008	2014
Enrolment in vocational training, total	28,648	28,257
Teachers in secondary vocational education	2,759	-
Comparative estimations	Country/region	%
Secondary education,	Jordan	35 %

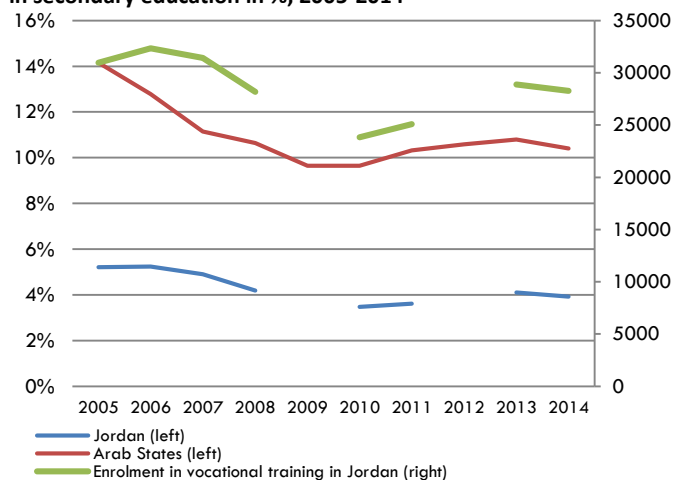


vocational pupils (% women)	Arab States	39 %
Ratio of pupils in vocational training to all pupils in secondary education	Jordan	3.9 %
	Arab States	10 %
Ratio of pupils in vocational training out of 15-24 year olds	Jordan	2.3 %
	Arab States	4.0 %

Sources: [World Bank, Education Statistics](#)

Based on the available data, the number of enrolled students in vocational training peaked in 2006; it started declining slowly afterwards, but started slightly to return again since 2011. However, it has still not reached the level in 2006. Similarly, ratio of pupils in vocational training to all pupils in secondary education was dropping slowly since 2005 reaching at around 4% since 2008 and stayed like that since then. This is not only due to the slowly declining growth in general secondary school enrolment, but also with a direct decreasing registered enrolment in secondary vocational training (Figure 15). This is similar in the other Arab States. Stated differently, low progression rates indicate weaknesses in the quality of Jordanian TVET establishment. It is worthwhile to mention that the Higher Population Council (HPC) measured the overall ratio of students enrolled in vocational and technical training programmes 17% in 2013, which is much higher than the former estimations, but it was related to different statistical datasets.

**Figure 15: Number of students in enrolment in vocational training and ratio of pupils in vocational training to all pupils in secondary education in %, 2005-2014**



Sources: [World Bank, Education Statistics](#)

A survey from 2014 found that a minority of 15% of businesses employed TVET trained workers mainly from

small businesses employing with 1-3 workers. It was also concluded that there was a lack of orientation and interest in TVET by the youth coupled with lack of awareness of TVET centers or offerings in their area of residence: Statistics show that more than 80% of school graduates in Jordan prefer to pursue academic, rather than vocational, education.<sup>60</sup> Notwithstanding, there is a growing interest in entrepreneurial initiatives, such as establishing a business or vendor shops in the fields of personal care, computer and communications, traditional trades or car repair.<sup>61</sup>

A TVET Council was established in 2001 that consists government officials, employers and union representatives. The Council aimed to improve the communication between vocational education and training providers together with the social partners. In practice, the three main actors in the TVET system - the Ministry of Education, VTC, and the Al Balqa' Applied University - have tended to pursue their own policy priorities, which has led to inevitable duplications, incompatibilities and excessive centralisation of decisions. This include managers of training institutions having few decision-making powers just as school administrators not having the freedom to purchase equipment or change the content of teaching programs as needed.<sup>62</sup> On the positive side, the government has initiated a process of restructuring the vocational and technical training as a priority.<sup>63</sup>

While there are a large number of private training institutions active in the country, their contribution to training for the informal economy is limited. Most is related to secretarial, computer and other office skills. Courses do not include any kind of entrepreneurship or business management training. The training programs have limited results. Albeit the government increased its interest in small-scale economic activities, there are still only a small number of short-term training schemes serving this segment of the labour market.

## SOCIAL PROTECTION

The social protection system in Jordan is covering a wide range of services that are divided into government and the non-government entities. The former part includes the systems of social security and insurances as well as civil and military pensions. The latter part is represented by the different civil society organizations that provide



various forms of social assistance to the poor and orphans. As an impact of the region turmoil and the high inflow of refugee in Jordan, the involvement of the civil society in social protection programs have increased in recent years. This is an indication of the state's inability to adequately fulfill its role and the incapacity of the different state institutions to reach all the segments that should indeed benefit from social protection programs, according to sources.<sup>64</sup>

The Social Security Corporation (SSC) operates with an obligated social security to all working entities in Jordan and is a key pillar in the social protection system. The social security covers around 1,050,000 persons in Jordan. Of these, 258,000 are women subscribers (25%); which are related to many women are inactive on the labour market. Not to mention, at least 30% of the workers are operating in the informal economy and do not enjoy any form of social protection. The social protection system has been challenged by 70% of non-Jordanians receive salaries below 200 dinar (US\$282) per month, which requires a review of the rights and social protection mechanisms in the SSC. It is noteworthy to mention that both unemployment insurance and health insurance are new services offered by SSC since 2011.

Table 20 shows that in terms of health protection, approximately 75% of the population is covered by some sort of health insurance which is similar with the Middle East average coverage. The government health expenditure has been on a growth of 5.4% on average per year.

