

Labour Market Profile Jordan – 2023/2024



The profile provides a comprehensive overview of the labour market's structures, development, and challenges.

Danish Trade Union
Development Agency



ULANDSSEKRETARIATET – DTDA
DANISH TRADE UNION DEVELOPMENT AGENCY

PREFACE

The Danish Trade Union Development Agency (DTDA) is the development organisation of the Danish trade union movement. This agency was established in 1987 by the two largest Danish confederations – the Danish Federation of Trade Unions (Danish acronym: LO) and the Danish Confederation of Professionals (Danish acronym: FTF). These confederations merged to become the Danish Trade Union Confederation (Danish acronym: FH) in January 2019, and DTDA replaced LO/FTF Council as the name of the development agency.

DTDA's work aligns with the global Decent Work Agenda (DWA) based on its pillars: creating decent jobs, guaranteeing rights at work, extending social protection, and promoting social dialogue. The overall development objective is to eradicate poverty and support the development of just and democratic societies by promoting the DWA.

DTDA collaborates with trade union organisations in Africa, Asia, Latin America, and the Middle East. The programmes' immediate objective is to assist the partner organisations in becoming change agents in their own national and regional labour market context, capable of achieving tangible improvements in the national DWA conditions and the labour-related Sustainable Development Goals (SDGs).

The Labour Market Profile (LMP) format provides a comprehensive overview of the labour market's structure, development, and challenges. In the framework of DWA and SDGs, LMPs follow several central indicators addressing labour market development aspects, especially the unionism evolution, social dialogue and bi-/tri-partite mechanisms, policy development, and legal reforms status vis-à-vis ILO conventions and labour standards, among others.

Primary sources of data and information for LMPs are:

- As part of programme implementation and monitoring, national partner organisations provide annual narrative progress reports, including information on labour market developments. Furthermore, specific data and information relating to central indicators are collected using a unique data collection tool.
- National statistical institutions and international databanks are used as a source for the collection of general (statistical) data and information, such as ILOSTAT and NATLEX, World Bank Open Data, ITUC Survey of Violations of Trade Union Rights, the U.S. Department of State, and other internationally recognised labour-related global indexes.
- Academia and media sources (e.g., Labour Start, national news, among others) are used in research on labour market issues.

The profile is regularly updated; the current version covers 2023 to 2024. Labour Market Profiles for more than 20 countries are available on DTDA's website: <https://www.ulandssekretariatet.dk/>.

DTDA prepared the Labour Market Profile in close collaboration with the General Federation of Jordanian Trade Unions (GFJTU), affiliated unions, and the Worker Centre Association. If any comments arise to the profile, please contact Mr Kasper Andersen (kan@dtda.dk) from DTDA.

The front-page photo illustrates a building site in Jordan, photographed by Ms. Eva Tommerup Johnsen.

Address:
Ulandssekretariatet
Islands Brygge 32D
DK-2300 Copenhagen S
Denmark
Telefon: +45 33 73 74 40
<http://www.ulandssekretariatet>

EXECUTIVE SUMMARY

Jordan's slow economic growth echoes stalled labour productivity and rising poverty. A twisted two-tier minimum wage system creates hurdles to job creation for Jordanian workers and only delivered minor real increases during the last decade. Climate-related hazards and the need to reshuffle the energy markets are grasping a just transition that is still not supported by policies to mitigate job losses.

Reforms introduced improvements to the labour market's legal framework, including regulations for migration workers, but continued to control trade unions' rights strictly. Regional trade agreements have void labour clauses, but similar deals like the Jordan Compact with the European Union backed more work options for Syrian refugees in Jordan.

Social dialogue functions in central tripartite institutions, but collective bargaining at the enterprise level stays fragile outside the textile sector. In the aftermath of the privatisation process, the trade union density of employees fell significantly during the last two decades, reaching around 5.6% in 2022, considerably lower than the OECD average of 16%. In 2022, the Minister of Labour finally allowed agriculture workers the right to organise. Generally, trade union rights violations deteriorated at the beginning of the 2020s. The Ministry of Labour received many complaints about salaries in 2021 due to the impact of the Covid-19 pandemic and the difficult economic conditions. Instead, the number of protests plummeted but started to rebound in 2021.

Although Jordan's population dynamics are curbing the youth bulge, it does not harness the burst of youth unemployment peaking at an alarming 46% in 2022. The informal economy is on the rise, and the national framework for regulating the informal economy stood a standstill until an action plan emerged in 2021. Men dominate employment; many women get relatively well-educated, but the

participation rate is among the lowest in the world, rooting for cultural heritage. Youth is struggling with growing tensions due to a lack of trust in the government. The NEET rate (those not in employment, education, or training) fell by five percentage points from 2017 to 2021, even during the Covid-19 pandemic, and ended in line with the Arab States' average.

Jordan hosts one of the world's highest shares of refugees, escalating demand for job creation and hollowing out the public finances. The ratio of non-Jordanians residing in Jordan's population was projected to reach 30% in 2020. Life is hard for most refugees, and the government has not achieved the goal of giving them work permits. High emigration flows reverberate on an economic dependency on remittances, significantly higher than foreign direct investments.

The high inflow of Syrian refugees during the 2010s put pressure on Jordan's education system, but they gained some tailwind at the beginning of the 2020s. Technical vocational education training (TVET) is under-prioritised, resonated by the deficient proportion of 15-24-year-olds enrolled in vocational education of 1.2%. Although more firms offer formal training, they still stand below the regional average. The Information Communications and Technology (ICT) sector is one of the fastest-growing sectors in Jordan.

The social protection system struggles to improve the population's coverage of services: just 28% are protected by at least one social protection benefit, far below the Arab States' average of 40%. There are significant improvements in the age pension and events of work injury coverages. The rising unemployment is challenging the Unemployment Insurance Fund's financial capacity to expand its services, which already strains with a low range at around 5.3% in 2020.

Status of key labour market indicators in the framework of the Decent Work Agenda (DWA) in Jordan

Creating decent jobs	
Ongoing policies addressing creation of decent employment	<p>The Fifth National Action Plan 2021-2025 promotes the Gender Mainstreaming Policies in the Public Sector.</p> <p>The National Youth Strategy 2019-2025 focuses to the challenges faced by Jordanian youth and promote effective youth development, citizenship, and leadership.</p> <p>Jordan does not have a diaspora engagement policy. Instead, the government operates with the Five-Year Strategy and Action Plan 2019-2023 for Expatriates incorporates.</p> <p>The National Strategy for Human Resource Development 2016–2025 pays attention to reforming the TVET sector.</p> <p>The National Social Protection Strategy 2019-2025 was launched to support the country's underprivileged population.</p>
ILO standard setting on improvement of status of workers from the informal economy	A national framework for regulating the informal economy includes Regulation No. 90/2009 on domestic workers, cooks, gardeners, and similar categories. In 2015, Jordan endorsed a national framework for regulating the informal economy. After several years of standstill situation, the preparation of an action plan and a national concept paper to agree on the main concepts concerning the informal workers and enterprises in July 2021.
Guaranteeing rights at work	
Growth in trade union members (%) from 2012 to 2020/2022 (GFJTU)	The membership rate fell from 120,000 in 2012 to 112,750 in 2020, equals a growth of -9%.
Violations of trade union rights (2020)	Jordan's Global Rights Index ranking worsened from 4 in 2020 to 5 out of 5 (5+ is worst) since 2021.
Labour legislation is improved according to ILO standards	<p>Technical and Vocational Skills Development Law of 2019 beefed up the social dialogue in the TVET sector.</p> <p>In 2020, the Social Security Corporation adopted a bylaw to the Social Security Law that made coverage mandatory for self-employed workers in the agriculture, construction, transport, tourism, public service and maintenance and art and media sectors.</p> <p>In 2022, the Minister of Labour finally took a decision to allow the agriculture workers the right to organise under the umbrella of the General Trade Union of Water and Food Industries Workers.</p>
Trade unions organisations with minimum 30% women representation in decision-making bodies	Women account for only for 14% of the members of the General Conference of the GFJTU, which is its highest elected decision-making body.
Extending social protection	
Health social protection coverage as % of total population in partner countries	In 2017, Jordanians with health insurance of 64% and non-Jordanians with health insurance of 24%. The country scored 60 at the Universal Health Service coverage index in 2019. **
Workers from the informal economy have access to national social security schemes	The Social Security Corporation has expanded registration to approximately 15,000 informal workers through its Covid response.
Promoting social dialogue	
Trade union density of employees (%)	Around 5.6% in 2022.
Cooperation in labour-employer relations	Ranking 40 out of 141 countries in 2019 (1 is best). ***
Number of Collective Bargaining Agreements (CBAs)	The number of CBAs gradually dropped from its peak in 2016, reaching 40 in 2022.
Workers' coverage of Collective Bargaining Agreements to employees	Reached 187,000 in 2022, about 9.2% of employees.
Bi-/tri- partite agreements concluded	Lack data.
<p>* This ranking concerns no guarantees of rights: while the legislation may spell out certain rights, workers effectively have no access to these rights and are therefore exposed to autocratic regimes and unfair labour practices (Global Rights Index). ** Coverage index for essential health services is based on tracer interventions that include reproductive, maternal, newborn and child health, infectious diseases, noncommunicable diseases and service capacity and access. It is presented on a scale of 0 to 100. *** This indicator is based on survey data based on represents employers' opinion from surveys (Global Competitiveness Index)</p> <p>Sources: International Labour Organization; International Trade Union Confederation; World Economic Forum; UN Women; DTDA research and own calculations.</p>	

COUNTRY MAP



Source: National Online Project.

TABLE OF CONTENTS

PREFACE	I
EXECUTIVE SUMMARY	II
Status of key labour market indicators in the framework of the Decent Work Agenda (DWA) in Jordan.....	iii
COUNTRY MAP	IV
ECONOMIC PERFORMANCE	1
Just Transition	2
Free Trade Zones and Development Zones	3
NATIONAL LABOUR LEGISLATION	4
Observations on labour legislation.....	5
Ratified ILO Conventions	5
Trade Agreements	6
SOCIAL PARTNERS	7
Government	7
Trade unions	8
Employers' Organisations.....	10
SOCIAL DIALOGUE	11
Central tripartite structures	12
Labour Dispute Resolution System.....	13
TRADE UNION RIGHTS VIOLATIONS	14
WORKING CONDITIONS	14
WORKFORCE	16
Unemployment	18
Migration.....	19
Informal Economy	22
Child Labour	23
Gender	25
Youth.....	26
EDUCATION	28
Vocational training.....	30
SOCIAL PROTECTION	33
APPENDIX: ADDITIONAL DATA	38
Table 10: Status of key Sustainable Development Goals in labour market related issues in Jordan	38
Table 11: Status of Trade Unions in Jordan.....	39
Table 12: Number of CBAs for trade unions in Jordan, 2017-2022.....	40
Table 13: Employer syndicates in Jordan.....	41
Table 14: List of approved labour related legislations in Jordan, 2014-2022	42
Table 15: Central changes in the Labour Law (Amended Law) in Jordan from 2019.....	44
Table 16: Ratified ILO Conventions in Jordan	45
Table 17: Status of Ease of Doing Business in Jordan.....	46
Table 18: Jordan's key economic data, projections, 2019-2024.....	46
REFERENCES	47

TABLES

Table 1: Status of recognised trade unions in Jordan.....	8
Table 2: Employers' view of the labour market efficiency in Jordan, 2019	10
Table 3: Status of wages and earnings in Jordan	15
Table 4: Status of the informal economy in Jordan	22
Table 5: Status of working children proportion of all children in Jordan and Middle East	24
Table 6: Key indicators for labour gender gaps in Jordan, 2021	26
Table 7: Status in employment and education in Jordan, by sexes, %, 2021	29
Table 8: Proportion of population covered by social protection in Jordan, %, 2020	35
Table 9: Status of expenditure on health in Jordan and Middle East & Northern Africa (excluding high income) (MENA), average 2010-2019	36
Table 10: Status of key Sustainable Development Goals in labour market related issues in Jordan	38
Table 11: Status of Trade Unions in Jordan.....	39
Table 12: Number of CBAs for trade unions in Jordan, 2017-2022	40
Table 13: Employer syndicates in Jordan.....	41
Table 14: List of approved labour related legislations in Jordan, 2014-2022.....	42
Table 15: Central changes in the Labour Law (Amended Law) in Jordan from 2019	44
Table 16: Ratified ILO Conventions in Jordan	45
Table 17: Status of Ease of Doing Business in Jordan.....	46
Table 18: Jordan's key economic data, projections, 2019-2024	46

FIGURES

Figure 1: Gross domestic product, inflation, and unemployment projections in Jordan, %, 2010-2024	1
Figure 2: Aggregate sectoral economic changes, value added in Jordan and Middle East & North Africa (MENA), % of GDP, 2010-2021	2
Figure 3: Collective Bargaining Agreements trends in Jordan, 2016-2022	12
Figure 4: Registered labour protests in Jordan, 2010-2021	14
Figure 5: Jordan minimum wage (dinar) and its yearly real growth (%), 2010-2024.....	15
Figure 6: Population pyramid based on the age-sex structure of the population in Jordan, 2022.....	16
Figure 7: Jordan's employment by status in employment, Age total 15+ and youth 15-24, %, 2021	17
Figure 8: Output per worker trend for Jordan and neighbouring countries, 2011-2022.....	17
Figure 9: Unemployment trends in Jordan and Arab States, %, 2013-2024.....	18
Figure 10: Jordan's net migration and personal remittances trends, 2010-2021	20
Figure 11: Status of Jordanian firms' women top management and ownership, %, 2013	26
Figure 12: Proportion of youth (aged 15-24 years) not in education, employment or training in Jordan and neighbouring countries, %, 2021/2022	28
Figure 13: Enrolment in Primary, Secondary and Tertiary schools, Male and Female, Jordan and Middle East and North Africa (MENA), %, 2005-2021	30
Figure 14: Vocational training trend in Jordan and Middle East & North Africa (excluding high income), 2010-2018	32
Figure 15: Individuals using the Internet (% of population) and mobile cellular subscriptions (per 100 people) in Jordan and Middle East & North Africa (excluding high income), 2000-2021	33

ECONOMIC PERFORMANCE

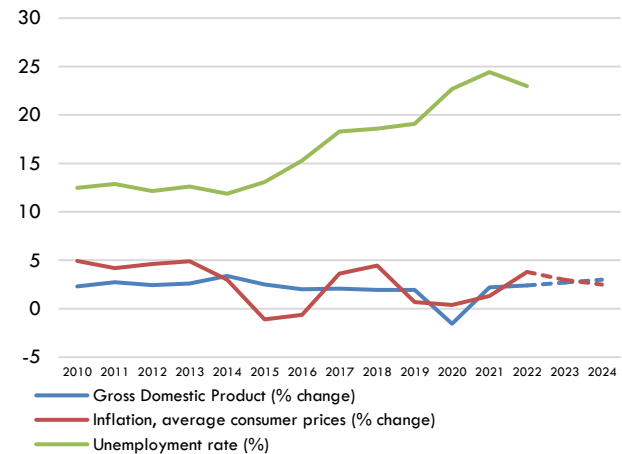
Jordan is a semi-arid country and one of the smallest economies in the Arab region. It is an upper-middle-income country and is considered a relatively stable and peaceful nation even though it is in the middle of regional uncertainty.

The government follows the Economic Priorities Programme (EPP) 2021–2023, which aims to improve the business environment, invest in key sectors, and create jobs. In 2022, they also launched a new Vision for Economic Modernisation to target growth and opportunities for the country over the next 10+ years. In addition, the Public Sector Modernisation Plan is part of structural economic reforms of privatisation and liberalisation over the last decade to tackle the macroeconomic unbalance that has been broadly criticised among the population.

Jordan's economy delivered sluggish growth during the last decade, echoes in the unemployment rate on the rise since the mid-2010s peaking at 24% in 2021; it even plummeted in 2020 as the unprecedented impact of the global Covid-19 pandemic costing a drop in investments and national savings, a hike in government spending and mounting debt (Figure 1 and Appendix Table 18). Regional conflicts further stress the economy, leading to a massive influx of refugees during the last decades (see more in the Migration sub-section). This situation has led to a dependency on foreign aid for many years, both in volume and decision-making: development aid grew by at least 300% during the last decade, even with a high upsurge at the beginning of the 2020s, peaking so far, of US\$4 billion in 2022.

Inflation in consumer prices has been controlled in recent years, with a slight upsurge in 2022 peaking at 3.8% because of the global economic rupture with traces from the Russian war against Ukraine. It brought adverse effects on business in Jordan and boomed in costs of imports like fuel, wheat, and fertiliser. It further pressured public finances, mainly through subsidy spending.

Figure 1: Gross domestic product, inflation, and unemployment projections in Jordan, %, 2010-2024



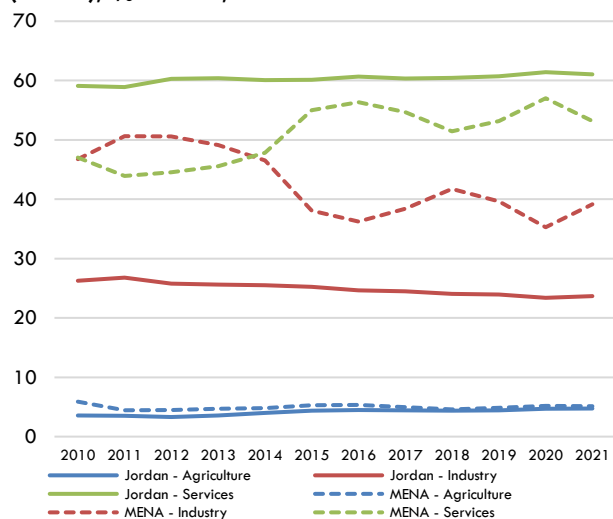
Source: International Monetary Fund, World Economic Outlook Database, October 2022.

