

Decent Work Country Profile

JORDAN

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Table of Contents

Preface	iii
Acknowledgements	v
Executive summary	vii
Abbreviations	xi
List of Tables (Statistical)	xiv
List of Legal Framework Indicators	xv
1. Socio-economic context for decent work	7
2. Employment opportunities	21
3. Adequate earnings and productive work	36
4. Decent working time	48
5. Combining work, family and personal life	58
6. Work that should be abolished	63
7. Stability and security of work	73
8. Equal opportunity and treatment in employment	84
9. Safe work environment	103
10. Social security	111
11. Social dialogue, employers' and workers' representation	123

Executive Summary

Over the course of the past decade, the Jordanian government has pursued national strategies based upon a free-market developmental vision, designed to reduce poverty and boost economic growth, employment and human development. In certain areas, such endeavours have delivered positive results in improving the overall context and preconditions for *decent work*. In particular, growth rates were strong up until the 2008 global economic and financial crisis (since when it has remained significantly lower), while shrinking wage inequality has offered hope that growth is becoming more equitable too. Education and literacy rates, two important pre-requisites for a sustainable and balanced development path, have also increased markedly over the past decade, and both are likely to bode well for the prospects of the labour market and decent work in the future.

At the same time, development efforts have occurred within a context of significant social and economic challenges, both domestic and external. While the combination of a young population with high population growth rates and a large migrant population has made job creation a major political and developmental challenge, Jordan has also been severely affected by a number of regional and global events. The country's open economic model made it particularly vulnerable to 2008 financial crisis, while its geopolitical position has seen it shoulder the impact of on-going regional instability, from the 2003 Iraq war to the current violent mutation of the 'Arab Spring'. Consequently, economic indicators such as growth, trade, inflation, foreign-direct investment and labour productivity have remained volatile, while the country has faced the additional challenge of accommodating large and consecutive waves of refugees from neighbouring conflict-affected states. Together, these phenomena have posed serious challenges to sustainable development and the achievement of decent work in the Kingdom.

This Decent Work Country Profile for Jordan seeks to elaborate on the nature and extent of both these challenges and the recent achievements made, through an assessment of progress toward decent work. Using a combination of statistical and legal framework indicators, the profile covers ten thematic areas ranging from employment opportunities to social dialogue, working hours to social security. It is designed to aid policymakers and development partners in appropriate policy planning aimed at delivering decent work, inclusive development and poverty reduction.

The profile shows that Jordan continues to face severe structural challenges with regards to the creation of **employment opportunities**, in spite of the government's commitment to generating national employment (see chapter 2). A particular concern is that progress that was made concerning key employment-related indicators has subsequently been reversed in the post-2008 period (i.e. following the global economic crisis) as growth has slowed to very modest rates. Moreover, Jordan continues to have one of the lowest labour force participation rates (LFPR) globally (the share of the working age population that is either employed or unemployed), something that is particularly prevalent among women. Less than one in six women in the Kingdom were economically active in 2012, and recent trends do not suggest that this situation is improving.

The share of Jordanians in employment, measured through the employment-to-population-ratio has remained approximately stable and is overall very low, particularly for women. However, the private sector has been largely ineffective in absorbing job seekers (especially women) –something that is reflected in the declining share of private sector employment relative to that in the public sector over the past decade. Jordan also faces high unemployment rates, with youth - regardless of their education - far more likely than others to be unemployed. Similarly, informal employment continues to account for a sizeable share of the labour force (approximately 44%), who have as a result been largely excluded from many of the gains highlighted in this profile, including wage increases, access to social security, and safer workplaces. As such, informal employment constitutes a central, cross-cutting issue which remains a critical barrier to the achievement of decent work for all in Jordan.

Progress has been made in terms of **adequate earnings and productive work** (see chapter 3), with real wages having risen for both male and female workers, despite momentary stagnation caused by external shocks like the Iraq war and the 2008 global financial crisis. Wage increases have been widely spread across all major occupation categories, while at the same time, the gap between the top and the bottom sectors of the income distribution has fallen over the past decade, indicating progress in terms of income inequality. Progress has been made in reducing the low pay rate, possibly as a result of the minimum wage, which has lifted the relative earnings of workers towards the bottom of the income distribution. Nevertheless, the majority of the poor in Jordan are actually in work, indicating that low productivity and low wages are preventing employment from playing a more effective role in meeting basic needs and alleviating poverty.