**Table 20: Public spending and coverage on social protection schemes in Jordan and the Middle East, %, 2010-2011**

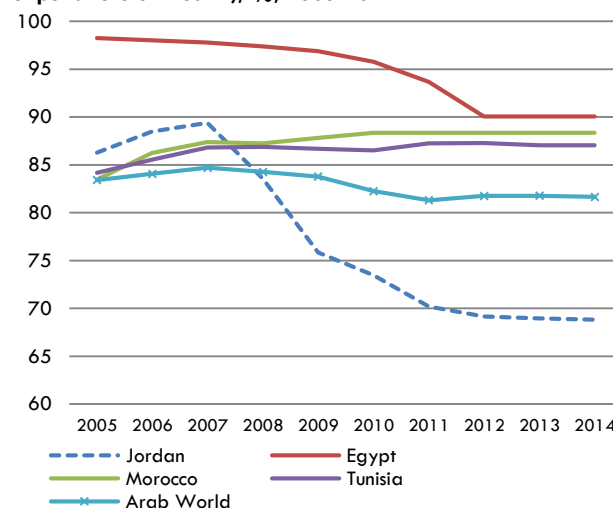
Indicator	Measure	Jordan	Middle East
Total social protection expenditure	% of GDP	12 %	11 %
Public health care expenditure	% of GDP	3.3 %	2.0 %
Health social protection coverage	% of total population	75 % *	72 %
Trends in government expenditure in health	% change per year (2007-2011)	5.4 %	N/a

\* Year: 2006.

Source: [ILO, Social Protection, Statistics and indicators](#)

The out-of-pocket health private expenditure was on a declining trend since 2007 in Jordan, falling below the Arab countries average, and reaching 69% in 2014. Since this indicator is a part of private health expenditure, it suggests that Jordanian were using less money on health practitioners and medicine. This change was related to that public health expenditure in percentage of government expenditure was increasing during the 2000s reaching 20% in 2010, but declined significantly afterwards reaching 13% in 2014, which is the latest data available. This latter trend appeared not to curb the declining out-of-pocket health private expenditure. Another reason of the changes on the public health expenditure was related to the high influx of refugees.

**Figure 16: Out-of-pocket health expenditure (% of private expenditure on health), %, 2005-2014**



Note: Out of pocket expenditure is any direct outlay by households, including gratuities and in-kind payments, to health practitioners and suppliers of pharmaceuticals, therapeutic appliances, and other goods and services whose primary intent is to contribute to the restoration or enhancement of the health status of individuals or population groups. It is a part of private health expenditure.

Source: [World Bank, World Development Indicators](#)

In 2010, around 42% of the economically active population was covered by the old-age pension system. This is higher than the Middle East average that was estimated at 30%. To some extent, the relatively low national insufficient old-age pension coverage is related to that many workers operate in small enterprises with difficulties of doing business. Moreover, men have old-age pension proportion of 82% while women at 12% (see more on Table 21).



**Table 21: Pension Schemes: Benefits, Coverage and Contributions in Jordan, 2010, %**

Theme	Measure	Jordan	Middle East
Social benefits for active age	% of GDP	0.7 %	1.5 %
Pensionable age receiving an old age pension (age 60+ men; 55+ women)	Proportion of total	42 %	30 %
Active contributors to a pension scheme	15+	52 %	37 %
Active contributors to a pension scheme	15-64 years	23 %	19 %

Source: [ILO, Social Protection, Statistics and indicators](#)

The Ministry of Social Development (MoSD) implements a wide range of social safety nets targeted among poor, disabled, unemployed, and elderly, among others. The services reached 23,000 persons in 2014; for example, close to 8,000 individuals benefited from unemployment insurance in 2013. Out of this latter number, 25% of beneficiaries who received unemployment insurance were categorized as vulnerable or near the poverty line.<sup>65</sup> Due to the high unemployment rate among youth also warns that the unemployment insurance coverage remain very low.

The National Aid Fund (NAF) is a main social protection scheme providing cash transfers to almost 271,000 individuals, i.e. only for Jordanians. The program has been criticized of not reaching the poorest people and is going through a reform to include new eligibility mechanisms. In addition, NAF has recently re-activated vocational training for members of households benefiting from NAF assistance.

The National Zakat Fund (NZF) operates with 210 voluntary committees throughout the country. The largest programs are cash assistance, orphan cash assistance, occasional in kind benefits, and rehabilitation assistance programmes. This scheme also supports vulnerable Syrian households living in poor communities.

As mentioned, a wide range of other social protection schemes by local non-government originations (NGOs) are present such as: Tkiyet Um Ali (TUA) that provides food and education; the National Alliance Against Hunger and Malnutrition (NAJMAH), which is related to food security, provides services to at least 10,000 households; and the Islamic Centre Charity Society (ICCS) that operates with 64 centers around the country, providing health,

education and social protection services. In addition, trade unions in Jordan are increasing focus on the rights of migrant workers, especially in garment sector are already working to protect and advocate for the rights of the exploited migrant workers. Generally, the coverage of social protection safety nets for the Syrian refugees remains with minimum support, according to an analysis.<sup>66</sup>

## GENERAL ECONOMIC PERFORMANCE

Jordan is one of the smallest economies in the Middle East that struggles of insufficient supplies of water, oil and a continued pressure on natural resources. The country has pursued structural economic reforms over the last 10 years that include privatization and liberalization, which includes subsidies, creating the conditions for public-private partnerships in infrastructure.<sup>67</sup> The Gross Domestic Product (GDP) experienced a real growth at 3.9% on average during the last decade (see more on Table 22).

Some of the most daunting challenges of the economy are related to the regional instability, high unemployment and heavy reliance on foreign assistance from Gulf economies, the International Monetary Fund, and the United States.<sup>68</sup> In January 2018, Jordan's Gulf Cooperation Council (GCC) allies - Saudi Arabia, UAE, and Kuwait - did not renew a five-year financial assistance programme that ended in 2017. This forced the Jordan government to launch a tax rise of between 50%-100% on key food staples such as bread, in order to decrease its deep budget deficit.