Jordan has a well-functioning infrastructure. The economic resource base involves few natural resources like phosphates, potash, and their fertiliser derivatives; tourism that was negatively affected by the Covid-19 pandemic; overseas remittances; the high aid dependency. The country is one of the most water-scarce countries in the world, and just 10% of its land is arable. It imports concentrate of its oil and national grain consumption needs. The aid has led to the implementation of austerity policies, including removing subsidies (see more in the Social Protection section), privatising numerous critical sectors, liberalising the financial markets, and opening the frontiers for unrestricted international trade. The costs of doing business improved in 2020: The Doing Business Index ranks Jordan as 75 out of 190 (1 is best) countries (see more details in Appendix Table 17), one of the region's best environments for doing business.

The service sector holds the economic backbone at around 61% of GDP in 2021, with a significantly higher value-added than the regional average. The industry sector represents 24% with a minor declining trend during the last decade, and its value added is substantially superseded by the regional average. This latter sector was particularly hit by the Covid-19 pandemic that affected households and the labour

market, including an upsurge in unemployment and lost incomes. The agricultural sector plays a modest role, with no development during the last decade representing about 4.7% of GDP (see Figure 2).

Figure 2: Aggregate sectoral economic changes, value added in Jordan and Middle East & North Africa (MENA), % of GDP, 2010-2021



Note: Value added is the net output of a sector after adding up all outputs and subtracting intermediate inputs.

Source: The World Bank, World Development Indicators.

Based on the limitations of data availability, inequality in the distribution of Jordanian family income fell during the 2000s reaching 34 in 2010 (Gini-index 0 represents perfect equality, while 100 represents high inequality).¹ However, the weak economic growth, structurally high unemployment, and implementation of austerity programmes have most likely brought inequality on the rise in recent years. The Human Development Index (HDI) ranked Jordan as high human development, at 102 out of 191 (1 is best) countries in 2021, two steps ahead in the HDI ranking from 2015 to 2021.

The poverty rate increased from 14% in 2010 to 16% in 2019.² This measurement is relatively low compared to neighbouring countries, protected by little real minimum wage hikes, high inflow of remittances, and well-functioning social protection programmes. The economic ruptures in 2020 brought more Jordanian balancing at the poverty line, just as

existing poverty will likely get more severe through the low-income group, directly affected by consumption and the disruption of services (see more in the Working Conditions and Social Protection sections).

The informal economy is widespread, and despite improving the business environment, it is still marred by endemic corruption. The country attracted much more foreign direct investments in the 2000s than the neighbouring countries, but it gradually drained out, achieving 4.4% in the 2010s and down to 1.5% of GDP on average in 2020-2021; it even turned superseded by the Middle East & North Africa (MENA) average at 2.2%.

Just Transition

Jordan faces several climate-related hazards that exacerbate challenges, including temperature increases, precipitation decreases, and increased incidents of drought.

The country signed the Paris Agreement in 2016 and committed to its nationally determined contribution. At the regional level, Jordan has been a forerunner on climate with ambitious Nationally Determined Contribution (NDC) targets, a green growth strategy, and efforts to green Jordan's public and private investment framework. Jordan's fiscal situation demands that it finds private-sector solutions to climate challenges.³

In November 2021, the country submitted updates to its first NDC to the Secretariat of the United Nations Framework Convention on Climate Change (UNFCCC): it committed to reducing greenhouse gas emissions by 31% by 2030, even though it contributes only 0.04% of global emissions. This initiative includes 32 measures targeting the energy, transportation, waste, manufacturing, and agricultural sectors. The most important mitigation steps include increasing renewable energy sources for electricity generation to 35% and improving energy consumption efficiency across several sectors by 9% by 2030.

This energy transition will reshuffle global energy markets with a trickle-down effect on the transportation, manufacturing, and construction sectors. The labour market will experience the upheaval of these shifts in renewable energy sources, market penetration by new technologies, and the emergence of new supply chains. Additionally, it alters in the kinds of work, salaries, education, qualifications, and training required to fill openings. The scope of ensuring stable livelihoods for those negatively affected by the transition in Jordan is still uncertain. It is challenged by adopting policies that can mitigate job losses that require extensive cooperation between social partners. Studies found that trade unions and employers' organisations need to institutionalise efforts to develop the necessary political and technical expertise to engage in upcoming social dialogues and to contribute to policy-making efforts towards a just transition.⁴

Free Trade Zones and Development Zones

Jordan's free trade areas are established to promote export-oriented industries and transit trade that is considered an economic priority.⁵ The Jordanian authorities distinguish between two types of special economic zones: free trade zones (FTZs) and development zones.⁶ While the FTZs are large estates offering industrial, commercial and storage facilities, the development zones are industrial estates located inside main cities.

In 1973, the first free zone law was promulgated, and the first free zones were in the Aqaba zone. The Development Zones Law No. 2 of 2008 created six development zones. Free zones have become well-established both in terms of institutions and infrastructure. The country has been considered one of the most dynamic countries in the Middle East concerning FTZs. Currently, 40 zones are registered: 16 are FTZs, and 24 are developing zones.⁷ It also benefitted from the high-quality infrastructure. The incentives offered within these zones include income tax exemptions, customs duties exemptions, zero per cent sales tax, income tax exemptions on

foreign labour, exemptions on building taxes, and streamlined visa and residency permits.

The fast development of the export zones started to benefit from the Qualifying Industrial Zones (QIZs) programme launched in 1996 with the United States. The QIZs programme expanded the ready-made garment (RMG) industry, which boosted job creation and exports. Tariff benefits were gradually eliminated as a Free Trade Agreement (FTA) was fully implemented in 2010.

The QIZ programme brought a high influx of non-Jordanian workers since many companies often preferred this group due to the dual wage system, as well as not fully protected by national labour laws and lack access to social protection. It makes them highly vulnerable working conditions.⁸ For instance, these migration workers often receive lower wages and usually longer hours compared with Jordanian workers. In the textile factories of these free zones, workers from South Asia and Southeast Asia made up a big cluster of employment; around 50,000 migrant labourers from Bangladesh, Sri Lanka, and Nepal at the end-2010s.

Generally, the QIZ workers faced harsh working conditions. A wide range of violations of workers' rights was recorded within the QIZ, and the country was placed on the U.S. State Department's List of Goods Produced by Child Labour or Forced Labour from 2009 to 2016. On the other hand, an upsurge of Jordanian-employed women in these zones surpassed their male counterparts, i.e., 62% were women of the total local QIZs employed. Thus, the QIZs paved the way for Jordanian women to enter the labour market.

Around 70% of the workers in the GIZs are foreigners and classified as "non-citizens". They are subject to the national labour law; they cannot become founding members and leaders of trade unions and employers' organisations.

NATIONAL LABOUR LEGISLATION

Jordan operates with a comprehensive labour-related legal system linked to the constitution, laws, and Islamic law (Sharia) and has been influenced by tribal traditions. Several legal reforms were launched in recent years connected to the Labour Code, the Social Security Law, and the Civil Service Law. Regulations for migration workers were also established dealing with fees for work permits for non-Jordanians; a technical basis for granting permits for highly skilled non-Jordanian workers; the recruitment and system for non-Jordanian domestic workers (see Appendix Table 14).

The status of the leading national labour-related laws is summarised below.

Constitution

The Constitution of the Hashemite Kingdom of Jordan of 1952 was amended several times, the latest in 2016. It inscribed workers' rights, such as equitable working conditions and equal pay for equal work. It also sets the right to freedom of association.

Labour Code

The Labour Code of 1996 is the primary legislation governing the employment relationship. It was reformed several times, the latest in 2019. On the positive side, it introduced improvements in wages, overtime, paternity leave, annual leave, childcare, retirement, and disputes, enhancing women's participation in the labour market (see Appendix Table 15). It is worthwhile to mention that the Labour Code does not cover gardeners, cooks, and civil servants.

On the negative side, the code has serious setbacks; for example, it denies workers their fundamental rights by limiting the right to organise and bargain collectively to only 17 sectors and prohibiting union pluralism. It prevents migrant workers from forming unions or holding union offices. Several of these new modifications were strongly criticised by the International Trade Union Confederation (ITUC) and

the International Labour Organization (ILO) (see more details in the Observations on Labour Legislation subsection). Besides, the code does not comprehensively define violence and harassment in work nor provide gender-responsive protection.

The Ministry of Labour is empowered to dissolve a union without judicial oversight and to appoint interim union leaders. It allows imposing criminal penalties for those who operate an 'unauthorised' union.

A new reform of the Labour Code has been debated in recent years. A draft labour bill reached the parliamentary labour commission at the beginning of 2023 to tackle issues related to providing a safe working environment for women, imposing strict workplace harassment laws, and regulating foreign labour.

Public Service Regulations

The Public Service Regulations of 2007 deal with civil servants' rights, duties, and responsibilities in performing their work. The Civil Service Commission observes those principles in its planning, human resource management, and selection and appointment procedures. It was modified several times, and the latest was in 2020, when the regulations introduced several provisions dealing with the participation and representation of professional unions in the Public Service Council and the committees established for the Public Service Regulations. The government aims to develop ministerial committees to examine the professional unions' demands and proposals. It interlinks to the Jordanian Code of Conduct and the Ethics of the Public service launched in 2013.

Social Security Law

The Social Security Law of 1978 was reformed several times; in the last decade, three rounds of amendments in 2014, 2019 and 2021. The law sets the administrative structure of social insurance and its financial resources; work injury insurance; maternity insurance; unemployment insurance; old age, disability, and death insurance; public sector

insurance. There have been raised concerns dealing with the predictability and complexity of the social security system (see more in the Social Protection section).

As a part of the legal reforms in 2021, it improved to regulate the agricultural sector, preserve workers' rights, protect against discrimination, and provide workers with coverage under this law. For the first time, agricultural workers have the right to file lawsuits and submit complaints to labour inspectors; they can access the courts and be exempt from work- or residency-permit fees. It fell short of expectations, though, mainly because it did not address work permits for migrant workers, who comprise most of the sector's workforce. The absence of maternity leave, childcare, and equal health insurance provisions for female workers in the informal economy was also neglected. The law does not require farms with three or fewer workers to enrol employees in social security.

Observations on labour legislation

Jordan's labour-related legal framework is complex and haunted by loopholes. International Trade Union Confederation (ITUC) has several observations concerning the international standards of the right to organise, bargain collectively, and strike. The main comments are summarised below:⁹

- The Labour Code does not specifically protect workers from anti-union discrimination.
- Prior authorisation or approval by authorities is required to establish a union.
- Excessive representativity or a minimum number of members required to establish a union.
- Although foreign workers can join unions, it does not permit them to form unions or to hold union office.
- The right to collective bargaining is not specifically protected in law or explicitly prohibited. Public and municipality employees cannot bargain collectively. Domestic servants, gardeners, cooks, and the like, and agricultural

workers are not granted the right to bargain collectively.

- The right to strike is recognised by law but strictly regulated.
- 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 a strike. This period is doubled if the action relates to any of the public interests' services.
- The Ministry of Labour can impose cumbersome mediation or, if that fails, refer the case to a labour court consisting of a panel of Ministry-appointed judges. Alternatively, the dispute is transferred to the Council of Ministers and then to Parliament. Strikes are prohibited during mediation and arbitration periods.

Reports detect that the government did not fully enforce applicable laws. The government did not respect freedom of association and the right to collective bargaining. Many worker organisations were not independent of the government, and the government influenced union policies and activities. Besides, the Labour Code did not explicitly protect unionised and non-unionised workers from retaliation. It was particularly the case for foreign workers in all sectors as well as citizens working as day labourers in the public sector on short-term contracts.¹⁰

Another aspect is that the informal economy is widespread, leading many workers to loopholes in the legal framework, often due to a lack of awareness or incentives (see more in the Informal Economy sub-section).

Ratified ILO Conventions

International Labour Organization's (ILO) conventions enumerate international principles and rights at work: Jordan ratified 26 conventions, of which 24 are in force. Appendix Table 16 shows that seven out of ten

fundamental conventions and three out of four Governance Conventions are ratified, and 11 out of 176 Technical Conventions are Up-To-Date and actively promoted. The latest ratified conventions were the Social Security (Minimum Standards) Convention (C102) of 2014 and the Maritime Labour Convention (MLC, 2006) of 2016.

The independent ILO body, known as the Committee of Experts on the Application of Conventions and Recommendations (CEACR), listed observations and direct requests for several conventions. In 2021, CEACR had several comments dealing with the Right to Organise and Collective Bargaining Convention (C098), for example:

- Anti-union measures against the Jordanian Teachers Association (JTA) (see the Trade Union Rights Violations section.
- The legal incapacity of foreign workers to establish or hold office in trade unions could constitute an obstacle to the autonomous exercise of rights, particularly the right to collective bargaining.
- Despite removing the exclusion of domestic and agricultural workers in the Labour Code, the law and regulations still do not clearly guarantee these workers the rights set out in the convention.
- CEACR urges the government to lift the prohibition on minors from joining trade unions, even though they have access to employment from the age of 16 to benefit from the rights.
- There are 17 sectors in which it recognises the right of workers to organise for collective bargaining. Workers outside these sectors are side-lined to negotiate collectively through their chosen organisations.
- Requested to amend the legislation to strengthen the penalties in cases of interference, as it considered that the fines provided could not have a sufficiently dissuasive effect. The government indicated that it submitted a draft to increase the penalty.

- Urges the government to take the necessary measures to ensure that more than one trade union can be established in a sector and to permit the effective exercise of free and voluntary negotiation.

Jordan has one active freedom of association case via ILO's complaints procedures dealing with a complainant (Jordanian Federation of the Independent Trade Unions) alleging that the Labour Code restricts the right of workers to organise and bargain collectively freely. It further charges anti-union discrimination, interference, and retaliation by the government against independent trade unions.

Trade Agreements

Jordan is active in international trade, an important part of the economy. At the regional level, the country's trade agreements were initially with Arab countries, leading to the Greater Arab Free Trade Area (GAFTA) in 2004, and the Agadir Agreement in 2007. The latter is a free trade agreement between Egypt, Jordan, Morocco, and Tunisia. These agreements do not have labour provisions.

The European Union (EU) and Jordan established a Free Trade Area as part of the EU-Jordan Association Agreement, signed in 1997, which entered into force in May 2002. It had no labour provision. Conversations for a Deep and Comprehensive Free Trade Area (DCFTA) were initiated in 2011 but have not yet started in negotiation. In 2016, Jordan signed an agreement with the EU called the Jordan Compact. This agreement provides financial and technical assistance as well as better access to EU markets to Jordan, in exchange for more work options for Syrians in Jordan. It is intended to make it easier for Jordan to export to the EU, encourage investment and create jobs for Jordanians and Syrian refugees. This initiative is valid until December 21, 2030; it has already opened new opportunities for trade with the EU, and its use by Jordanian exporters has increased year-on-year.¹¹

The Jordan-United States Free Trade Agreement (JUSFTA), signed in September 2001, was the first free trade agreement the United States signed with an Arab country. It was not until 2010 that the JUSFTA was fully implemented with labour provisions. This agreement is considered a success. The trade volume between Jordan and the US has grown in the last two decades: Jordan's exports have increased from US\$73 million in 2000 to nearly US\$1.9 billion in 2019.¹² The Qualifying Industrial Zones (QIZs) programme, which was established in 1996, allowed products manufactured to enter the United States duty-free. Exports needed at least 35% of their value-added to come from Jordan through the QIZ, and Jordanian exports, also required at least 8% of their value-added to come from Israel. QIZ products account for about 1% of Jordanian exports to the United States today. The QIZ share of these exports is declining relative to the share of exports shipped to the United States under provisions of the JUSFTA.¹³ Jordan continues to be eligible for Generalised System of Preferences (GSP) programme benefits even though it entered a Free Trade Agreement (FTA) with the United States in 2001. The Better Work programme is mandatory for garment factories that export to the US under the US-Jordan FTA. It is worth mentioning that Jordan-Canada FTA also has labour provisions.

The country has signed bilateral free trade agreements with most of the countries of the Arab League. Bilateral trade agreements generally have been criticised for paying less attention to the interests of labour standards and core labour rights.¹⁴

SOCIAL PARTNERS

Social partners are central to promoting the realisation of core labour rights and social justice for workers by protecting freedom of association and collective bargaining in bi- and tripartite functions. These partners usually represent government institutions, trade unions, and employers' organisations.

Government

The Ministry of Labour (MoL) is responsible for achieving the general objectives of labour and workers' affairs. It was anchored in the National Employment Strategy 2011-2020, dealing with the vision compared to the reality of the labour market based on a comprehensive diagnosis and its outlook. An up-to-date strategy was not available during this profile's preparation.

The ministry provides services such as supervising labour and workers' affairs; registering trade unions and employers' organisations; contribute and participating in the work of the Tripartite Committee.¹⁵ Through the Directorate of Labour Relations, the MoL administers collective labour disputes. It sponsors the negotiations between the employers and workers' unions (see more in the Labour Dispute Resolution System sub-section).

The ministry's Inspection Directorate consists of several sections: i) Central Inspection Section, the Complaint and Operations Section, iii) the Inspection Department for Reduction of Child Labour, the Anti-Human Trafficking Inspection Section, v) the Better Work Section, and vi) the Inspection Procedure Follow-up Section. MoL also operates with the Economic Empowerment Department and the Awareness and Rights of Working Women Department. Besides, it is chair of the Social Security Corporation's board (see more in the Social Dialogue and Social Protection sections).

The Civil Service Bureau (CSB) focuses on organising and managing public service affairs, as well as cooperation with partners and directorates concerned with the civil service. This institution has been somewhat side-lined in recent years: Among the recommendations of the National Dialogue on Modernising the Public Sector, conducted by the Economic and Social Council (ESC) in January 2023, was the abolition of the CSB and the establishment of a Civil Service and Public Administration Authority to focus primarily on oversight.