With regards to **decent working time** (see chapter 4), only an incomplete assessment can be made due to a lack of data regarding the proportion of workers who work excessive hours (more than 48 hours). Nevertheless, the available information does show that there has been a reduction of the share of workers who work extremely long hours (e.g. more than 71 hours) over the past decade, while progress is also evident in the fact that average hours worked have decreased for both men and women. However, the reduction in hours worked has not been experienced evenly across all occupation groups, with increasing shares of lower paid employees working more hours relative to higher paid workers.

It is not possible to make a conclusive assessment regarding progress in the area of **combining work, family and personal life** (see chapter 5), due to a scarcity of data to compute key indicators. However, the expansion of social security to cover maternity in 2011 leave, and thus the transfer of responsibility for paying maternity leave from the employer to the government, constitutes important progress particularly in terms of addressing employer discrimination against (the hiring of) females. Progress in addressing barriers to women's labour force participation has been further advanced through amendments to the Labour Law that have reduced the times and sectors in which women are prohibited from working. Although there are fairly comprehensive legal provisions allowing for women to balance work with childcare responsibilities, future progress may include the expansion of such provisions to men, thus equalising employment conditions of men and women.

In recent years the Jordanian government has demonstrated a commitment to address **work that should be abolished**, namely child labour and forced labour (see chapter 6). This has entailed the strengthening of the legal and policy framework, including the development of a National Framework on Child Labour and the government's establishment of specialist units dedicated to

anti-trafficking and child labour. The rate of child labour is relatively low, with 1.6% of children aged 5-17 employed in such work in 2007. However, a lack of recent data means that it is not possible to fully assess the scale or nature of the problem, nor to evaluate the impact of recent government policy initiatives designed to tackle it.

With regards to **stability and security of work** (see chapter 7), research suggests that no substantial progress has been made in relation to the proportion of workers in so-called *precarious* employment (accounting for approximately 12% of all workers in 2012, the vast majority of which were men), that is, those workers working on their own account; unpaid workers employed by family members or other employers; and unregulated workers in the private sector. A particular challenge to progress here is the large informal sector, which has not shrunk over the past decade. In addition, although casual workers are excluded from official Jordanian definitions of precarious employment, the increasing use of daily and casual contracts, particularly in the public sector, constitutes a further challenge to achieving stability in employment.

In relation to **equal opportunity and treatment in employment** (see chapter 8), recent progress has been mixed. On the one hand, policy initiatives launched in the last few years attest to the commitment of the government to address gender- and disability-related inequities, including the establishment of a committee focused on gender wage inequity. On the other hand, the legal framework for guaranteeing gender equity in employment remains incomplete. Statistical data suggests that progress has been modest with regards to increasing female labour force participation, especially in the private sector. In addition, addressing discrimination within the workplace remains a challenge: in particular, the gender wage gap remains high and has not decreased in recent years.

With regards to the goal of promoting **safe work environments** (see chapter 9), Jordan appears to have witnessed significant decreases in the rates of both non-fatal and fatal injury rates over the past decade. However, it is probable that official figures considerably underestimate the actual prevalence of occupational injuries in the country, since the informal sector and also a large proportion of small businesses remain excluded from these statistics. It is likely that progress made in terms of occupational injuries is at least partially linked to government efforts to improve the national labour inspection system part of which has involved a focus on developing the labour inspectorate's capacity to regulate OSH issues. However, the total number of OSH inspectors - and labour inspectors overall - remains small.

Jordan has made significant progress with regards to the extension of **social security** in recent years (see chapter 10), both in terms of the expansion of branches of social security available (notably the introduction of maternity benefits, as observed above) and in terms of widening the coverage of social security to compulsorily include all enterprises regardless of the number of employees. Nevertheless, significant challenges remain with regards to enforcement, especially given the financial strain which inclusion in the social security scheme places upon smaller employers. Thus, a key challenge is to identify ways through which the compliance of small businesses with social security regulations can be ensured.

A key deficiency in social security provision remains the lack of a universal medical insurance system, although the government is committed to the introduction of such as part of a proposed Social Security Floor. Nevertheless, progress has been made with regards to affordable healthcare, with

the proportion of health expenditure paid for by the state and insurers (rather than private households) having increased by 15 percentage points over the past decade.