**Table 22: General Economic Performance Key Facts in Jordan**

GDP (2016)	US\$38.7 billion
GDP per capita (current US\$) (2016)	US\$4,088
GDP real growth (2007-2016, average)	3.9 %
Current account balance (% of GDP) (2017 est.)	-8.4 %
Tax revenue (% of GDP) (2012)	15 %
Doing Business * (2018)	103 of 190 countries
Human Development Index (2015) **	86 of 188 countries -6 change in rank
Gini Index *** (2010)	33.7 69 of 156 countries

\* A high ranking on the Ease of Doing Business Index means the regulatory environment is more conducive to the start-up and operation of a local firm.<sup>69</sup>



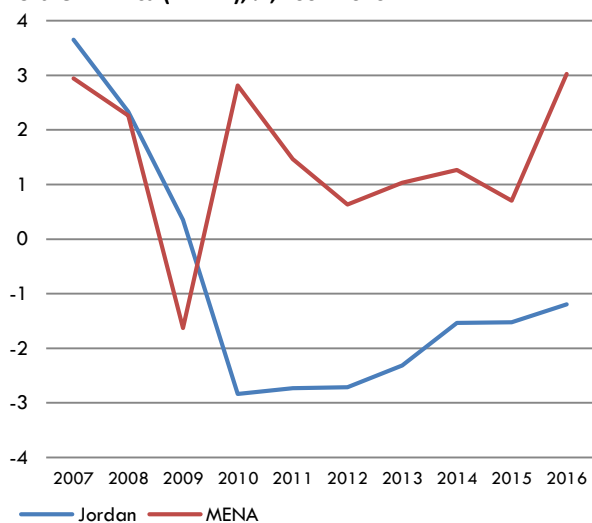
\*\* The Human Development Index (HDI) measures the average of a long and healthy life, access to knowledge, and a decent standard of living. HDI rank change in the period 2010-2015.

\*\*\* A Gini coefficient of 1 (or 100 percent) expresses maximal inequality among values. This Gini Index ranks the first country with the highest inequality while the number 156 has the highest equality.

Sources: [CIA, The World Factbook, Jordan](#); [World Bank, World Development Indicators](#); [International Monetary Fund, World Bank & IFC, Ease of Doing Business 2018 in Jordan](#); and [UNDP, Human Development Index trends](#)

Overall, the country's economy was affected by the global financial economic slowdown in 2008 but the largest shock was an impact of the Syria and Iraq crises with high refugee influx. The economy entered into a recession and plummeted down on a negative GDP growth per capita since 2010 (Figure 17). This indicator remains far below the MENA region average and continues struggling to get back on a positive growth rate. This economic downturn has especially hurt export-oriented sectors, construction, and tourism.

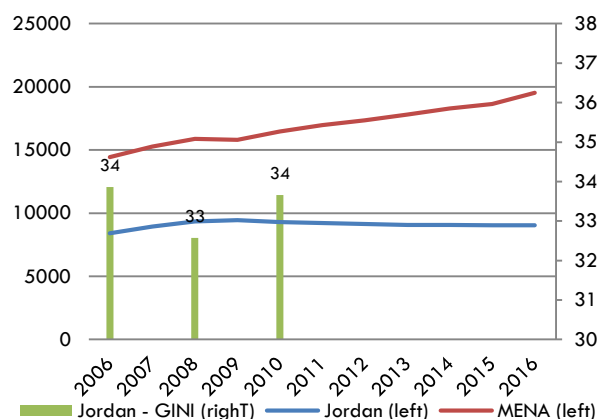
**Figure 17: GDP per capita growth in Jordan and Middle East & Northern Africa (MENA), %, 2007-2016**



Source: [World Bank, World Development Indicators](#)

Measured in terms of the GDP per capita Purchasing Power Parity (i.e. comparable baskets of goods to compare purchasing power across countries), Jordan is far below the MENA average with a ranking as 123th out of 228 countries (1st is best) (Figure 18). The country has been on a flat growth while the MENA is growing steady and widening the gap. Based on the data availability, the income inequality has stayed on a status quo and ranking as 69th of 156 countries.

**Figure 18: GDP per capita in Purchasing Power Parity (PPP) growth in US\$ and GINI Index**



Source: [World Bank, World Development Indicators](#)

Based on estimations, the number of working poor is decreasing and a middle-class is on an upsurge in Jordan. Today, few are extremely poor and also moderately-poor dropped significantly since 2000. The segment of near poor stayed on a status quo. Especially the group of developing middle-class grew fast by 16 percentage points in the period from 2000 to 2017 reaching 60% of the employment (Table 23). However, the presented employment by economic class estimations could underestimate the real impact of the current economic downturn, the rising unemployment and declining export in recent years. It is worrisome that the country has a slump in terms of human development - i.e. a long and healthy life, being knowledgeable and have a decent standard of living (Table 22).

**Table 23: Estimation of employment by economic class in Jordan, 2000-2017**

Estimated poverty line	2000	2017	Growth, Percentage points 2000-2017
Extremely poor (<US\$1.9 a day)	8.3 %	0.8 %	-7.5 p.p.
Moderately poor (≥US\$1.9 & <US\$3.1 a day)	19 %	11 %	-8.0 p.p.
Near poor (≥ US\$3.1 & <US\$5 a day)	29 %	29 %	0 p.p.
Developing middle-class (≥US\$5)	44 %	60 %	+16 p.p.

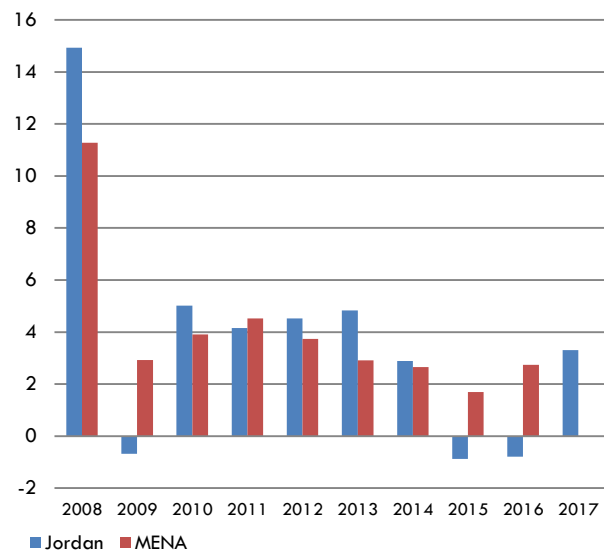
Note: "Working poor" presents the proportion of persons living with their families below the poverty line.

Sources: [ILO, Key Indicators of the Labour Market \(KILM\)](#)



Inflation in consumer prices was stable between 3%-5% in the period from 2010 to 2014. It plummeted into a deflation in 2015 and 2016, which was reflected by a sharp decline in food and transportation prices. The inflation reverted to 3.3% in 2017 (Figure 19). As mentioned, the government implemented a tax rise on key food staples that later will be translated into an increasing inflation with a negative impact on the workers' income purchasing power.