The Social Security Corporation (SSC) is a national institution that applies insurance schemes across Jordan's private and public sectors. The SSC has some leverage over factories and can reward good behaviour by decreasing the necessary contributions to SSC or can increase contributions for identified high-risk factories. The government must establish a system between the SSC mandate to monitor OSH and the mandate for the labour inspectors to monitor all aspects of labour law compliance.

The Ministry of Health (MoH) enforces occupational health standards through its Directorate of Occupational Health and regional health directorates. Inspectors are spread nationwide and perform occupational safety and health (OSH) inspections as part of their public health responsibilities. The legislation of the MoH regulates living standards in workers' dormitories, which the labour law does not.¹⁶

Trade unions

Jordan has not signed the Freedom of Association and Protection of the Right to Organise (C087). But the right to freedom of association is enshrined in the constitution and recognised by law but strictly regulated. There is still no clear guarantee of the right to freedom of association for domestic workers, although legislation establishes a special regime for this group who can join the General Trade Union of Workers in Public Services and Liberal Professions. A trade union for domestic workers was established in 2019 with a woman elected as the leader encompasses diverse workers like migrant, communications, and agriculture. The MOL reopened the debate on the Labour Code bill in November 2019, stalling the changes on the trade unions' operations.

Agricultural workers have been excluded from the government's list of sectors until 2022, when the MoL finally decided to allow this group the right to organise under the umbrella of the General Trade

Union of Water and Food Industries Workers. It benefited many efforts for coordination.¹⁷ Civil servants are not allowed to form or join unions or be entitled to collective bargaining.

The General Federation of Jordanian Trade Unions (GFJTU) is the only legally recognised organisation in national tripartite forums. The government subsidises the federation staff's wages and some of its activities. New trade unions must be directly linked to 17 industries and professions in which unions already exist, effectively making trade union pluralism impossible. The new section of the Labour Code (as amended in 2019) still gives discretionary power to the Labour Minister to classify industries and economic activities in which trade unions may be established so that no industry or economic activity shall have more than one trade union. Creating new unions requires approval from the Ministry of Labour and consists of a minimum of 50 founding members.

The GFJTU's trade union membership rate declined during the last two decades from 230,000 in 2001 to approximately 113,000 in 2022. According to GFJTU, this drop was mainly related to the privatisation process in the economy that led workers to move from the public to the private sector. Around 45% of the trade union members were woman (see Table 1 and Appendix Table 11).

Table 1: Status of recognised trade unions in Jordan

Indicators	Value
Number of national trade union centres	1
Number of trade unions federations	17
Members of trade union centres (GFJTU)	112,750
Trade union density of employment	4.9%
Trade union density of employees	5.6%
Women member share of trade unions	45%

Note: This table excludes FITU-J since it is not recognised with legal status to participate in the national tripartite forum.

Source: DTDA SRO Tunis data-collection; own calculations of trade union density based on employment data from ILOSTAT.

Trade union density fell by 18 percentage points among 'employees' (i.e., a person employed for wages or salary) from 2001 to 2022, reaching approximately 5.6% in 2022. In comparison, OECD countries have an average trade union density of 16%, which equals 19-percentage point gap compared to Jordan's trade union density.

Migrant workers are allowed to join unions, vote in union elections, and participate in enterprise-level worker committees. However, they are not permitted to create or hold union office, nor can they engage in collective bargaining. In September 2015, the first official migrant domestic worker network was formed to advocate for full rights for domestic workers. In 2017, Jordanian trade unions began issuing non-employer-specific, and non-position-specific work permits in the construction sector. The permits were the first of their kind to be given to Syrian refugees in the Arab region (see more in the Migration sub-section).

Unionism in the private sector faces restraints or other hurdles; for example, 50 members are required to create a union, complicated by the widespread informal micro- and small enterprises. Many lack awareness or incentives for democratic practices or other with interference by executive authorities.

Unions and worker associations have mobilised to educate workers about their rights during the global Covid-19 pandemic, provide them with resources to protect themselves and their families, and push for fair treatment at the workplace.

The status of the central trade union organisations is summarised below.

General Federation of Jordan Trade Unions

The General Federation of Jordan Trade Unions (GFJTU) was formed in 1954 as a united framework at the national level of the Jordanian trade union movement. It absorbs all 17 labour trade unions. The federation aims to strengthen the Jordanian trade union movement's legal framework and promote workers' rights. Historically, the organisation has

avoided politics instead of focusing on workplace issues.

GFJTU operates at the policy level that concerns participation in national tripartite forums and international cooperation. Other duties are related to joint activities and follow-up on initiated actions and implementation of policies. On rare occasions, the federation also advises the sector federations in handling legal cases.

At the sectoral level, activities are more related to collective bargaining agreements (CBAs) negotiations (at the enterprise level), as well as advising enterprise committees and to enterprise committees handling labour cases and occupational safety and health (OSH) issues at the enterprise level. Each sector selects its sector federation president either during the elections or among elected federation committee members. These are elected every fifth year and with the duty to monitor the sector federations.

The largest trade union is the General Trade Union of Workers in Textile, Garment and Clothing Industries. This organisation covered around 30,000 members in 2020, about 40% of the garment sector's employment (around 75,000 workers). Data also show that this federation's membership rate dropped by approximately 43% from 2015 to 2020 (see more in Appendix Table 11).

Currently, GFJTU stresses that trade unions should play a key role in decisions related to climate change, including in national policies on climate change and ensure a fair transition.

Federation of Independent Trade Unions of Jordan

In the wave of Arab Spring and labour protests, nine unions got together to form the Federation of Independent Trade Unions of Jordan (FITU-J) as an alternative to the GFJTU. A founding congress was launched in 2013. The federation is still not recognised by the authorities which abide by the Jordanian labour code that limits the trade union representation to the GFJTU and the 17 affiliated

unions; thus, it is neither recognised with legal status to participate in the national tripartite forum. FIFU-J has been supported by the ILO and initiated meetings with ITUC to assess its affiliation.

Based on the limitations of data availability, FIFU-J organises fourteen unions representing approximately 7,000 workers. The federation seeks to mobilise for greater political freedom, improved economic conditions and social justice. The affiliated unions represent workers in the phosphates industry, the pharmaceutical industry, municipalities, railways, tourist transportation, air transportation, building chemicals, electrical, land transport drivers, printing press operators, web developers, agricultural workers, and water company *Myahuna*.

In recent years, independent unions are promoting on proposed Labour Law amendments, with workers protesting at parliament and union leaders writing open letters to the government urging lawmakers to follow international labour standards.

Employers' Organisations

Projections suggest that about 2.8% of Jordan's total employment covers employers in 2021, significantly lower than the Middle East & North Africa average at 4.5%.¹⁸ It indicates that the country's entrepreneurship vibe is somewhat below the regional pace.

The Global Competitiveness Index provides several aspects, including labour market efficiency. The latter indicator's ranking is based on information from employers' surveys and statistical data: Jordan ranked 84 out of 141 countries (1st is best) in 2019 (Table 2). The best scorings were in redundancy costs (9), internal labour mobility (34) and hiring and firing practices (35). It also notched a relatively high-level concern of cooperation between workers and employers (40). The worst gradings were in the ratio of wage and salaried female workers to male workers (133) and ease of hiring foreign labour

(108). The rankings indicate a relatively flexible labour market, where women are largely excluded and difficult to hire migrants.

Table 2: Employers' view of the labour market efficiency in Jordan, 2019

Indicator	Rank
Total	84
Redundancy costs (weeks of salary) **	9
Hiring and firing practices *	35
Cooperation in labour-employer relations *	40
Flexibility of wage determination *	42
Active labour market policies *	71
Workers' rights *	52
Ease of hiring foreign labour *	108
Internal labour mobility *	34
Reliance on professional management *	65
Pay and productivity *	42
Ratio of wage and salaried female workers to male workers **	133
Labour tax rate **	68

* Survey data. ** Ranked by per cent. Note: Rank from 1 to 141 (1 is highest).

Note: Rank from 1 to 141 (1 is best ranking).

Source: The Global Competitiveness Report, 2019, 8th pillar: Labour market efficiency.

Based on the list of 35 risks listed by the Global Risks Report 2023 identified by the Executive Opinion Survey, the five risks that are the most likely to pose the biggest threat to Jordan in the next two years are debt, severe commodity supply crises, cost-of-living crisis, severe commodity price shocks, and employment and livelihood crises.¹⁹

The first employer syndicate dates to 1963 with the formation of the Syndicate of Public Truck Owners. It was followed afterwards by many other employers' associations, organisations, and chambers, reaching around 100 in 2019 (see also Appendix Table 13).

Employers of any occupation (i.e., numbering no less than 25 individuals) are entitled to form a syndicate to safeguard their professional interests by the Labour Code. Establishing or creating employers'

syndicates with racial or religious activities is prohibited. Statistically, micro and small enterprises with up to 19 employees represent around 98% of all businesses in Jordan and account for half of the country's employment in the private sector. It lets a large majority of enterprises side-lined for organising employers' syndicates.

The status of the leading employers' organisation is summarised below.

Jordan Chamber of Industry

Most organised employers have representation in the Jordan Chamber of Industry (JCI). This organisation evolved from one chamber in 1923 to 16 today; they are in the major cities and districts. The principal activities include representing the general interest of the business community, providing information and advice to members, promoting economic development, providing market information and statistics, encouraging foreign investment, and facilitating international trade. JCI is active in central tripartite structures. The organisation's role in collective bargaining at the enterprise level is minimal since enterprises are not direct members of the institution but members of their respective regional chambers.

JCI operates with board members of several national corporations, such as the Jordan Economic Projects Development Corporation (JEDCO), the Social Security Corporation, the Higher Investment Committee, and the Technical and Vocational Education and Training Council.

At the Arab level, they are affiliated with the General Union of Chambers of Commerce, Industry and Agriculture of Arab Countries, Arab Labour Organization, and Joint Arab Committees.

At the international level, they are linked with the Islamic Chamber of Commerce and Industry, the International Labour Organization, and a board member of the Joint Foreign-Arab Chambers of Commerce in Europe, America, and Asia.

SOCIAL DIALOGUE

Social dialogue is a central factor in any modern industrial relations system. Jordan has ratified the International Tripartite Consultation Convention (C144) and the Right to Organise and Collective Bargaining Convention (C098) (Appendix Table 16).

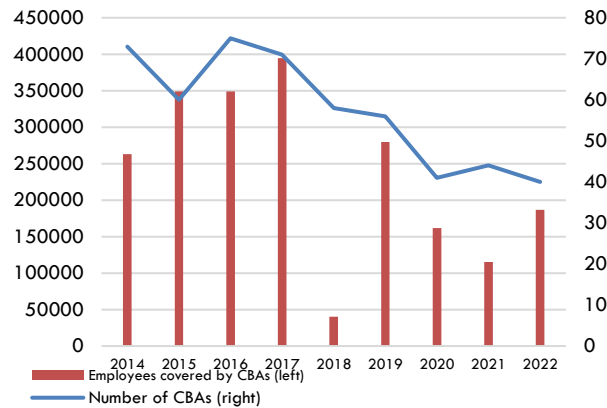
The national legal framework of the right to collective bargaining is not specifically protected in law or explicitly prohibited. All social dialogue activities are conducted on a tripartite basis while it does not happen at the bipartite central level due to a somewhat rigid labour market. Tripartite sessions have been in progress in recent years, including as a part of the board of directors for public institutions; for instance, the Social Security Corporation and the Vocational Training Corporation.

There are no permanent structures for social dialogue or collective bargaining at the sector level, but it is allowed. Legislative and institutional steps have been undertaken to promote collective bargaining in specific sectors. Generally, the textile, garment, and clothing sectors are fully covered by Collective Bargaining Agreements (CBAs) but stays fragile in other sectors. It concerns the absence of mechanisms of implementation and enforcement despite the presence of the labour inspection system. Experts noted that collective bargaining is decentralised at the enterprise level and limited in scope, occurring predominantly without the active participation of social partners.²⁰ The coverage of CBAs is also side-lined by the widespread micro and small enterprises in the private sector operating in the informal economy.

Collective Bargaining Agreements (CBAs) are often directed at the enterprise level but on an upsurge at the sector level. The food industries, public services, and the clothing and electricity sectors have many CBAs. Figure 3 below shows that the number of CBAs gradually dropped from its peak in 2016, reaching 40 in 2022, covering about 9.2% of employees. It is worth mentioning that CBAs' coverage was

significantly shallow in 2018 since many were not concluded. This low coverage was further detected at the beginning of the 2020s in the aftermath of the Covid-19 pandemic and economic downturn (see more details in Appendix Table 12). In comparison, OECD countries have an average collective bargaining coverage of 32%, which equals a 23-percentage point gap.

Figure 3: Collective Bargaining Agreements trends in Jordan, 2016-2022



Source: Jordanian Ministry of Labour.

CBAs are frequently used as a mechanism for ad-hoc dispute resolution rather than as a tool to address sectoral deficits in decent work or to establish minimum standards across the board for all enterprises in each sector.²¹ The social partners often have limited capacity, experience, and tradition for engaging in social dialogue.

Another aspect is that most enterprise-level collective bargaining occurs in large firms in the formal private sector. Data suggest that micro and small enterprises represent around 98% of the country's registered enterprises and 70% of the private sector employees that often operate in the informal economy, side-lined for CBAs.

Central tripartite structures

Several tripartite bodies are set in Jordan by legislation that leads to social dialogue. Tripartite meetings remain ad-hoc, with feeble progress in

developing concrete policy and legislative changes. It has reduced the tripartite negotiations' scope; the success has been concentrated in adjustments in the national minimum wage. Social dialogue has been driven by a government-led process, with little initiative from other social partners on issues of common concern, not to mention it has been limited to the formal sector, with scant attention paid to the informal economy.²²

The status of central labour tripartite institutions is summarised below.

Tripartite Labour Committee

The Tripartite Labour Committee was set in the Labour Code. Members of the committee hold a two-year renewable mandate.

Reports detected the Tripartite Committee's activities have been limited in dealings with the national minimum wage. It did not concern broader socioeconomic policies such as employment, skills, and economic policies. Its powers are also formally limited: There is no obligatory pre-consultation on draft legislation or a link between the institution and the legislator.²³ On the other hand, the Labour Code has been amended to remove the responsibility for classifying occupations and industries from the Tripartite Committee and assign it to the Minister of Labour, thereby allowing greater flexibility in the reclassification of professions and industries and paving the way for the creation of new trade unions.²⁴

Economic and Social Councils

The Economic and Social Councils were established in February 2007. The consultations are mandatory by the government for all subjects concerning social relations, working conditions, social dialogue, or issues proper at councils. The organ consists of five specialised 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 Labour Relations.

The government argues that it is 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. It has been related to reforms adopted by the government, which included a reduction of public spending, as a part of the solutions to confront the financial challenges facing the national economy.²⁵

Social Security Corporation

The Social Security Corporation is a statutory body with financial and administrative independence. It is administered by a board that the MoL chairs.

Several attempts at developing a comprehensive master plan to reform and integrate the health insurance system have been undertaken in the recent past, with limited progress effectively made (see more in the Social Protection section).²⁶

Other bi/tripartite organs

- National Social Security Board.
- High Council for Human Resource Development.
- E-TVET Council.
- National Council for Family Affairs.
- National Commission for Women.

Labour Dispute Resolution System

The Amended Arbitration Law was approved in 2018 that provides a comprehensive reform of the legal framework of arbitration in the country. It gives a more modern and secure dispute resolution through arbitration in line with internationally recognised arbitration guidelines and practices. It is worth mentioning that mediation as a social phenomenon is highly entrenched in Jordanian society. It stems from strong tribal roots that place high importance on the

role of tribal leaders in mediating disputes. The judicial system is divided into civil and religious/Sharia courts, the latter exercising jurisdiction over personal matters, such as marriage, divorce, and inheritance.

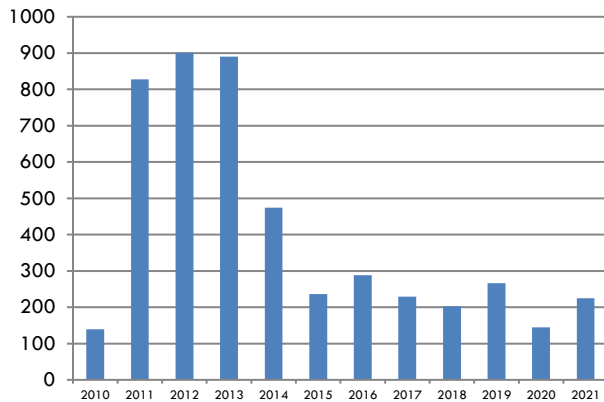
The court system's inefficiency has haunted Jordan's business ecosystem. For instance, resolving a commercial dispute through domestic courts takes almost two years, costing more than 30% of the claim's amount. The government has worked on reforms of the judicial system; for example, equipping the courts with a digitalised case management system. There has also been an increasing trend towards alternative dispute resolution (ADR) and widespread acceptance. While mediation and arbitration can be used as an ADR mechanism in the country, the former is functioning for civil issues, and conciliation is used solely for settling collective labour conflicts.²⁷

Through the Directorate of Labour Relations, the Ministry of Labour administers collective labour disputes and sponsors the negotiations between employers' organisations and trade unions. In 2021, the ministry addressed 45 collective labour disputes, which resulted in 44 collection employment contracts, which all contributed to improving the labour circumstances and conditions.²⁸ In addition, they also received 18,125 complaints related to salaries in 2021, out of which 43% were regarding unpaid wages. This relatively high number of complaints is due to the impact of the Covid-19 pandemic and the difficult economic conditions. These figures are considered underestimated.²⁹

Figure 4 visualises that Jordan's labour market entered a rough period at the beginning of the 2010s, reflected by a high upsurge in labour protests. It was spurred by the privatisation of public assets, the dire economic situation, depreciating wages, growing unemployment, and the wave of the 'Arab Spring' in 2011. The number of protests dropped at the end of the 2010s, mainly a reduction from the public sector. Instead, the distribution of protests

increased significantly among labour unions and their committees. Protests dipped in 2020 due to the Covid-19 pandemic but rebounded in 2021.