An area in which progress has been most lacking is that of **social dialogue, workers' and employers' representation** (see chapter 11). On these issues, Jordan's legal and policy frameworks require further development in order to comply with international labour obligations. A particular concern is Jordan's failure to ratify the core ILO Convention No. 87, 'Freedom of Association and Protection of the Right to Organise', 1948. Tangible progress has been made regarding the right to freedom of association and right to organise, including the extension of the right to join unions to migrant workers. Nevertheless, substantial restrictions remain, including the limiting of trade unions to the existing 17 official trade unions. Collective bargaining remains weak, whilst the newly created mechanisms for social dialogue – which in themselves do constitute progress - are yet to be effectively activated.

1 Social and Economic Context for Decent Work

Economic Context

Jordan is a resource-poor upper-middle income country with phosphate and potash as its only sizeable natural resources. The Jordanian economy is considered to be service-oriented with the services sector contributing approximately 66% to GDP and providing more than 80.1% of jobs in the kingdom. Industry contributes 31% to GDP, providing 18.2% of jobs, followed by agriculture with a contribution of 3%, providing 1.7% of job, as of 2011¹. The economy is dominated by small businesses where it is estimated that 92% of businesses employ from one to four persons and a further 7% employing five to 19 persons, making the share of businesses employing fewer than 20 persons 99% of all operating businesses in Jordan².

The Jordanian economy is largely dependent on foreign resources, namely energy, aid and remittances. The country imports almost 96% of its energy requirements in the form of oil and gas from neighbouring countries and receives financial assistance to help finance the government budget³. In fact, the budget deficit⁴ amounted to 9.7% of GDP in 2012, and has averaged 9.6% of GDP over the past five years (2008-2012). The continuous budget deficits have culminated in an alarming increase in the overall public debt which had reached 75.5% by the end of 2012, up from 65.45% of GDP in 2011. Therefore, Jordan faces the challenge of effectively balancing the need for fiscal consolidation, mainly entailing the reduction of public expenditure and hiring within the public sector, whilst ensuring that such cuts do not jeopardise economic growth.⁵

Jordan's GDP amounted to JD21,965.5 million in 2012, growing 7.3% from 2011. However, when discounting the effects of price increase, real GDP growth from 2011 to 2012 amounted to a meagre 2.5%. Real GDP (at basic prices) growth averaged 3.6% over the past decade 2002-2012. The following two charts shows real GDP and inflation over the last decade:

Table 1.1 Real GDP, Growth rate of real GDP, Inflation rate, Income inequality, Wage inequality, Gini coefficient, GDP per capita, and growth of GDP per capita

Decent Work Indicator	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Real GDP (JD thousands) ⁶	5251.3	5476.5	5952.5	6404.2	6919.6	7419.9	7914.4	8083.4	8358.2	8635.2	8854.6
% Growth of Real GDP ⁷	6.52	4.29	8.69	7.59	8.05	7.23	6.66	2.14	3.40	3.31	2.54