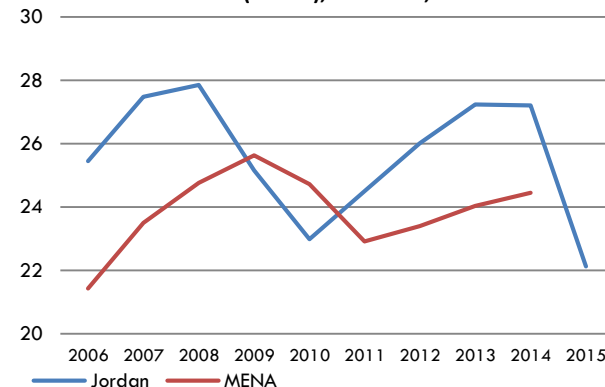
Figure 19: Inflation trend in consumer prices, 2008-2017, %



Source: [World Bank, World Development Indicators](#) and [KNOEMA](#)

The growth in gross fixed capital formation (i.e. net increase in physical assets; investment minus disposals) has experienced some up- and downturns during the last decade. Figure 20 below shows an upsurge of this capital formation during the beginning of the 2010s, which was part of economic reforms. This rate fell in 2015 as an impact of the regional political turmoil and stands now below the MENA region average. Capital formation signals how much of the new value added in the economy is invested rather than consumed, and it points towards a stable stance in investments on the domestic market. This could create more new jobs in the formal sector in the future. In Jordan the influx of remittances from abroad along with the foreign assistance have increased consumer spending, but have not led to more productive investments. Stated differently, Jordan has lost the tempo in recent years to invest in its future development.

Figure 20: Gross Fixed Capital Formation in Jordan and Middle East & Northern Africa (MENA), % of GDP, 2006-2015



Source: [World Bank, World Development Indicators](#)

The Ease of Doing Business Index, which is an indication of the business environment and regulatory burden for starting and operating of a local firm, is ranking Jordan 103 out of 190 countries in 2018. The country is placed higher than the MENA average. Out of ten indicators, the country's highest ranking was on Getting Electricity (40 out of 190 countries) followed by Trading Across Borders (53). However, several of the nethermost rankings were low, i.e. Getting Credit (159), Protecting Investors (146) and Resolving Insolvency (146) (Table 24). In terms of reducing informal business, it was noted that it is somewhat cumbersome starting a business (i.e. procedures, time, cost and paid-in minimum capital to start a limited liability company).

Table 24: Ease of Doing Business in Jordan, 2018

Topics	2018
Starting a Business	105
Dealing with Construction Permits	110
Getting Electricity	40
Registering Property	72
Getting Credit	159
Protecting Investors	146
Paying Taxes	97
Trading Across Borders	53
Enforcing Contracts	118
Resolving Insolvency	146

Note: Doing Business 2018 indicators are ranking from 1 (top) to 190 (bottom) among other countries. The rankings tell much about the business environment, but do not measure all aspects of the business surroundings that matter to firms and investors that affect the competitiveness of the



economy. Still, a high ranking does mean that the government has created a regulatory environment conducive to operating a business.

Source: [World Bank & IFC, Ease of Doing Business 2018 in Jordan](#)

In terms of the governance environment, it was registered that there has been some deteriorations in the Political Stability, which are related to that the effected economy fueled by a growing Salafist jihadi movement, with dangerous implications for the security. Also the Regulatory Quality dropped on its ranking. The population's voice and accountability remain low that illustrates the difficulties in participating in selecting their government, as well as freedom of expression, freedom of association, and a free media. The three other indicators (i.e. Government Effectiveness, Rule of Law, and Control of Corruption) have high rankings and with either status quo or some improvements (see more on Table 25).

**Table 25: Governance Indicators in Jordan, Percentiles and change, 2011-2016**

Indicator	2011	2016	Change
Voice & Accountability	26%	25%	↓
Political Stability	30%	27%	↓
Government Effectiveness	59%	59%	No change
Regulatory Quality	59%	54%	↓
Rule of Law	62%	62%	No change
Control of Corruption	61%	64%	↑

Note: The Governance Indicators score from a percentiles rank from 0 (lowest) to 100 (highest).<sup>70</sup>

Source: [World Bank, Worldwide Governance Indicators](#)

## TRADE

Export and import are important for the country's economy, but it confronts a very unfavourable balance of trade: The export covers 19% of the GDP while the import of 43%. Jordan implemented reforms in trade liberalization in the past few years, and the government continues its efforts to improve the country's trade and investment climate. However, regional strife has had its impact on Jordan's ability to trade freely with its neighbours. The Foreign Direct Investment (FDI) growth is relatively high at 9.6% of GDP on average during the last decade which is much higher than the MENA average (2.9%) (see more on Table 26).

**Table 26: Trade and Foreign Direct Investment (2017 est.)**

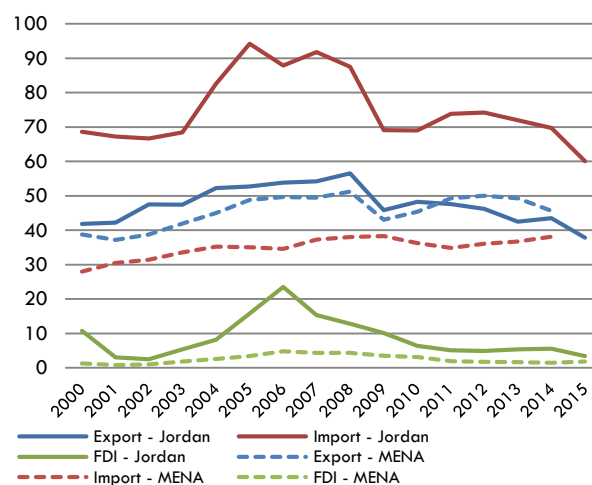
Exports	7.7 billion US\$ 19 % of GDP
Imports	18 billion US\$ 43 % of GDP
FDI Flow (average 2011-2015)	1.6 billion US\$ 4.9 % of GDP
FDI Stock	34 billion US\$ 69 of 132 countries

\* 1 is highest.