Figure 4: Registered labour protests in Jordan, 2010-2021



Source: Jordan Labour Watch.

Some foreign workers whose residency permits are tied to work contracts were vulnerable to retaliation by employers for participating in strikes and sit-ins. Under the law, participation in a legally unrecognized strike is counted as an unexcused absence.

TRADE UNION RIGHTS VIOLATIONS

Jordan's Global Rights Index ranking worsened from 4 in 2020 to 5 out of 5 (5+ is worst) since 2021, i.e., no guarantees of rights: while the legislation may spell out certain rights, workers effectively have no access to these rights and are therefore exposed to autocratic regimes and unfair labour practices.³⁰

International Trade Union Confederation's latest registered cases of violations of rights concerned anti-union measures against the Jordanian Teachers Association (JTA) in 2021. In December 2020, the Amman Magistrate's Court decided to dissolve JTA and imprison council members for one year; all were released shortly after that on bail. All public-school teachers belonged to the union, which had approximately 140,000 members. The Jordanian government argued that JTA deviates from the

Labour Code, interconnected with the complex legal framework. Another case dealt with the legal amendments that restrict freedom of association in 2019.³¹

Activists reported the vulnerability of agricultural workers due to minimal government oversight. They argued that around 48,000 domestic workers in the country in 2021, most of whom were foreign workers, as particularly vulnerable to exploitation due to inadequate government oversight, social norms that excused forced labour, and workers' isolation within individual homes.³²

Jordan ranks 141 out of 167 on the Global Slavery Index from 2018 (1 is the worst). The index measures modern slavery, i.e., slavery-like practices (such as debt bondage, forced marriage, and sale or exploitation of children), human trafficking, and forced labour. An estimated 17,000 are victims of modern slavery in Jordan. Forced labour or conditions indicative of forced labour occur, particularly among migrant workers in the domestic work and agricultural sector. Domestic workers are particularly vulnerable to exploitation due to inadequate government oversight, social norms that excuse forced labour, and workers' isolation within individual homes.

WORKING CONDITIONS

Jordan's statutory minimum wage is determined by the Ministry of Labour, taking into consideration the Tripartite Labour Committee's recommendations. This committee considers all aspects of raising the minimum wage and is often intersected with the inflation rate.

The minimum wage was first set in 1999. The latest minimum wage hike of 18% was in 2021, reaching JOD 260 (US\$367), which is above the individual poverty line and ranked 69 among 197 countries. The minimum wage was expected to rise in 2023. But, based on Tripartite Labour Committee recommendations, it turned out to be unchanged until

2025, mainly due to the aftermath of the Covid-19 pandemic and economic projections.

Non-Jordanian workers are linked with a lower minimum wage system than the national workers; for example, non-Jordanian workers' minimum wage currently stands at JOD 245 (US\$346). This two-tier minimum wage system has been controversial. Around half of Jordan's employment is formed by non-Jordanians since employers are incentivised to hire non-Jordanians, such as Syrians. Jordan's labour market is haunted by high unemployment, which raises concerns among many Jordanian workers' job perspectives (see more in Table 3 and the Workforce section). It is worth mentioning that the minimum wage for QIZ workers is even down to JOD 220 (US\$310).

The minimum wage has been raised three times since 2010. It reached an aggregated yearly real growth of 1.4% (minimum deducted for inflation) in the 2010s and 2020-2024 averages (Figure 5). This trend contrasts somewhat with the fact that labour productivity fell by -1.4% at the end of the 2010s. It suggests that workers dependent on the minimum wage have been supported on the margin despite the weak economic development.

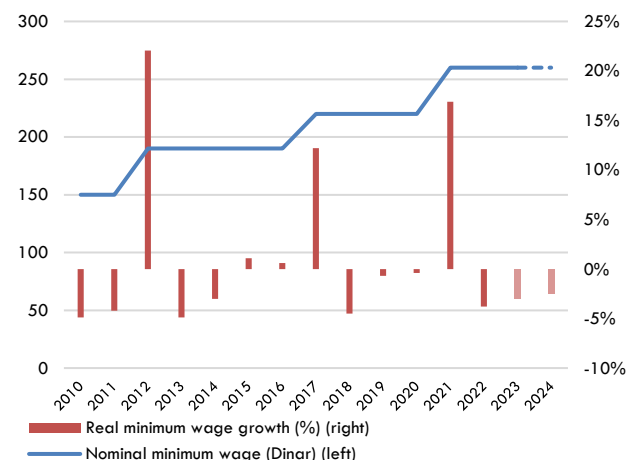
Table 3: Status of wages and earnings in Jordan

	Current Dinar	Current US\$
Average earnings of employees (2021)	410	578
Jordanian minimum wage (2021-2024)	260	367
Migrant workers' minimum wage (2021-2024)	245 *	346
QIZ workers' minimum wage (2021-2024)	220 **	310
Yearly real minimum wage growth average (2020-2024)	1.4%	

* Excluding domestic workers, migrant workers in the QIZs and loading-unloading workers. ** The QIZ workers' minimum wage in cash was JOD 125 (US\$176) plus 95 dinars (US\$134) of in-kind wages (food and accommodation).

Source: Jordan News Agency; own calculations on real minimum wage (i.e., nominal minimum wage deducted of inflation on consumer prices) and average earnings of employees based on data from International Labour Organization's KILM.

Figure 5: Jordan minimum wage (dinar) and its yearly real growth (%), 2010-2024



Note: Real minimum wage growth is based on the nominal minimum wage deducted for inflation in consumer prices.

Source: Jordan Times; own calculation of real minimum wage.

It is important to realise that Jordan's labour market is haunted by the widespread informal economy, reflected in loopholes in labour and business regulations such as avoiding the application of minimum wage. It is often due to a lack of awareness or incentives (see more in the Informal Economy sub-section).

Apart from the minimum wage, the average monthly earning of employees reached JOD 410 (US\$578) on average in 2021, which was almost one-third higher than the minimum wage. A significant gender gap favouring men was visible (see more in the Gender sub-section). Reports listed that wage, overtime, safety, and other standards often needed to be upheld. Some foreign workers faced hazardous and exploitative working conditions in various sectors. Authorities did not effectively protect all employees who attempted to remove themselves from situations that endangered their health and safety. Women citizen workers were more likely than men to encounter labour abuses, including wages below the minimum wage and harassment in the workplace.³³ Other estimations of the median monthly income before the Covid-19 lockdown was JOD 368 (US\$ 519). In March 2020, it had fallen to JOD 215 (US\$ 303).³⁴

The legal framework sets a workweek of 48 hours and requires overtime pay for hours worked more than that level. Reports observed that because there was no limit on mutually agreed overtime, the Ministry of Labour reportedly permitted employees in some industries, such as the garment sector, to work as many as 70 to 75 hours per week. Many foreign workers requested payment for overtime work. Non-governmental organisations (NGOs) detected instances of forced overtime. As part of the Covid-19 pandemic response, the government announced policies for remote work, reduced wages, and suspension of operations for private-sector companies. The guidelines included permission for employers to reduce workers' salaries up to 50% in cases where employees could not report to work.³⁵

The Directorate of Labour Affairs and Inspection within the Ministry of Labour has responsibility for labour inspection. Another distinct labour inspection system is operating in the Aqaba Special Economic Zone. There are 23 regional labour offices throughout the country, with labour inspectors used in each of them. The Ministry of Labour conducts regular inspection campaigns, jointly with the Administration of Residence and Borders, to detect illegally employed migrant workers and impose sanctions on their employers. However, it still lacks an integrated labour inspection system. Data suggest that the number of labour inspectors from the Ministry of Labour increased from 136 in 2020 to 170 in 2021.³⁶ It equals that inspectors cover 1 per about 14,000 in employment. It appears to be in line with the ILO recommendation of 1 per 10,000 workers in industrial market economies and one inspector per 20,000 workers in transition economies.³⁷

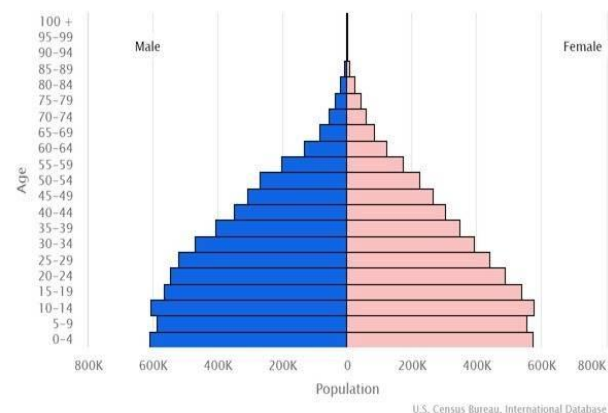
WORKFORCE

Jordan's population growth slowed from 4.4% in the 1980s to 2.1% at the beginning of the 2020s. They represented 11 million in 2022, making it the eleventh most populous Arab country. The fertility rate fell from 7.3 in 1980 to 2.9 births per woman in 2020,

slightly higher than the average of the Middle East & North Africa at 2.7. Jordanians' life expectancy increased from 66 years in 1980 to 75 in 2020, slightly higher than the regional average of 73.

The population pyramid in Figure 6 pictures how demographic shifts are evolving. The growth of the youth segment up to 30 years old has lost its pace, echoed in the tumbled birth rate during the last three decades. Around 53% of the population is below 25 years old; 63% are of working age (15-64); 3.7% are 65 years and over.

Figure 6: Population pyramid based on the age-sex structure of the population in Jordan, 2022



Source: Central Intelligence Agency, *The World Factbook*, Jordan.

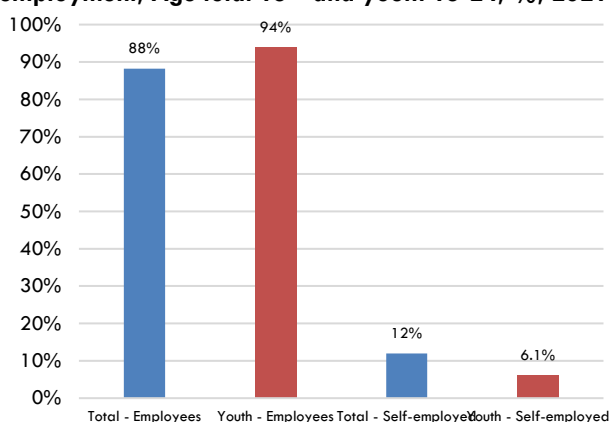
Based on the latest available national labour force survey data from 2021, around 2.3 million Jordans were in employment. The number of employed workers grew by 10% from 2017 to 2021. This growth was driven by the adult group (25+ years). In contrast, the youth (15-24 years) fell by 24% in the same period, mainly due to improved school enrolment rate at the secondary education level and demographic steps of curbing the youth bulge. Jordan reached a ratio of employment-to-population at 31% in 2021, which was half the World's upper-middle-income average at 60%.

Men dominate the labour market, representing 85% of total employment, while women of 15% (see more in the Gender sub-section). Around 15% of employed

operate in the public sector, while 85% are in the private sector.

A characteristic of Jordan's employment is that a large majority (88%) are employees, with an upsurge of three percentage points since 2017. This employee group is remarkably higher among youth (94%), connected to declining youth employment. In contrast, 12% of total employment are self-employed, while 6.1% are among youth (Figure 7).

Figure 7: Jordan's employment by status in employment, Age total 15+ and youth 15-24, %, 2021

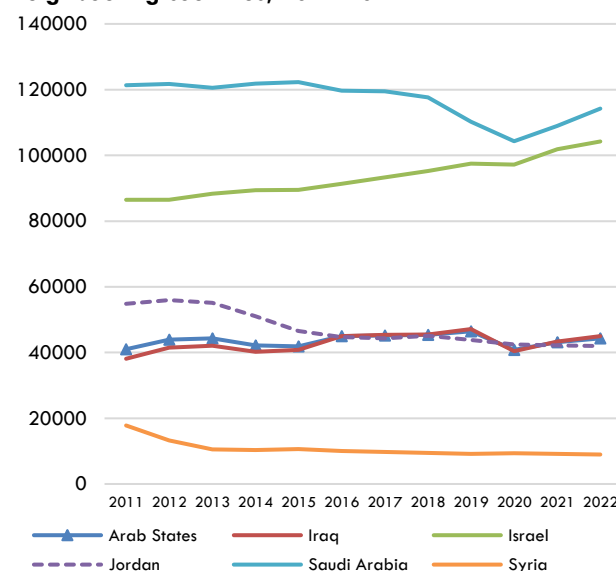


Source: LFS - Employment and Unemployment Survey.

Small shifts are detected in the aggregated sectoral employment in Jordan. The agricultural sector represents a small group that fell from 3.5% in 2009 to 2.5% in 2019. The industry sector has a large segment but also fell by two percentage points in the same period, reaching 25% in 2019. Jordan's manufacturing employment as a proportion of total employment fell by 1.6 percentage points from 2017 to 2021, grasping 9.3%. It was slightly higher than the Arab States' average of 8.6%, but the trend is challenging the Sustainable Development Goals (SDGs) (Appendix Table 10, Indicator 9.2.2). Instead, the service sector dominates employment, growing by three percentage points, grasping 73%.³⁸ This situation is reflected by the abovementioned status of employment shifts, rising urbanization, and waning population growth.

Figure 8 shows that the labour productivity in Jordan deteriorated during the 2010s, landing in line with the Arab States' (upper-middle income) average and Iraq. This situation suggests that the country needs improving public administration, institutional reforms, and designing and applying the appropriate policies and regulations to promote and enhance investments, just as a mismatch between labour supply and demand links to an unmet need for employment among the population. This weak labour productivity development also challenges the SDGs (see more in Appendix Table 10, indicator 8.2.1).

Figure 8: Output per worker trend for Jordan and neighbouring countries, 2011-2022



Note: Output per worker is based on GDP constant 2017 international \$ at PPP.

Source: International Labour Organization, Key Indicators of the Labour Market (KILM).

Jordan's labour share of national income benefitted from a minor tailwind during the 2010s, reaching 45% in 2019, hovering far above Arab States countries' average of 34%. It was mainly protected by an upsurge of the employees' group, little real wage hike, a high inflow in remittances, and the application of universal subsidies. However, the Covid-19 pandemic and the economy's sluggish growth brought a headwind to improving the labour share of national income. A transformation involving the rising power of new technology, globalisation,

and the informal economy further questions Jordan's capacity to reach the SDG dealing with better equality (see more in Appendix Table 10, Indicators 10.4.1).

The country's economy is driven by micro, small and medium-sized enterprises (MSMEs). Informal employment is closely linked to the number of workers in the enterprise: 85% of employees in workplaces of fewer than ten persons are in informal employment, compared to 15% of those in workplaces of 100 persons or more. The Social Security Law requires coverage for workers in all sizes of enterprises. Although the country has a relatively medium-level ease of doing business environment (revisit Appendix Table 17), the enterprises' ecosystem faces intricate absence of business planning, high competition from price-competing imported goods, demanding access to financing and low deployment of new technologies.³⁹ In addition, many self-owned enterprises operate with fewer than three employees, and for those most businesses did not have membership in a trade union or business association.⁴⁰

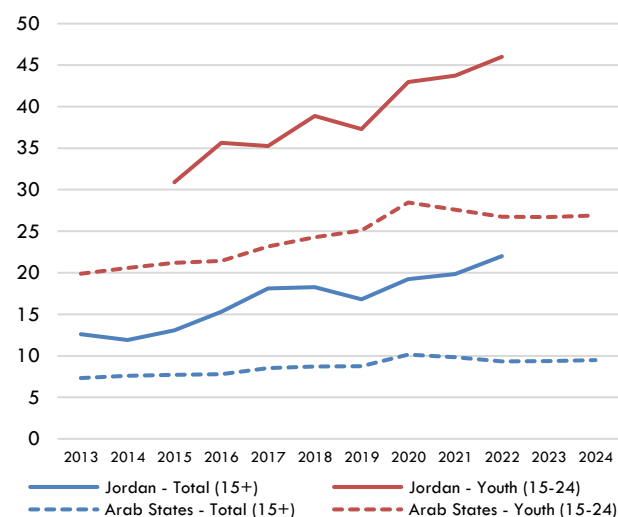
Jordan's government operates with several labour-related policies, such as the National Strategy for Human Resource Development (NSHRD) 2016–2025, which pays particular attention to reforming the technical and vocational education and training (TVET) sector (see more in the Vocational Training sub-section). Further, the National Employment Strategy (NES) 2011–2020 responded to rising unemployment and low economic participation rates in Jordan, particularly among women and youth. Some labour market interventions include adopting an effective foreign labour policy, scaling up active labour market programmes, strengthening the transition from education to employment, reforming the TVET sector, and supporting a culture of self-employment, not to mention promoting tripartite dialogue.⁴¹

Unemployment

A major challenge of Jordan's labour market is to create more decent jobs, which resonates with the

alarming high unemployment rate. Although the unemployment rate started to diminish slowly at the end of the 2010s, the economic rupture triggered by the Covid-19 pandemic and general sluggish economic development sparked an upsurge in unemployment at the beginning of the 2020s, peaking at 23% in 2022.⁴² This structural unemployment is stuck to youth, women, and the more educated population. For instance, it even worsened for youth that struggles to find jobs: This group's unemployment rate pointedly rose, grasping a staggering 46% in 2022 (see more in the Gender and Youth sub-sections). In addition, Jordan's unemployment rates are hovering far above the Arab States' averages (see Figure 9).

Figure 9: Unemployment trends in Jordan and Arab States, %, 2013-2024



Source: Jordan LFS - Employment and Unemployment Survey; The World Bank.