¹ World Bank Development Indicators - 2011

² DOS – Establishment Census

³ World Bank Development Indicators - 2011

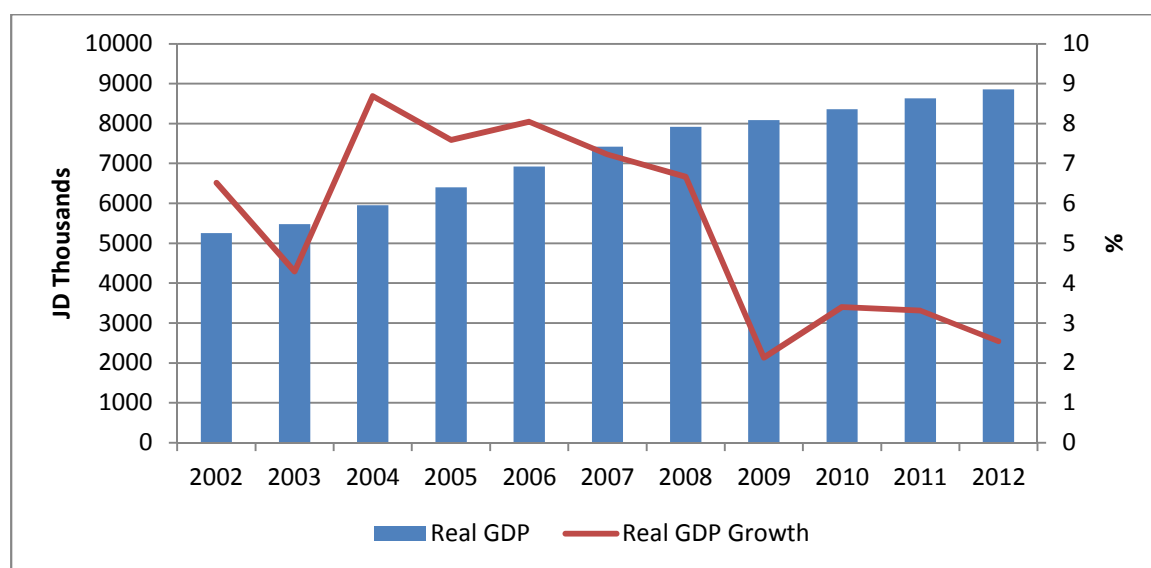
⁴ Excluding grants

⁵ ILO (2011), Jordan Global Jobs Pact Country Scan. Available at: http://www.ilo.org/wcmsp5/groups/public/---dgreports/---integration/documents/publication/wcms_151885.pdf

⁶Source: World Bank Development Indicators

Inflation Rate⁸	1.83	2.35	2.66	3.47	6.26	4.71	13.97	-0.66	4.99	4.41	4.76
Income Inequality⁹	-	-	-	-	4.351	-	4.742	-	2.627	-	-
Wage Inequality¹⁰	-	-	-	-	4.242	-	3.952	-	1.608	-	-
Gini Coefficient¹¹	-	-	-	-	0.399	-	0.393	-	0.376	-	-
GDP per Capita, PPP (constant 2005\$)¹²	3808	3870	4101	4334	4580	4845	5083	5246	5249	5268	-
% Growth of GDP per Capita, PPP¹³	3.28	1.63	5.97	5.68	5.68	5.79	4.91	3.21	0.06	0.36	-

Figure 1.1 - Real GDP at Basic Prices (JD) 2002-2012



⁷ Source: World Bank Development Indicators

⁸ Source: Central Bank of Jordan

⁹ Source: Department of Statistics - Poverty in Jordan (2008 & 2010)

Notes: Income inequality was computed by divided the average income of the 80th Percentile by the average income of the 20th Percentile. Note that DoS calculates quintiles and not deciles.

¹⁰ Source: DoS - Poverty in Jordan (2008 & 2010).

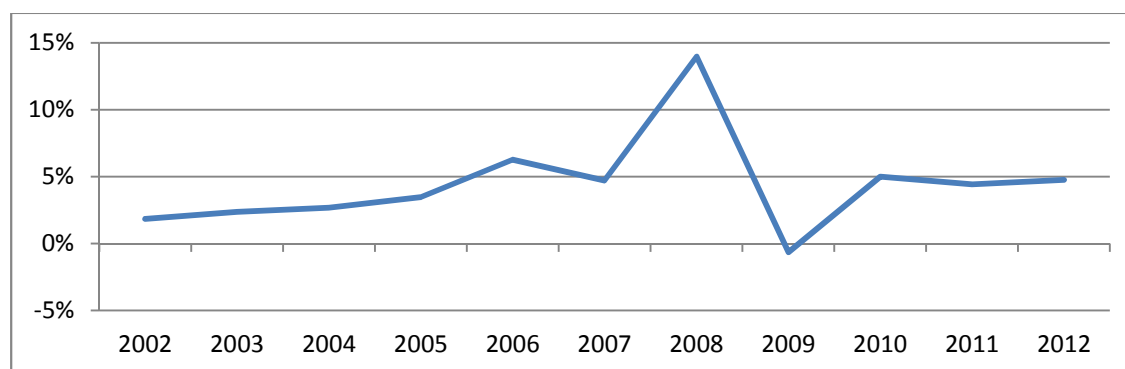
Notes: The wage inequality was computed by dividing the average income from employment of the 80th Percentile by the average income from employment of the 20th Percentile. Note that DoS calculates quintiles and not deciles.

¹¹ Source: World Bank Development Indicators. Notes: The gini coefficient is a measure of inequality on a scale of 0 to 1, where values closer to 0 represent a lesser degree of inequality and values closer to 1 represent a greater degree in inequality.