Source: [CIA, The World Factbook, Jordan](#); [World Bank, World Development Indicators](#)

Trade has been on declining trends during the last decade. The trade flows were affected by an escalation of political turmoil, civil war and humanitarian crisis in Syria along with a deeper and broader crisis in Iraq with a closure of the Iraq trade route in July 2015. In addition, the export from the Qualifying Industrial Zones (QIZs) program was out-phased from 2006 (see also the sub-sections: Trade Agreements and Export Processing Zones). Also the FDI dropped steadily in Jordan, but continues hovering slightly above the region average (Figure 21). Since FDI is the net inflows of investment to acquire a lasting management interest in an enterprise operating in an economy other than that of the investor, it indicates that investors are losing their interest in the country.

**Figure 21: Trade and Foreign Direct Investment (FDI) trends, 2000-2015**



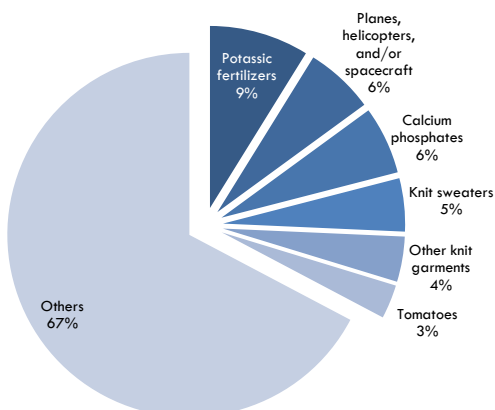
Source: [World Bank, World Development Indicators](#)

The export products are spread out broadly. The main products are potassic fertilizers (9%), planes, helicopters, and/or spacecraft (6.1%), calcium phosphates (6.0%), knit sweaters (5.0%) (Figure 22).





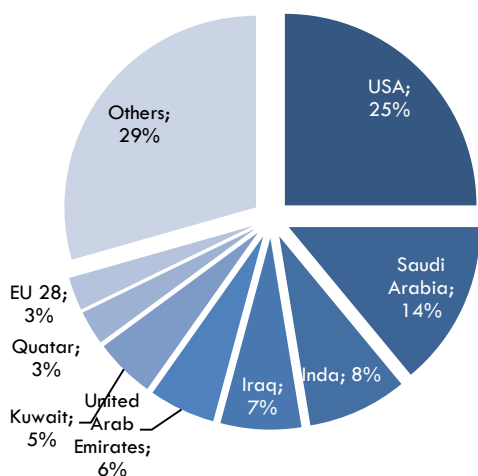
**Figure 22: Main products share of exports, 2015**



Source: [MIT, The Observatory of Economic complexity, What does Jordan Export?](#)

The main export market is the United States (25%) followed by Saudi Arabia (14%) and India (8%) (Figure 23).

**Figure 23: Jordan's main export markets, 2016**



Source: [European Commission, DG TRADE, Bilateral Relations, Statistics](#)

### Trade Agreements

In 2016 the government launched to revisit all its free trade agreements in attempt to encourage and increase foreign investment. A result of the review has not been published.

Greater Arab Free Trade Area (GAFTA) was declared within the Social and Economic Council of the Arab League as an executive program to activate the Trade Facilitation and Development Agreement that has been in

force since January 1998. This program included 17 Arab countries; fourteen concluded an agreement, including Jordan. Some studies revealed that regional trade increased up to 20% during the 2000s since GAFTA was implemented.<sup>71</sup>

The Agadir Agreement is a free trade agreement between Egypt, Jordan, Morocco and Tunisia. This pact was launched in May 2001; it was signed in February 2004 and came into force in March 2007. The Agadir Agreement is open to further membership by all Arab countries that are members of the Arab League and the Greater Arab Free Trade Area. It is also linked to the EU through an Association Agreement or a Free Trade Agreement (FTA). Its purpose is to facilitate integration between Arab states and the EU under the broader EU-Mediterranean process, but it has other ramifications as well.<sup>72</sup>

The Qualifying Industrial Zones (QIZs) program was launched in 1996 by the United States in collaboration with Jordan, Egypt, the West Bank and the Gaza strip. This allowed certain manufactured products entry into the United States without payment of duty or excise taxes. Jordan was one of the frontrunners on this program and the QIZ Agreement was signed in 1998. Based on the success of QIZs experience, the countries entered into a free trade agreement (JUSFTA) with the objective of strengthening economic ties through a gradual elimination over ten years of tariffs applied to all goods, except alcohol and tobacco, traded between both countries. The JUSFTA went into effect in December 2001. The apparel industry dominates both Jordan's QIZs and total exports to the United States, accounting for all QIZ exports and 86% of all Jordanian exports to the United States. Today, the United States and Jordan have economic partnership through the Free Trade Agreement (FTA), which was fully implemented on January 1, 2010. Since the JUSFTA came into effect, QIZ exports were phased out; it peaked in 2006 by almost US\$1.2 billion that plummeting to US\$21 million in 2012.<sup>73</sup> An agreement was signed in December 2016 on how to maximise benefits from the Jordan-US Free Trade Agreement. Just as Jordan, the U.S. administration is currently reviewing all of America's trade deals.

Under their Association Agreement that entered into force in May 2002, the EU and Jordan established a Free Trade Area liberalizing two-way trade in goods. They



have subsequently developed the FTA further through an agreement on trade in agricultural, agro-food and fisheries products in 2007 and a protocol establishing a bilateral Dispute Settlement Mechanism in 2011. In July 2016, the EU and Jordan agreed to simplify the rules of origin that Jordanian exporters use in their trade with the EU. This initiative forms part of the broader EU support for Jordan in the context of the present Syrian refugees crisis and is intended to make it easier for Jordan to export to the EU, encourage investment and create jobs both for Jordanians and for Syrian refugees.<sup>74</sup>

The Canada-Jordan Free Trade Agreement, which was in force from October 2012, and a related Agreements on Labour Cooperation and the Environment that expands Canada-Jordan trade and help further strengthen and deepen the bilateral relationship.<sup>75</sup>

Jordan has other bilateral trade agreements with Algeria, Libya, Syria, Kuwait, Bahrain, Peru, and the EFTA States (Iceland, Liechtenstein, Norway, and Switzerland).