Many Jordanians have given up hope to start searching for a job and become economically inactive. Apart from the lack of job creation, other reasons explain the high unemployment, such as the two-tier minimum wage system links with an increased inflow of migrants and refugees. It is also connected to the relatively well-developed social protection system, including the Unemployment Insurance Fund (UIF). Nevertheless, severance pay is minimal, and

income support is provided to first-time job seekers (see more in the Social Protection section).

As previously mentioned, the low ratio of employment-to-population at 31%, which includes the unemployment segment, statistically keeps out a massive group known as economically inactive, particularly among women. It has shadowed the fact of potentially much higher unemployment.

Even though Jordan's slowing down population growth, it continues to face intense labour supply pressures due to the rapidly growing number of higher-educated graduates facing a mismatch between the skills produced by the education system and those needed by the labour market. These frustrations could fuel the Jordanian youth's social discontent.

The unemployment rate similarly affects the pattern of broader labour underutilisation, i.e., the share of the extended unemployed workforce, time-related underemployment, or the potential workforce. For example, this indicator raised by six percentage points from 2017 to 49% in 2021, particularly young women represented 62% and even further up for those with advanced education at 76%. This situation profoundly challenges Jordan's targets to reach the SDG goal of full and productive employment and decent work (see Appendix Table 10, Indicator 8.2.1).

Migration

Jordan has not ratified central international migration conventions like ILO's four migrant-specific instruments. At the regional level, Jordan is a member of the League of Arab States and a party to the Arab Charter on Human Rights. It encompasses some signs of migration issues, including establishing the right to seek political asylum in other countries to escape persecution. However, this latter system's human rights system is challenged by major shortcomings concerning the lack of enforcement mechanisms and

the absence of a regional court of justice on human rights.

On the other hand, the Jordanian constitution stipulates that political refugees shall not be extradited on account of their political beliefs or for their defence of liberty. The country has demonstrated a relatively progressive stance on migration and generally upholds international standards. The legal migration framework is linked to the Law on Residence and Foreigners' Affairs of 1973, the Labour Code covering the private sector (other than domestic workers and agriculture workers), and Regulation No. 90/2009 concerning Domestic Workers, Cooks, Gardeners, and Similar Categories. Even though Jordan has amended the Labour Law to be more in line with international labour standards, there has been modest progress on the agreements concerning migrant workers in Jordan since 1990. By law, foreign workers must be treated the same as Jordanian workers, including registering them in the social security system and providing them with a decent work environment. Priority is given to Arab nationals.

The country needs to operate with a comprehensive migration policy. Instead, a series of employment and human resources development policies have formally incorporated the country's approach to migration. It has mainly focused on the emigration of skilled workers to the Gulf and the rest of the world, using a valve to alleviate the pressure on weak job creation. This system has lacked a process for monitoring and evaluating the impact of migration on those policies.⁴³

Jordan's migration flow links to massive inflows of refugees, low-skilled immigrants, and regular outflows of highly skilled emigrants fuelled by high unemployment.

The probability of internal migration is mainly in search of job opportunities or educational reasons, but climate changes are emerging as a push factor. Jordan's population is concentrated in urban areas reaching around 92% today. It is significantly higher

than its neighbouring countries, except Israel (93%). Roughly a fifth of the urban population lives in the capital, Amman.

Other factors of internal migration concern Internally Displaced Persons (IDP). In Jordan, displacement associated with disasters is mainly from floods and storms: close to 2,800 persons were registered during the last ten years, particularly with an upsurge in 2018. None were registered with displacement associated with conflicts and violence.⁴⁴

Central drivers of emigration (out-migration) link to better employment opportunities and working conditions abroad. Strategically, bilateral labour agreements and access to the National Social Security Programme have encouraged emigration to relieve unemployment, attracting foreign aid from migrant-receiving Gulf Coordination Council (GCC) states, and increasing remittances. About 8% of Jordan's population (800,000 citizens) live abroad, most of them in the Gulf states and the United States.⁴⁵ A central feature that distinguishes Jordanian workers abroad is that three out of four (75%) are academically qualified, skilled, and specialised. This massive emigration led to a 'brain drain' migration and raised concerns about losing trained and qualified workers in the health, engineering, and information technology sectors. A large segment of Jordanians wishes to migrate out of the country; survey data suggest that one out of four (27%) of the youth want to leave the country.⁴⁶

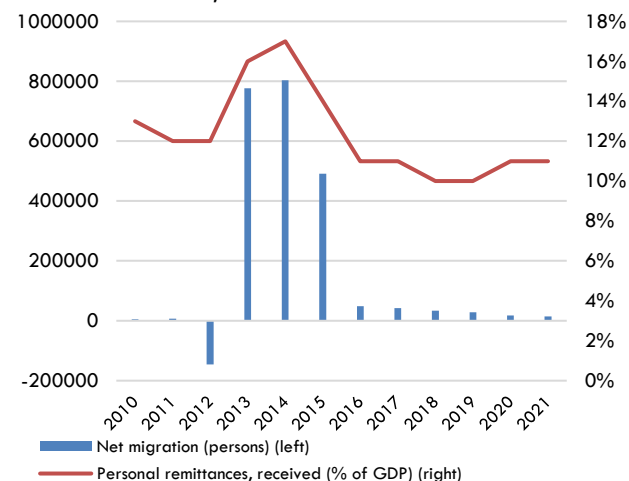
Jordan does not have a diaspora engagement policy. Instead, the government operates with the Five-Year Strategy and Action Plan 2019-2023 for Expatriates incorporates. The priority is establishing links with diaspora communities and encouraging remittances and local investments, particularly in trade and tourism.

Personal remittances received have been very high in Jordan but on a falling trend during the last four decades. The recent peak was 17% of GDP in 2014, but it dropped to 10% at the end of the 2010s. At

the beginning of the 2020s, these remittances reached 11% of GDP, which still is at least six percentage points higher than the Middle East & North Africa, as well as pointedly elevated compared with foreign direct investments (FDI) with eight percentage point gap (see also Figure 10). The somewhat declining stream of remittances and rising unemployment rate signal a worrisome trend that could hollow out many Jordanian families' vital income and pressure the social protection system.

Figure 10 below shows the net migration flow. Except for a remarkably negative rate in 2012 interlinked with the Arab Spring revolution, it re-converted into a high influx into the country in 2013-2015, turning relatively balanced and stable since the end of the 2010s.

Figure 10: Jordan's net migration and personal remittances trends, 2010-2021



Note: Net migration is the total number of immigrants minus the annual number of emigrants, including both citizens and noncitizens.
Source: The World Bank, World Development Indicators.

The ratio of non-Jordanians residing to Jordan's population was projected to reach 30% in 2020, which equals around 3 million persons.⁴⁷ Of these non-Jordanians, about 1.5 million are migrant workers, mainly from Egypt, Syria, and Asian countries like Bangladesh, India, Myanmar, Sri Lanka, and the Philippines. They are often unskilled workers, concentrated in the agriculture, construction, and domestic services sectors. Many Jordanian workers

are unemployed and constantly competing for jobs against these immigrant workers. The latter group is more willing to accept less decent working conditions than their Jordanian peers, just as the two-tier minimum wage system often leads migrant workers chosen. Migrant workers are frequently operating in the informal economy. Consequently, the social value has lowered together with the prestige resulting in many young Jordanians not wanting to get into informal employment. Besides, many migrant workers are working more hours than allowed by law, exposed to high risks, and working in unsafe environments with no health insurance.⁴⁸

The Kafala (sponsorship) system keeps migrant workers (except those working in the economic zones) under restrictive immigration rules. This system sets a legal residency of migrant workers tied to their employers rather than secured by an employment visa. The workers face numerous hurdles under the kafala system, such as restricted movement and communications, enter debt bondage, forced labour, visa trading, and irregular residency status. For example, when the employment relationship ends, the worker loses the migration status or cannot change their employer without permission. It places workers in vulnerable positions, often resulting in the employer coercing the worker to accept exploitative working conditions or otherwise becoming an illegal immigrant, opening doors to fines, imprisonment, and deportation. The Kafala system has been considered controversial even compared with modern slavery.

The country has hosted more than 1.3 million Syrians since the beginning of the Syrian crisis in 2011, placing the world's second-highest share of refugees per capita. Today, more than 760,000 refugees are registered in Jordan with the United Nations Refugee Agency (UNHCR) in 2022, predominantly from Syria and groups from Iraq, Yemen, Sudan, and Somalia. Some 83% live in urban areas outside of refugee camps, many of whom have lived in the country for a decade or longer.⁴⁹

The complicated situation of refugees is haunted by the lack of binding international instruments on refugee protection and the absence of enforcement mechanisms necessary to guarantee refugee rights. As indicated, Jordan has not ratified the United Nations' universal human rights instruments dealing with the 1951 Convention relating to the Status of Refugees nor the 1961 Convention relating to the Status of Stateless Persons. Additionally, the deficient ratification of regional refugee treaties by different Arab countries further challenges the management of refugees, possibly due to the absence of burden and responsibility sharing. Stated differently, Jordan does not have a binding international obligation to continue admitting refugees; thus, the human security of Syrians fleeing their war-torn countries is at risk.

Syrian refugees in Jordan account for 12% of the national population. The Jordan Compact from 2016 was one of the first significant efforts to extend labour market access to refugees. This instrument guided multi-year funding and concessional loans linked to supporting the entry of Syrian refugees into the formal labour market. It was agreed that Jordan must issue 200,000 work permits for Syrian refugees in particular sectors and enrol 130,000 Syrian refugee children in formal education at all levels by the end of 2019. Data show that the Jordanian government had reached around 48,000 work permits for Syrian refugees in 2019, so far not reaching the goal. The disappointing result caused the application for work permits to be challenged by expensive and time-consuming processes, red tape, renewals, and fees, and typically requires the employer to sponsor the application.⁵⁰ On the other hand, the compact has led to considerable improvement in education for Syrian refugee children due to the enrolment of almost 137,000 in formal schools.

The first official migrant domestic worker network was formed in 2016 in Jordan to advocate for full rights for domestic workers. In March 2019, the organised domestic workers established their union, the Jordan Domestic Workers' Syndicate, to defend their

financial and moral rights with the support of the Arab Trade Union Confederation and the Arab Centre for the Support of Migrant Workers of the Arab Trade Union Confederation.

Insurance policies covering non-Jordanian domestic workers were launched in 2015. These policies aim to protect employers and provide comprehensive healthcare for domestic workers (see also the Social Protection section). During 2018, domestic workers' recruitment agencies' marketing campaigns have been under fire for dehumanising the workers by using improper language that treats them as "commodities". Instructions on Domestic Worker's Insurance Policies were also approved.⁵¹ In September 2019, Jordan issued a regulation on work permit fees to address the issue of illegal workers. It impacts any local or foreign employer that hires non-Jordanians to undertake work activities across all industries. The regulation re-categorises the types of foreign workers that require work permits and introduces a general increase in application fees. The government will also impose a new penalty for failure to comply with work permit requirements on non-compliant employers.

Legislation requires recruitment agencies for migrant domestic workers to provide insurance for health, workplace accidents and reimburses the recruitment fees to employers when workers leave before fulfilling the contract. If the employer fails to pay the worker's salary or to return the worker's passport, the employer would not be entitled to the insurance payment.⁵²

Jordan hosts 2.2 million Palestinian refugees. Most Palestinians came to Jordan from 1947 to 1967. Today, most Palestinians and their children have full citizenship, making Jordan the only Arab country to fully integrate the Palestinian refugees of 1948. There are ten refugee camps in Jordan, hosting nearly 370,000 Palestinian refugees, or 18% of the total population.⁵³ Many refugees living in these camps face a marginalised and precarious existence, as their legal status is uncertain, and their social

protection mechanisms are limited. It makes this group heavily reliant on the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA).⁵⁴

Informal Economy

The informal economy is widespread in Jordan. According to Jordan's latest Employment and Unemployment Survey 2021, the proportion of informal employment in total employment reached 52%. The proportion of informal employment in the non-agricultural sector gradually increased from 43% in 2017 to its peak of 52% in 2020, down to 50% in 2021. Although the agricultural sector is small in the country, most employed operate in the informal economy.

A study from the International Monetary Fund shows that the country's size and development of the informal economy stood stable reaching around 15% of GDP in 2015. This level was in line with Saudi Arabia (15%) but below the other closest neighbouring countries.⁵⁵ Nevertheless, Jordan's informal economy size is most likely to rebound at the beginning of the 2020s due to the Covid-19 pandemic impact. Table 4 summarises the status of Jordan's informal economy.

Table 4: Status of the informal economy in Jordan

Indicator	Per cent
Proportion of informal employment in total employment (2021)	52%
Proportion of informal employment in total employment (non-agriculture) (2021)	50%
Proportion of informal employment in total employment (agriculture) (2021)	94%
Size of the informal economy (2015)	15%

Sources: International Labour Organization, *Key Indicators of the Labour Market (KILM)*; International Monetary Fund, *Shadow Economies Around the World: What Did We Learn Over the Last 20 Years?*, 2018

Taking into consideration the high structural unemployment, low labour force participation rate, and no progress in the manufacturing employment

rate could be used as proxy indicators that suggest Jordan is struggling to reach progress for the SDG dealing with development-oriented laws and policies that support the employment formalisation (see Appendix Table 10, Indicator 8.3.1).

Employees are in the formal sector but can be considered to have informal jobs if their work relationship is not subject to national labour legislation, income taxation, social protection, or entitlement to certain employment benefits. Agriculture, crafts, machine operators, services, and sales are the sectors with the highest presence of informal workers. Reports found that particularly many freelancing agricultural workers, domestic workers, cooks, and gardeners, most of whom were foreign workers, were not enrolled for social benefits from the Social Security Corporation because only salaried employees were automatically enrolled, and optional enrolment was limited to citizens (see more in the Social Protection section).⁵⁶

Until 2016, Syrian refugees were not legally allowed to work in Jordan, which constrained them from competing for formal jobs. Instead, the employment options for the refugees were in the informal economy. As previously mentioned, based on an initiative to formalise jobs for Syrian refugees, just 48,000 were formally employed in Jordan from 2016 to 2019. On the other hand, many Syrians found the informal economy a better option than the formal, as a working permit only linked with specific sectors, and the two-tier minimum wage system that sets discrimination by nationality in their wages, not to mention the controversial Kafala (sponsorship) system.⁵⁷ Generally, the entry and exit into informality, coupled with the use of low-level or no technology, makes it an easy avenue for employment creation but with low labour productivity.

Regarding the national laws and regulations related to the informal economy, the country has endorsed a national framework for regulating the informal economy, including Regulation No. 90/2009 on domestic workers, cooks, gardeners, and similar

categories.⁵⁸ However, the adverse environment of the labour market caught by the informal economy obscures industrial relations, organising workers, and performing collective bargaining through social dialogue structures that weaken labour rights coverage. Informal workers work without formal contracts or ambiguous forms, complicating defending their fundamental rights in courts.

In 2015, Jordan endorsed a national framework for regulating the informal economy. This was a cooperation between the Ministry of Labour, the General Federation of Jordanian Trade Unions (GFJTU), the Jordan Chamber of Industry (JCI) and the Social Security Corporation (SSC), coordinated by ILO. The objective of the framework was to reach a common understanding and joint efforts to address the needed response mechanisms to guarantee a successful transition to a formal economy. After several years of standstill situation, the team announced in July 2021 the preparation of an action plan and a national concept paper to agree on the main concepts concerning the informal workers and enterprises.

Jordanian informal workers were disproportionately impacted by Covid-19. Unlike workers in the formal sector, informal workers found themselves at the margin of the negotiations and efforts to support workers during the pandemic. For instance, informal wage workers outside establishments and self-employed individuals experienced the largest income declines affected by the general lockdown measures. The decline in income has been more persistent for the self-employed. Informal workers needed a unified voice to claim concrete assistance from the state.

Child Labour

Around 33% of Jordan's population is 0-14 years old. The country has ratified the major international conventions on children and child labour, including ILO's conventions concerning effective abolition of child labour (see Appendix Table 16).

Reports found that Jordan made significant progress in eliminating the worst forms of child labour in recent years.⁵⁹ It took at least three decades to bring the first-ever child rights bill to the table in 2022. The legal framework aims at protecting children's life of dignity and safety that obliges teachers and doctors, among others, to report cases of child abuse to authorities. It has gender neutrality. However, the first draft bill was controversial. Some members of parliament argued that Islamic Sharia is the only basis that determines how to deal with a child and that specific articles grant children freedoms, causing concern. It led to some changes to the bill; for example, a clause that prohibited giving immunity to parents for hitting their children was removed, and another clause was changed to provide the male guardian, not the mother, more say in deciding on the education of the child.⁶⁰ The law finally passed with a large majority in September 2022 and it currently (March 2023) rest with King Abdullah II approval.

Although the government has established institutional mechanisms for enforcing laws and regulations on child labour, as well as coordinating its efforts, gaps persist within the operations of the enforcement agencies. For example, disparities exist within the functions of the Ministry of Labour that may hinder adequate labour law enforcement, including insufficient financial resource allocation. On the other hand, 35% of the ministry's conducted inspections in 2021 were focused on child labour.⁶¹

The government has established policies related to child labour, such as the National Framework to Combat Child Labour, the Jordan Response Plan for the Syria Crisis (2018–2022), and the Plan of Action to Eliminate Child Labour in Tourism in Petra. They also launched several programmes directed to children and parents to discourage children from entering the informal labour market; for example, promoting the Ministry of Social Development's Child Labour Unit; Addressing the Worst Forms of Child Labour in the Agriculture Sector; Non-Formal Education Centres.