¹² Source: World Bank Development Indicators

¹³ Source: World Bank Development Indicators. Notes: The Purchasing Power Parity (PPP) is a technique used to determine the relative value of currencies based on long-term equilibrium exchange rates calculated based on relative price levels.

Figure 1.2 - Inflation Rate 2002-2012



As can be noted from the above charts and figures, real GDP values and growth rates have been modest over the past five years, compared with the preceding five years (2003-2007) where real GDP growth averaged 7.2%, double the average growth rate between 2008 and 2012 which had amounted to 3.6%. In regards to per capita figures, real GDP in PPP\$ amounted to \$5,268 in 2011, a rise of only 0.4% from its level in the previous year. Over the last decade, real GDP in PPP\$ growth rates averaged 3.66% indicating a rate of population increase which is higher than the rate of economic growth.

In terms of inflation, the first half of the decade displayed a healthy inflation rate which was increasing due to the corresponding high economic growth rates in that period, in what is known as demand-pull inflation. However, inflation soared in 2008 to a massive 14% due to the surge of in the prices of both oil and food products which had an inflationary impact on the rest of the economy. This type of inflation is most commonly known as cost-push inflation, and has persisted for the rest of the period after the global slump which had begun in 2009.

Economic growth has become more equitable in recent years where Jordan's income inequality has narrowed down. The ratio of the incomes at the top 80th percentile to the incomes of the bottom 20th percentile of the income distribution has contracted from 4.35 in 2006 to 2.63 in 2010 marking a significant improvement in income equality. When looking at the wage inequality as opposed to income inequality, the magnitude of improvement is even better where the ratio of wages at the top 80th percentile to wages of the bottom 20th percentile of the wage distribution have narrowed from 4.24 in 2006 to 1.61 in 2010. This indicates an improvement in the wage levels of the bottom 20th percentile. Moreover, the Gini coefficient amounted to 0.399 in 2006, and has improved since then to become 0.376 in 2010.

It is worthwhile here to explain the events and shocks behind the movements of the values of these indicators. Following the domestic economic and financial crisis of 1989, Jordan embarked on a Structural Adjustment Program, as part of the IMF's and the WB's support to the country. This entailed a process of full-fledged liberalization measures including the liberalization of the currency, interest rate, capital account, and trade regimes, in addition to other such similar measures. Jordan has since then liberalized its economy and markets to become the 33rd freest economy in the world

and the 4th in the region with a freedom score of 70.4 in 2013, according to the Index of Economic Freedom.

Being an open and free economy with minimal resources, the Jordanian economy has been susceptible to exogenous shocks. Starting in 2003 (Iraq war), a continued influx of Iraqi refugees to Jordan had caused a rise in the cost of living, especially in terms of real estate, where demand on land and housing induced a rise in real estate prices.¹⁴ The continued rise in oil prices during the period between 2003 and 2008, had also contributed to the increase in the prices of real estate and also to the increase in foreign direct investment (FDI) to Jordan due to the fact that such a sustained oil price increase produced an abundance of liquidity in the Gulf states, inducing many capital owners to invest in Jordan.

Moreover, the war on Iraq made Jordan the gateway for NGOs, businesses, political figures and journalists to access the country, where many companies set up offices in Amman to provide goods and services to Iraq. Therefore, this period was characterized by strong economic growth, fuelled by investments in the both the real estate sector and other productive activities. In fact, net inflows of FDI grew by a massive 1388% from 2002 till 2006¹⁵, a period where real GDP growth averaged 7%.

The period between 2007 and 2008 was characterized by a global food crisis and an oil price hike which had caused general prices to rise sharply in 2008, recording a domestic inflation rate of 14% in that year. However, economic growth remained robust fuelled by the continued foreign investments in Jordan.

In 2009, the global financial crisis coupled with a liquidity crunch began to take form in the United States and other parts of the world. Although the Jordanian banking sector was relatively unaffected due to conservative policies from the side of particularly affected sectors included the trade, insurance, finance and business services sectors. The manufacturing sector was also severely affected, with exports from the Qualified Industrial Zones decreasing by 20% between 2008-2009.¹⁶ FDI levels in 2011 reached almost half their level in 2008, and export levels in 2012 were slightly lower (0.6%) than their levels in 2008 while imports soared by 20% over the same period, placing a strain on foreign reserves. Consequently, the economy slowed down after 2009, with real GDP growth averaging 2.8% from 2009 to 2012. It is worth noting here that foreign grants were halted for the couple of years during the crisis, due to the liquidity crisis faced by most developed countries. These economic impacts negatively impacted the labour market, with unemployment increasing slightly from 12.7% in 2008 to 12.9% in 2009. More significantly, taking into account seasonal variation, unemployment increased from 12% in the 3rd quarter of 2008 to 14% in the same quarter of 2009 (see chapter 2 for more in depth analysis of employment trends).¹⁷