### Export Processing Zones (EPZs)

Jordan has a mixture of geographically demarcated industrial estates, free zones and special economic zones. Among others, Jordan has public free zones in Zarqa, Sahab, Karak, Karama, and Queen Alia Airport that are run by the publicly-owned Free Zone Corporation (FZC). The semi-governmental Jordan Industrial Estates Corporation (JIEC) currently owns six public industrial estates in Irbid, Karak, Aqaba, Amman, Ma'an and Muwaqar. There are also several privately-run industrial parks, including al-Mushatta, al-Tajamouat, al-Dulayl, Cyber City, al-Qastal, Jordan Gateway, and al-Hallabat. In addition, over 30 private free zones have also been designated and are administered by private companies under the FZC's supervision. The free zones are outside of the jurisdiction of Jordan Customs, and provide a duty and tax-free environment for the storage of goods transiting Jordan.<sup>76</sup>

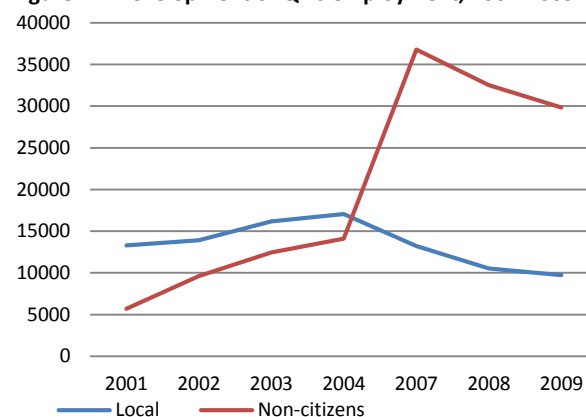
Before the mentioned Qualifying Industrial Zones (QIZs) program, the industrial sector was modest, driven by family businesses and state enterprises in the extraction industries. The agreement created interest from foreign investors, especially from Asia. This initiative brought a significant growth in exports, jobs and investments, as already demonstrated. Despite these benefits, migrants

usually work longer hours for less pay than Jordanian workers. They are not protected by national labour laws and lack access to social protection, which makes them highly vulnerable. Although the national minimum wage for Jordanian workers was agreed at 190 Dinars (US\$268) in 2016, it was set at 110 dinars (US\$155) for migrants.<sup>77</sup>

The QIZ employment covered close to 40,000 workers in 2009 out of which 75% were non-citizens. This has been related to that many companies argue that they often prefer foreign employees than domestic employees, which were often better trained and more qualified for the needed tasks.<sup>78</sup> Facts show that the influx of non-citizens workers in QIZs expanded rapidly after 2004, peaking in 2007; the local workers were 70% of the employment and 30% were non-citizens in 2001 that ended up as 25% and 75% in 2009, respectively (Figure 24). Taking also into consideration the high education level and youth unemployment rate of Jordanians, this suggests that the employers prefer the use of non-citizens workers due to their lower wages and working condition cost.

Slightly more than one out of two (55%) of the total employed were women in the QIZs. There was an upsurge of Jordanian women in jobs in these zones that also surpassing their men counterparts, i.e. 62% were women of the total local QIZs employment. States differently, the QIZs paved the way for Jordanians women to enter the labour force.

Figure 24: Development of QIZs employment, 2001-2009



Source: Ahmed Farouk Ghoneim & Taleb Awad, *Impact of Qualifying Industrial Zones on Egypt and Jordan: A Critical Analysis*



## APPENDIX: ADDITIONAL DATA

**Table 27: Evolution of Trade Unions in Jordan**

General Federation of Labour Trade Unions	Membership 2015	Membership 2017	Change, 2015-2017	% of women, 2017	Managing board, total	Managing board, women	Women representative percentage
The General Union of Construction Workers	2,648	3,800	44 %	17 %	11	1	9 %
The General Union of Petrochemicals Employees	4,182	5,400	29 %	5 %	9	0	0 %
The General Trade Union of Municipality Employees	18,000	10,600	-41 %	20 %	9	0	0 %
The General Union of Private Education Employees	1,500	1,500 *	0 %	60 %	7	4	57 %
The General Union of Public Services and Freelance Jobs	4,150	4,238	2 %	55 %	9	7	78 %
The General Union of Health Services and Pharmaceutical Employees	850	1,200	41 %	33 %	9	2	22 %
The General Union of Railway Employees	1,000	1,100	10 %	0 %	12	0	0 %
The General Union of Food Industry Employees	3,347	6,000	79 %	12 %	9	1	11 %
The General Trade Union of Printing, Photography and Paper Employees	2,821	2,800	-1 %	25 %	9	2	22 %
The General Trade Union of Clothing, Textile and Garment	52,945	51,000	-4 %	80 %	9	7	78 %
The General Trade Union of Electricity Employees	7,523	7,850	4 %	17 %	11	0	0 %
The General Trade Union of the Employees of Banks, Insurance, and Auditing	3,200	8,000	150 %	44 %	9	1	11 %
The General Trade Union of Mines and Mining Employees	7,500	8,000	7 %	13 %	15	0	0 %
The General Trade Union of Commercial Stores Employees	850	850 *	0 %	10 %	7	0	0 %
The General Trade Union of Seaports and Clearance Employees	1,100	2,650	141 %	6 %	9	0	0 %
The General Trade Union of Air Transport and Tourism Employees	3,690	3,350	-9 %	34 %	11	2	18 %
The General Trade Union of Land Transport Employees and Mechanics	5,000	5,500	10 %	2 %	9	0	0 %
<b>Sub-total</b>	<b>120,306</b>	<b>123,838</b>	<b>2,9 %</b>	<b>45 %</b>	<b>164</b>	<b>27</b>	<b>16 %</b>
Federation of Independent Trade Unions of Jordan (FITU) / General Federation of Independent Unions (GFIU)	7,000	7,000 *	0,0 %	-	-	-	-
<b>Total</b>	<b>127,306</b>	<b>130,838</b>	<b>2,8 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* There was not access to updated data.