Child labour occurs in the informal economy and is most often related to agriculture, mechanical repair, construction, quarrying, tour guiding, and the hotel and restaurant industry. Others work as street vendors, carpenters, blacksmiths, domestic workers, and painters, as well as in small family businesses. It is worth mentioning that child abuse is an acute problem in the country. Recent studies found an alarming 75% of children experience at least one form of physical violence, not to mention other forms of abuse.⁶²

The instances of child labour appear low in Jordan. The most recent survey data suggest that around 76,000 children were engaged in child labour, equalling 1.9% of the total children population in 2016 (Table 5). Between 2007 and 2016, child labourers doubled, from 29,225 to 69,661. This increase resulted from the economic downturn during the 2010s and the high inflow of Syrian refugees' children. Approximately 80% of children workers were Jordanians, while 15% were Syrians. Boys form nearly 90% of those involved in child labour. About 32% of child labourers are employed in hazardous work, which is considered harmful to children's health or may negatively impact their development.

Table 5: Status of working children proportion of all children in Jordan and Middle East

Region	Age	Type	Proportion
Jordan (2016)	5-17	Children in employment	1.9 %
		Child labour	1.7 %
		Hazardous work	1.1 %
Middle East	5-17	Children in employment	N/a
		Child labour	1.5 %
		Hazardous work	2.9 %

Source: The Center for Strategic Studies University of Jordan, National Child Labour Survey 2016 of Jordan; League of Arab States, International Labour Organization, Food and Agriculture Organization, Arab Labour Organization and Arab Council for Childhood and Development, Child Labour in the Arab Region: A Quantitative and Qualitative Analysis, 2019.

According to the Jordan National Child Labour Survey (NCLS) 2016, 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 involvement in household chores only (1.2%).⁶³

Around one-third of working children operate 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.⁶⁴

Gender

Jordan has ratified several international human rights conventions that oblige States parties to ensure equality and non-discrimination based on gender, including the ILO's core conventions against the Discrimination (Employment and Occupation) Convention (C111) and the Equal Remuneration Convention (C100) (revisit Appendix Table 16).

The government's official goal is to achieve gender equality by 2030. A lot has changed since women received the right to vote in 1974 and the first-time women entered parliament in 1993. The policymakers have elaborated upon a legal framework that manages gender-based differences affording greater protection to women's rights. Legal reforms have been implemented, and several policy initiatives have been taken to active women in the labour market, including to establish of the Jordan National Commission for Women as a semi-governmental body back in 1992.⁶⁵

A lack of comprehensive legislation on gender equality is still pending, as well as the persistence of discriminatory provisions in various national laws, including the Labour Code, the Social Security Act, and the Civil Retirement Act. Overall, Jordan's laws and regulations around the life cycle of a working woman score 47 out of 100 (100 is best), lower than the regional average observed across the Middle East & North Africa (52). It scores very high on entrepreneurship and high-medium on pay and pension. In contrast, it struggles with constraints on

freedom of movement; laws affecting women's decisions to pay, work after having children, and the size of a woman's pension; constraints related to marriage; gender differences in property and inheritance. The lowest score for Jordan is on the indicator related to laws affecting women's decisions to work, which is on rock bottom.⁶⁶

Jordan has created institutions supporting the improvement of women's status and formulated a range of policies that bring women a priority. It includes the Fifth National Action Plan 2021 – 2025, which promotes Gender Mainstreaming Policies in the Public Sector, launched in 2021. This latter instrument is based on an action plan among all ministries and government institutions. It focuses on the essential role of women as a pillar of progress and reform. A sub-committee for women's empowerment was formed to provide recommendations on reinforcing women's presence in the decision-making process, expanding women's participation in political life, and ensuring equal opportunities for women in all sectors.⁶⁷

Gender characteristics are still rooted in a conservative patriarchal system depriving women in the labour market, particularly in rural areas. Interestingly, a shift in the attitudes towards gender equality is in progress, echoed in recent modernisation efforts in Jordan. For instance, a recent study from 2019 revealed that 96% of people believe it is acceptable for women to work.⁶⁸ Nevertheless, these women's decision to pursue employment outside the home may be considered subversive and diminish their marriage prospects. A woman must carefully weigh the financial and professional benefits of seeking employment against the potential social consequences for herself and her family. It leads many Jordanian women to turn economically inactive; educated young women are hardest hit by unemployment; disadvantages in access to credit, land ownership, and financial products. In addition, sociocultural prescriptions about gender roles have changed less than the secular nature of the state might suggest.

On a broader gender equality view, the Global Gender Gap Index 2022 from the World Economic Forum – gender-based gaps along specific dimensions (health, education, economy, and politics) – ranks Jordan 122 out of 146 countries (1 is best). The best scoring was educational attainment (66), but worse, dealing with economic participation and opportunities (125), political empowerment (136), and health and survival (136). Similarly, the Gender Inequality Index from the United Nations Development Programme – focuses on maternal mortality, adolescent birth, the share of seats in parliament, population with at least some secondary education, and workforce participation – placing the country 118 out of 170 countries (1 is best) in 2021. These relatively low rankings suggest that Jordan has not achieved significant strides to improve gender equality, staying below neighbouring countries like Israel (22), Libya (61), Saudi Arabia (59) and Syria (119).

Some of the changes experienced by women are that they have rising educational attainment on the secondary and tertiary education level, exceeding the men. It is delaying the age of first marriage, which impacts the falling fertility rate (see more in the Education section).

Table 6 visualises key labour-related indicators' gender gaps that remain stark in the country. The latest national survey data illustrate that just 15% of Jordanian workers are women, linked with the previously mentioned cultural gender circumstances and one of the world's lowest. Relatively, women have a higher rate as employees than men, dealing with Jordanian women work primarily in the public sector and large enterprises; they have a lower rate of self-employment. Women struggle with a substantially higher unemployment rate than men. Also, data suggest that the average monthly wage gap in the private sector was around 15% in 2022.⁶⁹

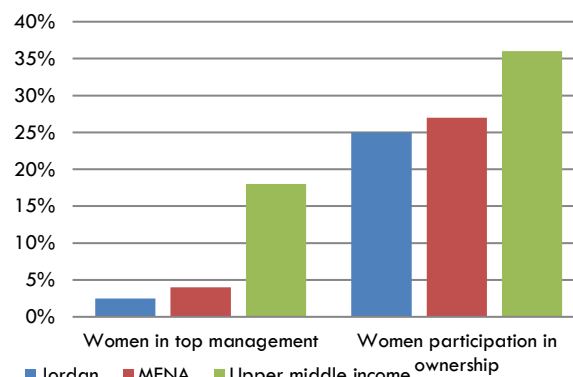
Table 6: Key indicators for labour gender gaps in Jordan, 2021

	Men	Women
Employment share	85%	15%
Unemployment rate	19%	26%
Employees rate	87%	96%
Self-employed workers rate	13%	3.6%

Source: LFS - Employment and Unemployment Survey, 2021.

According to Jordan's latest Enterprise Survey 2013, relatively few firms have women in top management compared to upper-middle-income countries average and score lower concerning ownership (Figure 11). This situation further supports that despite the legal and policy framework, it is haunted by conservative cultural gender biases.

Figure 11: Status of Jordanian firms' women top management and ownership, %, 2013



Source: The World Bank, Enterprise Survey: Jordan Country Profile, 2013.

Youth

Jordan's youth (15-24 years old) represent 20% of the population and around 12% of the total employment. The youth was a driving factor for the 2011 Arab Spring in the Middle East and Northern Africa, generally fuelled by high youth unemployment. Although the country experienced general social and political progress, young Jordanians continue a largely uncompleted development.

The country still needs to formulate a specific national youth law. Instead, Regulation No. (78) of 2016, which sets the administrative organisation of the Ministry of Youth, presents the most encompassing regulation on youth affairs. Also, the Higher Council for Youth Law (Law No. 13 of 2005) was amended by Law No. (26) of 2018, anchoring with the relatively new Ministry of Youth operational since 2016. This council has several duties and authorities, including setting the national policy for sponsoring youth and setting plans and programmes necessary to achieve the policy, not to mention being responsible for managing and supervising 65 youth centres, of which 40 centres are for males, and 25 centres are for females, spread throughout the country.⁷⁰

During the 2010s, tension grew between the government and its increasingly agitated young citizens disappointed by the insufficient job creation in the formal sector. Those tensions contributed to political apathy, disaffection among tribal youth, and radicalisation. The government launched the National Youth Strategy (2019-2025) to respond to the political, social, economic, and cultural changes that impact the Jordanian youth. It aims to support young people's transition to an autonomous life. It further presents an ambitious range of strategic objectives and projects with targets. Besides, the Fifth National Action Plan 2021-2025 included strengthening the role of youth in developing and implementing governmental plans and strategies. In 2021, the Royal Committee to Modernise the Political System formed a committee concerned with youth empowerment to provide recommendations that would meet the needs of Jordanian youth.

Although the initiatives to secure a role of youth in the government structure, studies found that youth trust in public institutions and representation in policymaking has been limited, with the risk of young people disassociating from public and political life: Less than one out of two (43%) young Jordanians trust their government. Additionally, Jordan's youth population in state institutions remains limited; for example, with a large representation gap between the share of

members of the House of Representatives under the age of 40 (15%) in 2020.⁷¹ Moreover, youth civic engagement is limited; only a tiny fraction are members of formal civic groups: 2.7% of a charitable society and 2.3% of a youth, cultural or sports organisation.⁷²

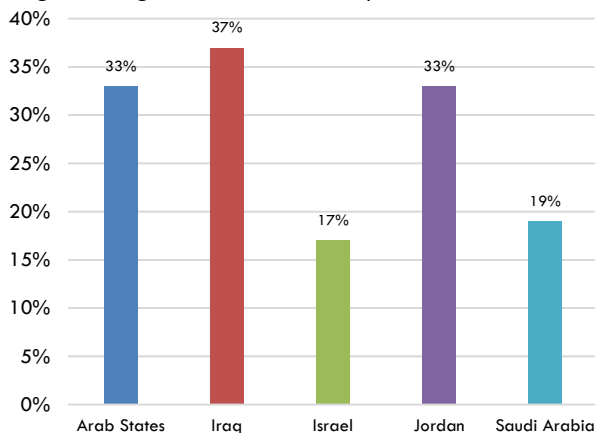
The already high youth unemployment rate in the 2010s burst at the beginning of the 2020s due to the Covid-19 pandemic: It rose by six percentage points from 2019 to 2020 and two knops reaching 46% in 2022. Due to social distancing policies, the pandemic affected the youth in various aspects, particularly those most vulnerable to job layoffs. This high youth unemployment rate reflects a mismatch between the number of graduates and the number of jobs. The chances for young people to find employment depend primarily on family background; many starts in the informal economy. It is worthwhile to mention that this growing youth unemployment rate indicates that the youth policies' chances to reach their goals become more complicated.

The country's latest ranking on the Global Youth Development Index was 78 out of 181 countries (1 is best) in 2020, a better position than the neighbouring countries like Iraq (168) and Syria (153) but superseded by Israel (25) and Saudi Arabia (57).

Jordan's population enjoy good access to education, including at the high education level; for instance, young Jordanian women are generally highly educated. However, most of them turn economically inactive after leaving school, linked to social and cultural heritage. Those who enter the labour market face an extremely high youth unemployment rate. Many of them work temporarily, and many do not receive any pay for their work in the informal economy, even an alarming high composite rate of labour underutilisation at 76% among those young women with advanced education. Many youths, primarily men, start working before they reach maturity.

The NEET rate (those not in employment, education, or training) fell for Jordan five percentage points from 2017 to 2021, even during the Covid-19 pandemic, reaching 33%. This rate ended in line with the Arab States average (Figure 12). Jordanian young women have a higher NEET rate of 38%, while men of 28% in 2021. Early school leavers are the most highly represented in the NEET subgroup, irrespective of gender. Traditions and domestic tasks partly explain young women's higher NEET rate than men.

Figure 12: Proportion of youth (aged 15-24 years) not in education, employment or training in Jordan and neighbouring countries, %, 2021/2022



Source: International Labour Organization, Key Indicators of the Labour Market.

NEETs exemplify youth inactivity and discouragement, almost more worrisome condition than youth unemployment, which does not include disengaged youth who have given up looking for formal sector employment. The declining NEET rate in Jordan could be linked with some positive steps achieved for youth policies and programmes. However, a mounting group got caught by the increasing youth unemployment rate at the beginning of the 2020s.

EDUCATION

Jordan has ratified central international treaties that protect the right to education. At the national level, the constitution and the Education Law of 1994 guarantee the right to education for all. The National

Qualifications Framework (JNQF) was adopted via a bylaw in January 2019. It is a 10-level, learning outcomes-based, comprehensive framework spanning general education, TVET and higher education qualifications.

The Education Strategic Plan (2018–2022) commits to providing children who dropped out of school access to non-formal education programmes (e.g., home-schooling) and dropout programmes. Studies demonstrate that this objective is not reflected in the government's budget.⁷³ A new updated Education Strategic Plan was unavailable.

The Ministry of Education (MoE) and Ministry of Higher Education (MoHE) are the leading institutions that govern the provision of public education at all school levels. Other public providers include the Ministry of Defence (through the Directorate of Military Education and Culture), and the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA).

The government expenditure in the education sector has been low at 10% on average of total government spending in the 2010s; it reached 12% in 2020, triggered by the Covid-19 impact but again dropped to 10% in 2021. It was significantly lower than the Middle East & North Africa (excluding high-income) that grasped 14% on average.⁷⁴ Other data suggest that Jordan is below the international Education 2030 Framework for Action as a critical benchmark for government financing of education, allocating at least 4% to 6% of its GDP.

Although the relatively low government expenditure on education, the investments in this sector have kept Jordan's literacy rate for the population aged 15-24 years high at 99% during the last two decades, hovering ten percentage points above the MENA (excluding high-income) average at 89%. Jordan's relatively high literacy rate has benefited from the education sector's solid legal framework.

The education system has delivered weak results despite the relatively high completion rates but is most likely haunted by the older generations. About 23% had basic education, while the intermediate and advanced levels were 25% and 22%, respectively. The employment status in education reflects around 30% had less than basic education. Deep gender gaps are visual, particularly women’s employment by advanced education was remarkably high at 51% (see Table 7).

Table 7: Status in employment and education in Jordan, by sexes, %, 2021

	Less than basic	Basic	Intermediate	Advanced
Total	30%	23%	25%	22%
Men	31%	25%	27%	17%
Women	23%	9.0%	17%	51%

Source: LFS - Employment and Unemployment Survey 2021.

Jordan's pupil completion rate stood relatively high and somewhat stable during the last two decades; for example, lower secondary education ranged from 86% to 89%, while higher secondary education from 55% to 59%.

Figure 13 below shows that the relatively high net enrolment in primary education started to fall during the 2000s. It finally rebounded at the end-2010s until it dropped at the beginning of the 2020s due to the Covid-19 pandemic. The enrolment rate is still substantially low compared with the Middle East and Northern Africa (MENA) average. This low net rate costs the high inflow of Syrian refugee children (see ahead). Generally, data reflect that percentage of repeaters in the primary education is low at 0.2% and close to total effective transition rate from primary to lower secondary general education in 2021.⁷⁵

Jordan's high net enrolment rate in secondary education gradually fell, ending below the regional average. It started to rebound fast at the end of the 2010s, even at the beginning of the 2020s, despite the impact of the Covid-19 pandemic. Another issue

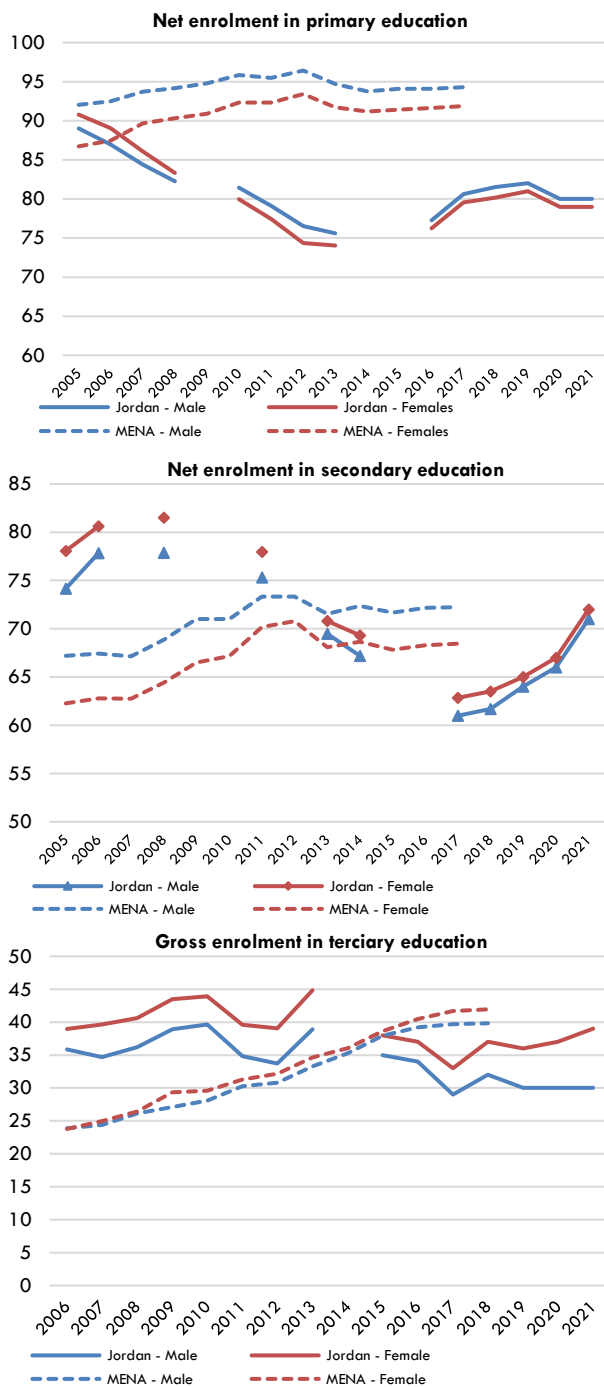
is that the gender gap has been curtailed and reached close to par.