Most recently, Jordan has been largely affected by the events of the Arab Spring. The performance of the vital tourism sector had declined significantly in 2011 where the number of tourists dropped

¹⁴ For an in-depth analysis of the real estate market during this period please see: ABCinvestments "Real Estate Sector Report" (2007) and (2009) http://www.abci.com.jo/cms_files/Real_Estate_Sector_Report_-_June_2009.pdf

¹⁵ World Bank Development Indicators – FDI, net inflows

¹⁶ LO, (2011), Jordan Global Jobs Pact Country Scan. Available at: http://www.ilo.org/wcmsp5/groups/public/---dgreports/---integration/documents/publication/wcms_151885.pdf

¹⁷ ibid

by 20% compared to 2010 numbers, and tourism receipts fell by 16.5% over the same period¹⁸. Moreover, trade routes have been disrupted by the unfolding events in neighbouring countries, further deteriorating Jordan's trade balance. The disruptions of the Egyptian gas supply to Jordan, associated with the Arab Spring, have led Jordan to substitute gas for oil products in its electricity generation. This, in addition to the massive influx of Syrian refugees¹⁹, has put strong upward pressure on Jordan's energy bill. In fact, Jordan's energy bill amounted to JD3.84 billion in 2011, up by 51% compared to 2010; while in 2012, it had reached a massive JD4.7 billion rising by 20.7% from 2011 levels. It is also worth mentioning that the existing Syrian refugees (and previous waves of Iraqi refugees) in Jordan have accentuated competition for jobs (although the precise impact on the labour market is yet to be established)²⁰. Influxes of refugees have also impacted housing prices, especially the prices of rental properties.

These economic trends over the past decade have not translated into unemployment and poverty reduction, and can be thus considered. Throughout this period, the unemployment rate has hovered between 12 and 15 percent, with women and educated youth being the most affected. Poverty has also increased from 13% in 2006, to 13.3% in 2008, to 14.4% in 2010²¹. Such a jobless economic growth trend can be explained through several factors. First of all, it has been apparent that economic growth had been concentrated on a few sectors (e.g. real estate/construction, textiles... etc) where migrant workers have been dominant. In fact, migrant workers constitute an average of 20% of the Jordanian labour force, and between 2001 and 2005, migrant workers filled 62.8% of the newly created jobs. Secondly, the job creation rate is insufficient to meet the growing numbers of working-age populations, where the liberalization process experienced by Jordan has resulted in more job destruction than creation. Thirdly, there is a mismatch between the outputs of education and the types of jobs generated as a result of economic growth. And finally, the phenomenon of brain drain has been visible among many high skilled Jordanians which opted to seek employment abroad in search of better opportunities.²²

It is worth noting here that in 2004, Jordan graduated from 15 years of economic reform promoted by the IMF and supported by the WB, and has been hailed as one of the most successful reformers in the region. After graduating, and in order to set up its independent development path, Jordan developed a first of its kind 'National Agenda' (2006-2015) to guide authorities through the development process ahead. It specifies Jordan's over-arching priorities with the main aim of achieving relevant and consistent policies. The document was released in 2006 along with the "We are all Jordan" document, thereby articulating Jordan's vision and development plan for the subsequent decade. To become operationalized, these documents were conceptualized into a three year plan, the National Executive Program, which is updated every three years and has a monitoring system embedded in it. The government is in the process of developing an updated National Agenda for the post-2015 period.

¹⁸ Ministry of Tourism & Antiquities statistics

¹⁹ According to the UNHCR, as of July 2013, there were 440,491 registered Syrian refugees. The number of total refugees, both registered and not registered, is believed to be significantly higher.

²⁰ In collaboration with FAFO, the ILO is currently undertaking an assessment of the impact of the Syria crisis on the Jordanian labour market.