Source: JKN, Appraisal Report Jordan – June 2015 and DDTA Sub-Regional Office in Jordan



**Table 28: Count of Collective Bargaining Agreements in Jordan, 2017**

<b>General Trade Unions</b>	<b>Number of CBAs for each trade union</b>
General Trade Union for Public Services and Free Vocations	9
General Trade Union of Constructions Workers	6
General Trade Union of Land Transport Employees and Mechanics	4
General Trade Union of Worker in Private Education	2
General Trade Union of Workers in Electricity	3
General Trade Union of Workers in Food Industries	18
General Trade Union of Workers in Mining and Metal Industries	2
General Union of Workers in the seaports and clearance	1
The General Trade Union of Workers in Air Transportation and Tourism	4
The General Trade Union of Workers in Textile, Garment and Clothing	18
Trade Union of Typing and Photocopying Workers	4
<b>Grand Total</b>	<b>71</b>

Source: DTDA Sub-Regional Office in Jordan



**Table 29: Employer syndicates in Jordan**

Employer syndicates	Members	Year established	Last election	Electoral cycle
Jordanian Truck Owners	8,000	1963	2010	4
Public Vehicles and Taxi Office Owners	-	1964	-	3
General Syndicate of Bakery Owners	2,100	1971	2011	3
Printing Press Owners	400	1972	-	2
Gas Station Owners Distributors	1,100	1972	2013	3
General Syndicate for Merchants and Exporters of Fruits and Vegetables	200	1972	2013	2
General Syndicate of Jewelry Shop Owners	500	1972	2012	4
General Syndicate of Foodstuff Merchants	300	1973	2012	3
Construction Industry Owners	1,250	1975	-	2
Restaurant and Confectionary Owners	4,000	1976	2012	4
Beauty Parlor Owners	2,800	1976	2011	4
Mechanical Occupation Owners	8,000	1978	2012	5
General Syndicate of Fabrics and Clothing Merchants	300	1978	2012	3
Automotive Agencies and Spares Merchants	7,000	1980	-	-
Syndicate of Private School Owners	271	1980	2008	4
Forwarders and Freight Owners	-	-	-	-
Merchants and Agricultural Product Producers	-	-	-	-
General Syndicate of Dental Laboratory Owners	-	-	-	-
Men Barber Shop Owners	-	-	-	-
Jordan Shipping Association	-	-	-	-
Electrical and Electronics Shop Owners	-	-	-	-
Medical, Scientific and Lab Material Merchants	-	-	-	-
Syndicate of Jordanian Honey makers	-	-	-	-
Syndicate of Banana Distillery Owners	-	-	-	-
General Syndicate of Knitting Industries	-	-	-	-
Electricity and Electronics Merchants	-	-	-	-
Stationary, Bookstore and Office Device Merchants and Manufacturers	-	-	-	-
Private Culture Center Owners	-	-	-	-
Syndicate of Surveying Office Owners	-	-	-	-
Glass and Mirror Shop Owners	-	-	-	-
General Syndicate of Olive Press Owners	-	-	-	-
Syndicate of non-Jordanian Domestic Worker Recruiters	-	-	-	-
Automotive Lease Office Owners	-	-	-	-
General Syndicate of Furniture and Carpet Merchants and Producers	-	-	-	-
General Syndicate of Media, Advertisement and Design Agency Owners	-	-	-	-
Quarry Owners	-	-	-	-
Syndicate of Water Treatment Plant Owners	-	-	-	-
General Syndicate of Video and Cassette Shop Owners	-	-	-	-
General Syndicate of Large and Medium Public Buses	-	-	-	-
General Syndicate of Jordanian Bus Owners	-	-	-	-
General Syndicate of Pubic Vehicle Owners	-	-	-	-
Syndicate of Insurance Agency Owners	-	-	-	-
Syndicate of Public Safety Profession Employers	-	-	-	-
Logistics Syndicates (freight forwarders)	-	-	-	-
General Syndicate of Optical Profession Owners	-	-	-	-
General Syndicate of Real Estate Office Owners	-	-	-	-
Syndicate of Support Service Owners	-	-	-	-
General Syndicate of Financial Service Company Owners	-	-	-	-
Syndicate of Recruiters of Jordanian Professionals	-	-	-	-
Syndicate of Medical Laboratory Owners	-	-	-	-

Source: Al-Quds Center for Political Studies, *Employer Syndicates: And the Requirements for Advancing their Syndical Roles, 2014*



**Table 30: List of approved labour related legislations in Jordan, 2014-2018 (February)**

Type of legislation	Legislation
<b>2014</b>	
General provisions	Law No. 31 of 2014 concerning Public-Private Partnership
Elimination of child labour, protection of children and young persons	Law No. 32 of 2014 concerning Juvenile Law
Occupational safety and health	Council of Ministers Decision No. 6439 of 09/11/2014 approves the accession of The Hashemite kingdom of Jordan to the Protocol of 1992 to amend the International Convention on Civil Liability for Oil Pollution Damage of 1969
Seafarers	Council of Ministers Decision No. 6376 of 05/11/2014 Approves the accession of the Hashemite kingdom of Jordan to the ILO - Maritime Labour Convention, 2006
Specific categories of workers	Regulation No. 96 of 2014 amending Regulation No. 82 of 2013 concerning the Civil Service
<b>2015</b>	
General provisions	Law No. 39 of 2015 concerning Political Parties Law
	Law No. 15 of 2015 concerning Electronic Transactions
	Law No. 7 of 2015 ratifying an International Agreement on the Suppression of Acts of Nuclear Terrorism
Employment policy, promotion of employment and employment services	Law No. 3 of 2015 amending Law No.33 of 1992 concerning Development and Employment Fund Law
	Regulation No. 12 of 2015 regulating the organisation of Private Recruitment Agencies for the Recruitment of Non-Jordanian Domestic Workers.*
Occupational safety and health	Regulation No. 108 of 2015 on Radiation Protection
	Law No. 45 of 2015 Ratifying Vienna Convention on Civil Liability for Nuclear Damage.
	Instructions on ensuring general radiation protection and nuclear safety and security
Social security (general standards)	Instructions on Domestic Worker's Insurance Policies *
Seafarers	Instructions No. 1 of 2015 Implementing the Appendixes of the MARPOL - International Convention for the Prevention of Pollution from Ships of 1973.
Specific categories of workers	Law No. 50 of 2016 amending Agriculture Law.
	Regulation No. 132 of 2015 amending Regulation No. 82 of 2013 concerning the Civil Service.
	Instructions on Domestic Worker's Insurance Policies. *
	Regulation No. 112 of 2015 amending the Regulations on Municipal Employees
	Amending Regulation No. 12 of 2015 Regulating of Organizing the Private Offices of Recruiting Non-Jordanian Domestic Workers
	Regulation No. 70 of 2015 amending Regulation No. 82 of 2013 concerning the Civil Service
	Law No. 13 of 2015 concerning Agriculture Law
	Regulation No. 12 of 2015 regulating the organisation of Private Recruitment Agencies for the Recruitment of Non-Jordanian Domestic Workers.
Domestic Workers	Instructions on Domestic Worker's Insurance Policies.
	Amending Regulation No. 12 of 2015 Regulating of Organizing the Private Offices of Recruiting Non-Jordanian Domestic Workers
	Regulation No. 12 of 2015 regulating the organisation of Private Recruitment Agencies for the Recruitment of Non-Jordanian Domestic Workers *
<b>2016</b>	
General provisions	The Hashemite Kingdom of Jordan Constitution Amendment of 2016
	Joint Action Plan Between Jordan and the United States on Combating Smuggling of Nuclear and Radioactive Material
	Law No. 5 of 2016 Establishing the National Commission for the Implementation of International