The gross enrolment ratio at the tertiary education level dropped but at a smaller pace; it ended below the regional average in the middle of the 2010s. It started to rebound in 2019, but it got stalled by the pandemic in 2020. Females started to pick up and further widened the gap to males, getting stalled. Although more than half of the country's university graduates were females, they represented just 15% of the employed population.

A central aspect of Jordan's declining school enrolment rates during the 2010s concerned the high influx of Syrian refugee children. This latter group is granted free access to national basic education. Often, they need help with documentation and resources. Estimations suggest that around 42% of Syrian refugee children in Jordan still need to be enrolled in formal education. Those who are enrolled got particularly hard hit by the close of the education system by the Covid-19 pandemic in 2020 with weak access to the Ministry of Education's online education platform.⁷⁶

Although some learning outcomes had been improved, inequalities stick with gender, income level, and nationality. For instance, youth from poor households still represent a minority of upper-secondary graduates and only a tiny group of tertiary graduates. In 2020, school closures due to the Covid-19 pandemic impact brought learning inequality and dropouts, particularly for the poorest children, refugees, and those living in informal tented settlements. Children in early adolescence are at the most significant risk of dropout, often linked to child labour and child marriage.⁷⁷ Due to school closures in 2020/2021, children lost up to two years of effective learning. After students returned to school in September 2021, teachers were shocked by the low academic and behavioural levels of the students.⁷⁸

Figure 13: Enrolment in Primary, Secondary and Tertiary schools, Male and Female, Jordan and Middle East and North Africa (MENA), %, 2005-2021



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: The World Bank, Education Statistics; United Nations Educational, Scientific and Cultural Organization, Browse by country: Jordan.

Jordan delivered high educational attainment, especially among young women. Youth are facing challenges in capitalising on education to get decent jobs and improved livelihoods, which is mirrored in the previously mentioned alarming high youth unemployment, as well as just 35% of Jordanian women with high education obtain a stable job.⁷⁹

Vocational training

Jordan’s technical vocational education and training (TVET) legal framework comprises the Law of the Vocational Training Corporation (No. 11) of 1985; the Bylaw of Technical and Vocational Skills Development Commission (No. 9) of 2019; the Labor Law (No. 8) of 1996 and its amendments.

Several national policies and strategies reflect the government’s determination to reform the TVET sector, and several are prone to be updated.

- The broader Jordan Economic Growth Plan (JEPG) 2018–2022 tacked to providing equal pay for TVET graduates; setting standards and training requirements for TVET trainers and instructors; consolidating governance of the TVET sector under one umbrella to enhance accountability across the sector.
- The National Strategy for Human Resource Development (NSHRD) 2016–2025 focuses on reforming the TVET sector. It involves strengthening the relevance of TVET, enhancing the quality of training and education, introducing private sector-centred governance structures, and breaking the negative stigma around TVET. The Technical and Vocational Skills Development Commission was launched in 2019 in line with the strategy’s recommendations.
- National Employment Strategy (NES) 2011–2020, supervised by a tripartite steering committee, includes transitioning from education to employment and reforming the TVET sector.

- National Employment – Technical and Vocational Education and Training (E-TVET) Strategy initiated in 2014 aims to significantly contribute to building better alignment and cohesive governance in the E-TVET sector.

Social partners like trade unions and employers' organisations are engaged in TVET policy initiatives. Reports noticed that employers often had not been involved in managing the TVET system in areas like planning, setting standards, designing content, and testing competencies.⁸⁰ On the positive side, the previously mentioned Technical and Vocational Skills Development Law of 2019 beefed up the social dialogue in the TVET sector. For instance, they took steps ahead to establish the Technical and Vocational Skills Development Commission, the endorsement of a National Qualifications Framework (NQF), founding seven national Sector Skills Councils, and ongoing work around the NQF apprenticeships.⁸¹

Several authorities govern the TVET sector:

- Ministry of Education offers a vocational education stream at the secondary school level. Due to the popularity of academic education, only 13% of TVET students opt for the vocational stream.
- The Vocational Training Corporation (VTC) is a semi-autonomous entity and operates under the supervision of the Ministry of Labour. The corporation mainly offers vocational training and apprenticeship programmes at the skilled, semi-skilled and craftsman levels for students from the age of 16. It also provides several ad-hoc programmes for upgrading current employees' skills based on employers' requests.
- Al-Balqa Applied University (BAU) is the umbrella entity supervising 30 private and public community colleges. These colleges offer 2-year diploma programmes in a multitude of technical and vocational fields that enable students who

pass to progress to bachelor's degrees. The Ministry of Higher Education and Scientific Research (MoHESR) oversees the BAU technical colleges and the tertiary education system, including TVET.

- Private training providers offer TVET courses and programmes, including non-formal and vocational training, via programmes focused on initial training and other skills development. Not all private training providers are certified by the Centre of Accreditation and Quality Assurance (CAQA).

The TVET system is mainly funded by government expenditure, reaching approximately 3.6% of the total education budget.⁸² The TVET Support Fund, financed through a 1% tax on company profits, could benefit from being strengthened through better governance, procedures, technical criteria, and eligible programmes.

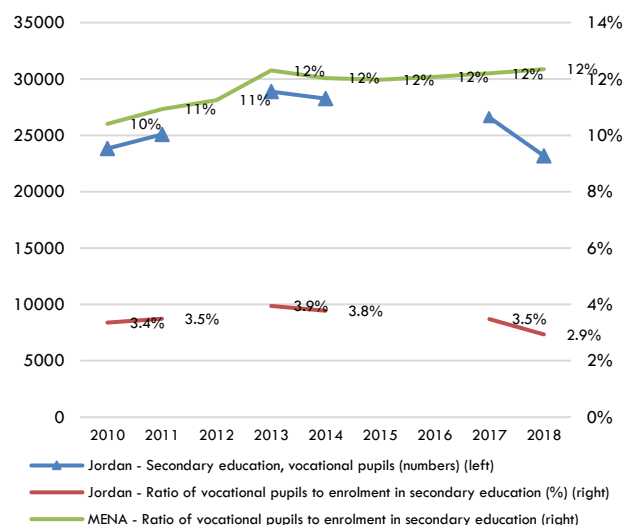
Skills formation is fundamental to the country's economic development, but Jordanian firms are characterised by low dynamism and weak contributions to job creation. On the positive side, Jordanian firms (excluding micro-enterprises) offering formal training programmes was very low at the beginning of the 2010s; it started to increase, reaching 17% of their permanent, full-time employees in 2019. It ended, so far, slightly lower than the Middle East & North Africa (excluding high-income) average at 19% in 2021.⁸³ Formal firms continue being a small group compared to the widespread informal micro and small enterprises.

TVET has long been perceived as the least preferred option for Jordanian students. This situation is echoed by the very low proportion of 15-24-year-olds enrolled in vocational education at 1.2% in 2019 compared with the Middle East & North Africa (excluding high income) average at 5.6%.

Figure 14 illustrates at least 23,000 vocational pupils in 2019, but this group was dipping. The ratio of

vocational pupils to enrolment in secondary education also fell at the end of the 2010s, which not only widened the already high gap to the MENA average but also suggested that Jordan’s TVET sector has not succeeded in generating more interest among the population. However, as depicted in Figure 13 above, updated data on the secondary education level experienced a rapid upsurge in recent years. It could likely also trigger a new inflow of students for TVET, supported by the previously mentioned legal reforms and policies. These figures have yet to trickle down on the available public TVET statistics.

Figure 14: Vocational training trend in Jordan and Middle East & North Africa (excluding high income), 2010-2018



Source: The World Bank, Education Statistics

The TVET sector suffered since the education models have relied heavily on face-to-face learning using equipment and other experiential learning strategies. These learning standards do not lend themselves easily to online interventions and, as such, are affected by school closures due to the Covid-19 pandemic, not to mention turned industries’ apprenticeships abruptly closed.

Informal programmes of TVET are available and provided by the Vocational Training Corporation (VTC). While there are private TVET institutions active in the country, their contribution to

training in the informal economy is limited. Most courses are related to secretarial, computer, and other office skills, and often miss entrepreneurship or business management training. 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.

The Fourth Industrial Revolution (4IR) introduces disruptions in the labour market: job losses due to digitisation are becoming more urgent, just as upskilling and retooling are putting pressure on the TVET system. The Information Communications and Technology (ICT) sector is one of the fastest-growing sectors in Jordan’s economy, accounting for 3.8% of GDP. Reports argued that the ICT sector continues to stand as one of the country’s greatest strengths, as well as digital transformation is a priority, with a move towards e-government services. It sparked a high rate of entrepreneurship initiatives and benefited the availability of affordable technical talent, geopolitical stability, good infrastructure, and a liberalised telecom sector. More than 900 active companies in this sector directly employ about 26,000 employees, equalling 1.1% of total employment. It even constitutes about 27% of the MENA’s tech entrepreneurs.⁸⁴ The government targets to create at least 50,000 direct jobs in the digital sector by 2025, not to mention the business process outsourcing (BPO) sector is emerging, employing 8,000 jobs, supported by the recent Jordan Source strategy.⁸⁵

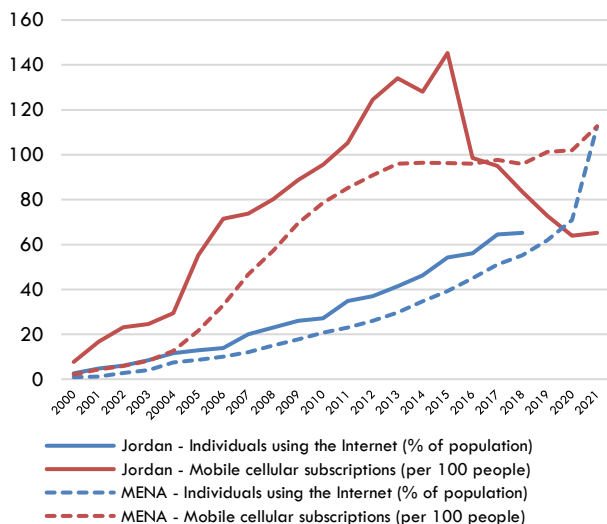
While the legal framework for ICT regulations in Jordan is relatively solid, implementing and accurately interpreting the laws and regulations remains challenging. A mismatch between the demand and supply of skills still needs to be clarified for investors in Jordan for ICT. For instance, of the 8,000 annual graduates specialising in ICT, only about 7.5% work in their field. High ICT costs and lack of enabling infrastructure also are haunting the sector.

During the last two decades, Jordan’s population has experienced a growing application for ICTs aspects.

For example, among Asian countries, 19 of the region's 47 countries have E-Government Development Index (EGDI) values below the world average, including Jordan. But the country has shown positive development patterns emerged, reflected in a notable increase in the EGDI values.⁸⁶

Figure 15 shows that individuals using the internet increased from 2.6% in 2000 to 65% of the population in 2018, hovering ten percentage points above the MENA (excluding high-income). However, data from the MENA average suggest they superseded Jordan at the beginning of 2020. The country's demand for mobile cellular subscriptions also soared from 7.7 in 2000, peaking at 145 in 2015 but fell drastically afterwards to 65 per 100 people in 2021. This remarkable drop was mainly due to the impact of doubling the tax on mobile subscriptions, leading Jordan to be far superseded by the MENA average since 2016, visualised by a fast-rising gap.

Figure 15: Individuals using the Internet (% of population) and mobile cellular subscriptions (per 100 people) in Jordan and Middle East & North Africa (excluding high income), 2000-2021



Source: The World Bank, World Development Indicators.

SOCIAL PROTECTION

Jordan has progressively built an inclusive social protection system with equal access for all residents and a comprehensive multi-tiered framework. The country has ratified two of ILO's fifteen up-to-date ILO Social Security conventions, i.e., the Equality of Treatment (Social Security) Convention (C118) and the Social Security (Minimum Standards) Convention (C102) (Appendix Table 16).

The Jordanian constitution does not include a specific article ensuring the right to social protection for all. Instead, it was vaguely introduced to ensure equal opportunities for Jordanians and special compensation to be given to Jordanian workers supporting families and during contingencies including dismissal, illness, old age, and emergencies that arise out of the nature of their work. The legal framework for social protection is linked with a series of legal instruments, including the following central laws:⁸⁷

- The Social Security Law No. 1 of 2014, last amended in 2019, sets the extension of the right to social security for all residents (including old-age, disability, maternity, unemployment, and survivor benefits). A recent by-law opened for coverage of agriculture workers. Social security coverage is not required for domestic workers. Regulations governing employment in domestic work require employers to obtain insurance providing medical care for hospitalizations, lump sum benefits for permanent disability from an accident and lump sum survivor benefits in case of accidental death.⁸⁸
- The Labour Code No. 8 of 1996 and its amendments define the rights, protections, and responsibilities for all workers irrespective of their contractual mode or nationality, except domestic and agricultural workers.
- The Law Fund No. 36 of 1986 sets the right to national social assistance restricted to Jordanians.

Non-nationals have no access to last-resort cash assistance afforded to the poorest Jordanians.

The social protection system is supported by several policies and plans summarised below:⁸⁹

- The National Social Protection Strategy 2019-2025 supports the underprivileged population. It launched an action plan to reduce informal employment, involving employment relationships that are not subject to national labour legislation, not covered by social security or for which there is no contract.
- The Comprehensive National Plan for Human Rights 2016-2025 integrates the principle of equal rights for non-nationals, raising awareness about the rights of citizens and refugees.
- Jordan Response Plan for the Syria Crisis 2020-2022 aims to expand social assistance and protection to Syrian refugees.

To reach the policies goals, the government promotes a comprehensive set of programmes, from cash transfer schemes to subsidies, tax exemptions, social services, and employment and skills development, including:

- The National Economic Priority Programme recognises the strong linkages between an inclusive social protection system and a growing and dynamic economy.
- The National Aid Fund (NAF) is the leading social assistance facility. Refugees and non-national citizens are not eligible for NAF support and mainly depend on assistance from international agencies. Recent working papers found that the fund's programmes lack integration into the social protection framework and connection to other social protection programmes.⁹⁰
- The Zakat Fund delivers social assistance. It provides cash and in-kind aid to households or

individuals who do not receive any other form of regular social service.

- Other social protection schemes are Tkiyet Um Ali (TUA), which provides food and education; the National Alliance Against Hunger and Malnutrition (NAJMAH), which concerns food security and provides services; the Islamic Centre Charity Society (ICCS) that operates with 64 centres around the country, providing health, education, and social protection services.

Reports argue that fragmentation and a lack of coherence between different laws, policies and regulations governing Jordan's social protection system pose significant barriers to closing coverage gaps.⁹¹ Overall, the social protection system faces a substantial increase in the population, slowed economic growth, and rising public debt, not to mention the impact of the massive influx of Syrian refugees. This situation is echoed in worsening poverty and high unemployment that has kept the system reactive and shock responsive concerning its income security programmes. For instance, the government took measures to curb the spread of the Covid-19 pandemic at the beginning of the 2020s, but the system's structural features side-lined vulnerable groups to get access to advanced social protection systems.⁹²

Jordan's public expenditure on social protection at 9% of GDP in 2018 is more than most other countries in the region, only superseded by Tunisia. The widespread informal economy continues reducing benefits packages targeting specific workers. It complicates reaching social protection's international standards and the floor aspiration of minimum access to essential services and income. For example, around 48% of employees do not contribute to social insurance programmes, not to mention 37% of individuals without coverage or contributions have a formal employment contract. Most workers lacking coverage are found in the agriculture sector (97%), domestic (97%), construction (89%), and own-account workers (78%).⁹³

Table 8 below provides more details of Jordan's scope of social protection coverage; for example, 28% are aided by at least one social protection benefit, which is 12 percentage points lower than the Arab States' average of 40% in 2020. Some remarkable improvements are persons above retirement age receiving a pension increased from 42% in 2010 to 60% in 2020, substantially higher than the regional average of 24%. It is worth mentioning that this latter indicator has an alarming gender gap reflected by Jordanian men's coverage of 49% and women of 6.7%, respectively. Employed covered in the event of work injury increased from 39% in 2010 to 58% in 2020. Several other social protection indicators continue to present weak coverages; for instance, vulnerable persons covered by social assistance face just 9.7% in 2020, which could be part of the gradual phase-out of generalised price subsidies.

Table 8: Proportion of population covered by social protection in Jordan, %, 2020

Group	Coverage
Persons covered by at least one social protection benefit	28%
Persons above retirement age receiving a pension	60%
Persons with severe disabilities collecting disability social protection benefits	20%
Unemployed receiving unemployment benefits	5.3%
Mothers with newborns receiving maternity benefits	4.8%
Employed covered in the event of work injury	58%
Children and households receiving child and family cash benefits	8.8%
Poor persons covered by social protection systems	-
Vulnerable persons covered by social assistance	9.7%

Source: International Labour Organization, *SDG labour market indicators*.

The Social Security Corporation (SSC) is the national institution responsible for social insurance administration, and it covers approximately 65% of

the workforce. SSC adopted an approach when using maternity and unemployment insurance reserves to finance emergency support. It promotes an innovative method when using the crisis as an opportunity for the extension of coverage of social security to informal workers and formalisation of labour: About 14,000 workers and 3,000 enterprises benefited from a programme and joined the social security system in July 2020. In total, benefits protected 963,000 workers and supported 38,000 businesses.⁹⁴ Own-account workers, employers and contributing family workers may obtain coverage from the SSC if they wish, through the "voluntary programme" if they are Jordanian. In 2020, the SSC adopted a bylaw to the Social Security Law that made coverage mandatory for self-employed workers in the agriculture, construction, transport, tourism, public service and maintenance and art and media sectors.

Non-Jordanian employees are treated identically to Jordanian employees regarding mandatory coverage. Non-Jordanian own-account workers, employers and contributing family members, however, are not required to be covered and – in fact – are unable to obtain coverage as they are not eligible to enrol in the voluntary programme.

Migrant workers have access to social security if they are registered and have contracts. In March 2019, 6,120 migrant workers were recorded in social security after an inspection by the national social security agency in 3,564 enterprises. However, casual workers (who work daily) are not covered by social security since they have no contracts. Their only possibility is to subscribe to social security as individuals. In this case, they can opt for insurance on ageing, disability, and death, not diseases and work accidents. Generally, the coverage of social protection safety nets for the Syrian refugees remains with minimum support.⁹⁵

Jordan's constitution does not include specific provisions dealing with guarantees for preventative health care and treatment for every citizen. Still, instead, the state shall protect labour and enact

legislation based on the subjection of factories to health safeguards. Current health expenditure reached 7.6% of GDP on average during the 2010s, 1.8 percentage points higher than the Middle East & North Africa (excluding high-income) average at 5.8%. It superseded the World Health Organization's minimum threshold of 4% of GDP (see more in Table 9). Still, the country's health service agenda must be up to date to reach universal health coverage (UHC). For instance, Jordan's healthcare expenditure financed by private households' out-of-pocket payments rose in the middle of the 2010s but stood below the regional average.

Table 9: Status of expenditure on health in Jordan and Middle East & Northern Africa (excluding high income) (MENA), average 2010-2019

Service	Jordan	MENA
Total health expenditure, % of GDP	7.6%	5.8%
Current health expenditure per capita	US\$ 313	US\$ 255
Universal Health Service coverage index (2019)	60 *	-

* Coverage index for essential health services (based on tracer interventions that include reproductive, maternal, newborn and child health, infectious diseases, noncommunicable diseases and service capacity and access). It is presented on a scale of 0 to 100.

Source: The World Bank, World Development Indicators; World Social Protection Report 2017-2019.

The health service agenda must be fully up to date to reach universal health coverage (UHC). Data show that improvements in the UHC service index stalled at around 60 during the 2010s (revisit Table 9). Nonetheless, Jordan has made significant progress during the last decade in reducing maternal, infant and child mortality and expanding and improving health infrastructure, putting Jordan as a regional leader in health.⁹⁶ These important achievements in the field of reproductive health are, among others, by providing advanced health care for mothers in hospitals. The government also launched the National Reproductive and Sexual Health Strategy for the Years (2020-2030) in January 2022.

Jordan's national legislation provides women workers are entitled to maternity leave with full pay for ten

weeks, including rest before and after delivery. Leave after delivery shall be no less than six weeks long, and employment before the expiry of such a period shall be prohibited. The share of mothers with new-borns receiving maternity benefits was just 4.7% in 2020 (revisit Table 8). It is even remarkably lower than the Arab States' average of 12%. Many women do not receive this benefit as they work in the informal economy or are economically inactive. On the positive side, the government's endorsement of Regulation (No. 93) of 2020 on Social Protection for Maternity, which aims to empower and retain working mothers in the workforce, provides working mothers with cash benefits to enable them to return to work while securing childcare for their children either at a childcare facility or at home. It also allows registered childcare centres to receive direct cash benefits to cover operational costs.

In 2014, public sector employees became entitled to a two-day paternity leave in line with Jordan's Civil Service Regulation. This leave increased to three days following an amendment to the regulation in 2020. In 2021, a three-day paternity leave for private sector workers was launched. There were no data available on paternity leave coverage.

Concerning unemployment insurance in Jordan, employers contribute 0.5% per month to unemployment insurance, while employees contribute 1%. To be entitled to unemployment insurance, the insured must have made at least 36 contributions before the date of their entitlement and paid at least one contribution toward unemployment insurance. The social insurance system offers unemployment benefits for people who lose jobs via the Unemployment Insurance Fund (UIF). This fund has a low coverage: unemployed receiving unemployment benefits reached 5.3% in 2020. The alarming high and increasing unemployment rate in Jordan (revisit Figure 9) is challenging the UIF's financial capacity to expand its services and coverage.

Food subsidy programmes are a central component of social protection in Jordan. For example, the bread

subsidy has created stability in the country since the bread riots in 1996. During the 2010s, half the subsidised bread was consumed by non-Jordanians, including refugees, who are not targeted by subsidy. It triggered reforms of the programme. In a move that significantly increased subsidised bread prices for the first time since 1996, the government replaced its broad bread subsidy programme with a targeted assistance system, setting new price caps for bread in 2018. The new mechanism delivers cash support of US\$241 million to approximately 6.2 million people in the country, which will be paid through an electronic

benefit transfer card. It is worthwhile to mention that the government cut fuel subsidies in 2012 to rein in a budget deficit that threatened the country's fiscal and monetary stability. Today, a mechanism to disburse fuel subsidy, allocated to National Aid Fund (NAF) beneficiaries, underprivileged university students, and the public transport sector is functioning. For instance, a new mechanism to public transport vehicle operators fuel subsidies issuing subsidy cards emerged in 2023.

APPENDIX: ADDITIONAL DATA

Table 10: Status of key Sustainable Development Goals in labour market related issues in Jordan

Indicators	Value	Year	SDG Targets
1.1.1: Working poverty rate (percentage of employed living below US\$1.9 PPP)	0.3%	2021	By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than \$1.25 a day
1.3.1: The population effectively covered by a social protection system, including social protection floors.	28% *	2020	Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable
5.5.2: Women share of employment in managerial positions	57%	2021	Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life
8.2.1: Annual growth rate of real GDP per employed person	-0.6%	2022	Achieve higher levels of economic productivity through diversification, technological upgrading and innovation through a focus on high-value added and labour-intensive sectors
8.3.1: Proportion of informal employment in non-agriculture employment	50%	2021	Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalisation and growth of micro-, small- and medium-sized enterprises, through access to financial services
8.3.1: Women	54%	2021	
8.3.1: Men	32%	2021	
8.5.1: Average hourly earnings of women and men employees (local currency)	1.90	2021	By 2030, achieve full and productive employment and decent work for all women and men, including young people and persons with disabilities, and equal pay for work of equal value
8.5.2: Unemployment rate (Total, 15+)	20%	2021	
8.5.2: Unemployment rate (Youth, 15-24)	44%	2021	
8.6.1: Proportion of youth (15-24 years) not in education, employment, or training)	33%	2021	By 2020, substantially reduce the proportion of youth not in employment, education or training
8.7.1: Proportion of children engaged in economic activity and household chores (Total)	1.7%	2016	Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025, end child labour in all its forms
8.7.1: Girls	1.0%	2016	
8.7.1: Boys	2.3%	2016	
8.8.1: Fatal occupational injuries per 100,000 workers	-	-	Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment
8.8.1: Non-fatal occupational injuries per 100,000 workers	-	-	
8.8.2: Level of national compliance with labour rights (freedom of association and collective bargaining)	-	-	
9.2.2: Manufacturing employment as a proportion of total employment	9.3%	2021	Promote inclusive and sustainable industrialisation and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries
10.4.1: Labour income share as a percent of GDP	45%	2019	Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality

* Population covered by at least one social protection benefit (see more in Table 8).

Source: International Labour Organization, Key Indicators of the Labour Market (KILM).

Table 11: Status of Trade Unions in Jordan

General Federation of Labour Trade Unions	Members	Women share, %
The General Union of Construction Workers	5,000	13%
The General Union of Petrochemicals Employees	6,500	3%
The General Trade Union of Municipality Employees	14,000	20%
The General Union of Private Education Employees	4,000	60%
The General Union of Public Services and Freelance Jobs	4,200	60%
The General Union of Health Services and Pharmaceutical Employees	1,550	35%
The General Union of Railway Employees	1,000	0%
The General Union of Food Industry Employees	3,000	8%
The General Trade Union of Printing, Photography and Paper Employees	3,000	25%
The General Trade Union of Clothing, Textile and Garment	30,000	80%
The General Trade Union of Electricity Employees	8,000	26%
The General Trade Union of the Employees of Banks, Insurance, and Auditing	4,000	44%
The General Trade Union of Mines and Mining Employees	7,500	1%
The General Trade Union of Commercial Stores Employees	2,000	10%
The General Trade Union of Seaports and Clearance Employees	5,000	6%
The General Trade Union of Air Transport and Tourism Employees	4,000	34%
The General Trade Union of Land Transport Employees and Mechanics	10,000	2%
Sub-total	112,750	45 %
Federation of Independent Trade Unions of Jordan (FITU) / General Federation of Independent Unions (GFIU)	7,000 *	-

Note: Data used in this table are based on the most recent available numbers. * Data from 2015.

Source: DTDA Tunis Office research.

Table 12: Number of CBAs for trade unions in Jordan, 2017-2022

General Trade Unions	2017	2022
General Trade Union for Public Services and Free Vocations	9	8
General Trade Union of Constructions Workers	6	0
General Trade Union of Land Transport Employees and Mechanics	4	2
General Trade Union of Worker in Private Education	2	0
General Trade Union of Workers in Electricity	3	8
General Trade Union of Workers in Food Industries	18	8
General Trade Union of Workers in Mining and Metal Industries	2	0
General Union of Workers in the seaports and clearance	1	1
The General Trade Union of Workers in Air Transportation and Tourism	4	0
The General Trade Union of Workers in Textile, Garment and Clothing	18	9
Trade Union of Typing and Photocopying Workers	4	2
The General Union of Petroleum and Chemicals Employees	-	2
Grand Total	71	40 *

* In 2022, the General Trade Union of Workers in Water, Agriculture and Food Industries signed 9 collective bargaining agreements, covered about 4,500 thousand workers. The last CBA had been signed after the Ministry of Labour's signed CBAs above. In addition, the General Trade Union of Workers in Electricity signed 8 CBAs in 2022 covering most of the electricity companies in Jordan. The agreements covered more than 5,000 workers in electricity sector.

Source: DTDA Sub-Regional Office in Jordan.

Table 13: 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 Public 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 14: List of approved labour related legislations in Jordan, 2014-2022

Type	Law / Regulation / Decrees
2014	
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
2015	
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 *
2016	
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
International agreements	Joint Action Plan Between Jordan and the United States on Combating Smuggling of Nuclear and Radioactive Material.
2017	
Medical care and sickness benefit	Law no. 11 of 2017 concerning the Public Health Law.
Disabled workers	Law No. 20 of 2017 on the Rights of Persons with Disabilities.
2018	
-	-
2019	
General provisions	Law No. (11) Of 2019 on organizing professional Work.
General provisions	Law No. (14) Of 2019 amending the Labour Code.
Social security (general standards)	Law No. (24) Of 2019 amending the Social Security Law.
Migrant workers	Regulation No. (142) of 2019 - Fees for work permits for non-Jordanians.
Migrant workers	Technical basis for granting permits for highly skilled non-Jordanian workers.
Specific categories of workers	Regulation No. (36) Of 2019 - the licensing system for practicing the profession of nursing and midwifery.
2020	
Social security (general standards)	Regulation No. (3) Of 2020 amending concerning Pensions and Subsidies Benefits Scheme for Jordanian Veterinarians.
Maternity protection	Regulation No. (93) for the year 2020 concerning Social protection system linked to maternity insurance.
Specific categories of workers	Regulation No. (63) Of 2020 regulating Recruitment Agencies in the recruitment of non-Jordanian domestic workers.
	Regulation No. (64) Of 2020 amending the system for domestic workers, cooks, gardeners, and similar Categories.
	Regulation No. (46) Of 2020 amending the civil service system.
	Regulation No. (9) Of 2020 - Civil Service Law.
2021	
-	-
2022	
-	-

Source: International Labour Organization, NATLEX, Jordan.

Table 15: Central changes in the Labour Law (Amended Law) in Jordan from 2019

Theme	Changes
Wages	The Amended Law introduces the concept of 'discrimination in wages', which is defined as the inequality in payment of wages between employees based on gender. The Amended Law imposes a penalty on the employer ranging between 500 – 1,000 Jordanian Dinars (approximately US\$ 700 – 1400) in the event the employer discriminates in payment of wages between employees because of gender. This represents a significant change given the global movement towards equal pay in other developed jurisdictions
Overtime	Subject to Article 57 of the Labour Law, obligatory overtime was capped at 20 days per year; this limit has now been increased, subject to the Amended Law, to 30 days per year.
Paternity Leave	The Amended Law grants new fathers three days leave from work with full pay after the birth of a child whereas the Labour Law previously made no provision for paternity leave. Again, this is an interesting and progressive development on the part of the Jordanian legislators.
Annual Leave	Although annual leave has not been increased, the Amended Law enables an employee to avail of payment in lieu of leave, if the employer fails to approve the employee's annual leave for a consecutive period of two years.
Childcare	Article 72 of the Labour Law required an employer to establish a nursery in the workplace, subject to specific conditions, which were modified by the Amended Law. Previously this obligation was triggered when 20 or more female employees or more in the workplace. However, the Amended Law removes this condition. Instead of focusing on the number of working mothers with children, the Amended Law requires an employer to offer childcare facilities where, amongst the female employees in a company, there are 15 or more children under five years of age.
Retirement	The Amended Law emphasises the right to extend the enforceability of the employment contract even after the age of retirement. Previously automatic termination of employment relationships was triggered upon the employee reaching the age of retirement. Further to the Amended Law, it is now subject to the employee satisfying all retirement conditions mentioned under applicable laws which are not solely limited to age, but also to payment of required subscriptions.
Disputes	<p>Any dispute regarding wages was previously resolved by the Wage Authority if the employee, in question, was still under the umbrella of employment. Under the Amended Law, the Wage Authority is now entitled to resolve disputes regarding wages including late payment, discrimination in payment, unjustified deductions and other elements, not only while the employee is employed but also for a period of six months after termination should the contract be unilaterally terminated by the employee.</p> <p>The Amended Law allows employees to represent themselves before the Magistrates Courts should the dispute relate to wages. This provision was contentious as, in the opinion of several law practitioners, it potentially breached the general principle obliging all claimants to seek legal representation before courts for claims exceeding JOD 1,000 (approximately US\$ 1,400). The Amended Law includes a stand-alone provision imposing certain procedures that should be followed (and potentially compensation that should be paid) by the employer in the event that the court determines that the employee's claim is lawful.</p>

Source: Lexologi, *Recent Labour Law Amendments in Jordan*, Al Tamimi & Company, July 7, 2019.

Table 16: Ratified ILO Conventions in Jordan

Subject and/or right	Convention	Ratification date
Fundamental Conventions		
Freedom of association and collective bargaining	C087 - Freedom of Association and Protection of the Right to Organise, 1948	-
	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
Occupational safety and health	C155 - Occupational Safety and Health Convention, 1981	-
	C187 - Promotional Framework for Occupational Safety and Health Convention, 2006	-
Governance Conventions		
Labour inspection	C081 - Labour Inspection Convention, 1947	1969
	C129 - Labour Inspection (Agriculture) Convention, 1969	-
Employment policy	C122 - Employment Policy Convention, 1964	1966
Tripartism	C144 - Tripartite Consultation Convention, 1976	2003
Technical Conventions (Up-to-date)		
Occupational safety and health	C102 - Social Security (Minimum Standards) Convention, 1952	2014
	C120 - Hygiene (Commerce and Offices) Convention, 1964	1965
Working time	C106 - Weekly Rest (Commerce and Offices) Convention, 1957	1979
Social security for migrant workers	C118 - Equality of Treatment (Social Security) Convention, 1962	1963
Protection of children and young persons	C124 - Medical Examination of Young Persons (Underground Work) Convention, 1965	1966
Industrial relations	C135 - Workers' Representatives Convention, 1971	1979
Vocational guidance and training	C142 - Human Resources Development Convention, 1975	1979
Seafarers	C147 - Merchant Shipping (Minimum Standards) Convention, 1976	2004
	C185 - Seafarers' Identity Documents Convention (Revised), 2003	2004
	MLC, 2006 - Maritime Labour Convention, 2006	2016
Labour administration	C150 - Labour Administration Convention, 1978	2003
Employment policy and promotion	C159 - Vocational Rehabilitation and Employment (Disabled Persons) Convention, 1983	2003

Note: Fundamental Conventions are the ten most important ILO conventions that cover five fundamental principles and rights at work. Equivalent to basic human rights at work. Governance Conventions represent four instruments that are designated as important to building national institutions and capacities that serve to promote employment. In addition, there are 73 conventions, which ILO considers "up-to-date" and actively promoted.

Source: International Labour Organization, NORMLEX, Country Profiles: Jordan.

Table 17: Status of Ease of Doing Business in Jordan

Topics	2019	2020	Changes
Overall	104	75	+29
Starting a Business	106	120	-14
Dealing with Construction Permits	139	138	+1
Getting Electricity	62	69	-7
Registering Property	72	78	-6
Getting Credit	134	4	+130
Protecting Minority Investors	125	105	+20
Paying Taxes	95	62	+33
Trading Across Borders	74	75	-1
Enforcing Contracts	108	110	-2
Resolving Insolvency	150	112	+38

Note: Doing Business 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 2020 in Jordan.

Table 18: Jordan's key economic data, projections, 2019-2024

Values	2019	2020	2021	2022	2023	2024
GDP (current, US\$)	44.6bn	43.8bn	45.3bn	48.1bn	50.9bn	53.7bn
GDP per capita (US\$)	10,496	10,354	10,952	11,975	12,722	13,368
Total investment (% of GDP)	18.8%	18.7%	17.9%	20.7%	19.7%	19.6%
Gross national savings (% of GDP)	17.0%	13.0%	9.1%	14.0%	15.0%	15.6%
General government expenditure (% of GDP)	30.3%	31.3%	33.3%	32.0%	32.0%	31.2%
Government gross debt (% of GDP)	78.0%	88.0%	92.0%	91.0%	89.8%	87.4%

Source: International Monetary Fund, World Economic Outlook Database, October 2022.

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