	Humanitarian Law
Elimination of child labour, protection of children and young persons	Regulation No. 112 of 2016 Regarding Dispute Settlement Related to Juvenile Cases
Occupational safety and health	Regulation No. 32 of 2016 Regulates the Transportation of Radioactive Materials
Migrant workers	The Hashemite Kingdom of Jordan and the Republic of Uganda Agreement on Employing Ugandans Workers in Jordan
Seafarers	Undertaking Between Maritime and Port Authority of Singapore and Jordan Maritime Commission of Hashemite Kingdom of Jordan Concerning The Mutual Recognition of Certificates Under Regulation 1/10 of the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW), 1978, as amended by the 2010 of Manila Amendment.
	Instructions of 2016, on Implementing Protocol of 1992 to amend the International Convention on Civil Liability for Oil Pollution Damage of 1969.
Specific categories of workers	Instructions of 2016, for the licensing of Employees working in the Installation, Operation, Maintenance, Inspection, Designing and Supplying of Renewable Energy Systems
<b>2017</b>	
- **	-

\* These legislations have been registered under several themes.

\*\* Per March 2018, ILO NATLEX had not yet registered the Regulation of Flexible Employment No. 22 of 2017 and the minimum wages regulation in 2017.

Source: [ILO, NATLEX, Jordan \(February 2018\)](#)



**Table 31: Ratified ILO Conventions in Jordan**

Subject and/or right	Convention	Ratification date
<b>Fundamental Conventions</b>		
Freedom of association and collective bargaining	C087 - Freedom of Association and Protection of the Right to Organise, 1948	Not ratified
	C098 - Right to Organise and Collective Bargaining Convention, 1949	1968
Elimination of all forms of forced labour	C029 - Forced Labour Convention, 1930	1966
	C105 - Abolition of Forced Labour Convention, 1957	1958
Effective abolition of child labour	C138 - Minimum Age Convention, 1973	1998
	C182 - Worst Forms of Child Labour Convention, 1999	2000
Elimination of discrimination in employment	C100 - Equal Remuneration Convention, 1951	1966
	C111 - Discrimination (Employment and Occupation) Convention, 1958	1963
<b>Governance Conventions</b>		
Labour inspection	C081 - Labour Inspection Convention, 1947	1969
	C129 - Labour Inspection (Agriculture) Convention, 1969	Not ratified
Employment policy	C122 - Employment Policy Convention, 1964	1966
Tripartism	C144 - Tripartite Consultation (International Labour Standards) Convention, 1976	2003
<b>Up-to-date Conventions</b>		
Social security	C102 - Social Security (Minimum Standards) Convention, 1952 (No. 102). Has accepted Parts V, VI, IX and X.	2014
Working time	C106 - Weekly Rest (Commerce and Offices) Convention, 1957 (No. 106)	1979
Final Articles Conventions	C116 - Final Articles Revision Convention, 1961 (No. 116)	1963
Social policy	C117 - Social Policy (Basic Aims and Standards) Convention, 1962 (No. 117)	1963
Social security for migrant workers	C118 - Equality of Treatment (Social Security) Convention, 1962 (No. 118)Has accepted Branches (c), (d), (f) and (g)	1963
Protection against specific risks	C119 - Guarding of Machinery Convention, 1963 (No. 119)	1964
Protection in specific branches of activity	C120 - Hygiene (Commerce and Offices) Convention, 1964 (No. 120)	1965
Protection of children and young persons	C123 - Minimum Age (Underground Work) Convention, 1965 (No. 123)	1966
Elimination of child labour and protection of children and young persons	C124 - Medical Examination of Young Persons (Underground Work) Convention, 1965 (No. 124)	1966
Industrial relations	C135 - Workers' Representatives Convention, 1971 (No. 135)	1979
Vocational guidance and training	C142 - Human Resources Development Convention, 1975 (No. 142)	1979
Seafarers	C147 - Merchant Shipping (Minimum Standards) Convention, 1976 (No. 147)	2004
	C185 - Seafarers' Identity Documents Convention (Revised), 2003 (No. 185)	2004
	MLC, 2006 - Maritime Labour Convention, 2006 (MLC, 2006)	2016
Labour administration	C150 - Labour Administration Convention, 1978 (No. 150)	2003
Other instruments on employment policy and promotion	C159 - Vocational Rehabilitation and Employment (Disabled Persons) Convention, 1983 (No. 159)	2003
<p><i>Note: Fundamental Conventions are the eight most important ILO conventions that cover four fundamental principles and rights at work. Equivalent to basic human rights at work.</i></p> <p><i>Governance Conventions are four conventions that the ILO has designated as important to building national institutions and capacities that serve to promote employment. In other words, conventions that promotes a well-regulated and well-functioning labour market.</i></p> <p><i>In addition, there are 71 conventions, which ILO considers "up-to-date" and actively promotes.</i></p> <p>Source: <a href="#">ILO, NORMLEX, Country Profiles</a></p>		





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