²¹ UNDP / MOPIC (2012) "Jordan Poverty Reduction Strategy"

²² Taghdisi-Rad (2012) "Macroeconomic Policies and Employment in Jordan: Tackling the Paradox of job-poor growth" ILO, Employment Working Paper No. 118

The main objective of the National Agenda is “to improve the quality of life of Jordanians through the creation of income-generating opportunities, the improvement of standards of living and the guarantee of social welfare”. The themes or priorities developed in the document included political development and inclusion, legislation and justice, investment development, fiscal discipline and financial services, employment support and vocational training, social welfare, education, higher education, scientific research and innovation, and infrastructure upgrade. To that extent, the document sets targets to be achieved in regards to all the themes mentioned above through the development of respective action plans and mechanisms. An example would be the National Employment Strategy, (2011-2020), which constitutes an action plan in implementing the priority of ‘employment support’ and which is further elaborated in chapter 2. Nevertheless, it should be noted that the substantive elements of the strategy remain to be implemented.²³

²³ Jordan Times, 1st August 2013, ‘Stakeholders launch roadmap to implement employment strategy’. Available at: <http://jordantimes.com/stakeholders-launch-roadmap-to-implement-employment-strategy>.

Legal Framework Indicator 1: Labour administration

Law, policy or institutions: The Labour Law No. (8) (1996) and its amendments, and administrative regulation No. (38) (1994) mandate the Ministry of Labour (MoL) as the executive authority for the administration and implementation of national policy, including in the fields of employment, labour remuneration, working conditions, industrial relations, and labour migration. Key directorates in the MoL include Employment and Training, Labour Affairs and Inspection, Women Affairs, and Migration Department. In addition, a specialist Child Labour Unit has been established within the ministry. Additional institutions involved in the field of labour inspection include the Ministry of Health (in relation to occupational health issues) and the Social Security Corporation (in relation to social security issues). The MoL has developed a 'Golden List' programme in which employers which comply strongly with provisions of the Labour Law are subject to administrative advantages (including exemption from the bank guarantee requirement stipulated in the Labour Law, in the event that the employer intends to recruit foreign workers).

With regards to dispute resolution, disputes arising from individual employment contracts are arbitrated by the Conciliation Court under the regular judicial system (with the exception of disputes regarding wages, which are dealt with by the Remuneration Authority e.g. officials outside of the regular judicial system appointed by the Government under the recommendation of the Minister of Labour). For collective disputes, a reconciliation representative is appointed by the MoL. In the event that the representative fails to mediate a resolution, the Minister of Labour appoints a Reconciliation Council (including representatives of the employer and employees). If this proves unsuccessful, the dispute is taken to a Labour Court.

Further institutions: The issues of employment and technical and vocational training fall under the mandate of several ministries and public agencies. The Council for Education manages vocational education at the high school level; the Council for Higher Education manages technical and vocational education at the community college level; and the Employment, Technical and Vocational Education and Training (ETVET) Council (part of the MoL) manages programmes implemented by the MoL, the Vocational Training Corporation (VTC) and the National Employment Training Company (NET). In order to coordinate more effectively employment and vocational education policies and the roles of the three aforementioned Councils, the establishment of a Higher Council for Human Resource Development (HCHRD) as an umbrella structure under the chairmanship of the Prime Minister has been proposed by both the National Agenda and the National Employment Strategy. However, it has not to date been established. The main funding mechanism for the aforementioned vocational training programmes is the ETVET Fund, established in 2005 to finance on-the-job training and demand-driven technical and vocational training by both public and private providers. The Fund's financing decisions are made by a Board of Directors, headed by the Minister of Labor.

Social Security Institutions: Social security (including pension and insurance provision) is administered by the Social Security Corporation (SSC) which is primarily financed through contributions paid by employers and employees subject to the law. The SSC operates under financial and administrative independence and is administered by a board that is chaired by the Minister of Labour. The Ministry of Finance administers social security schemes for public sector and military personnel hired before 1996 and 2003 respectively.

Coordination with social partners: Dialogue with social partners is achieved through two main mechanisms. The first is the Economic and Social Council, which was established in 2009 following the MoL's Social Dialogue project. The Council is a consultative body composed of private, labour and civil society representatives, tasked with facilitating dialogue between the tripartite partners (government, employers and workers) on economic and social policies. The second is the National Tripartite Labour Committee (approved in 2007 and included in the Labour Law in 2010) as a mechanism of addressing labour disputes and other decisions, including minimum wage adjustment.

Resources: The Committee of Experts in 2010 noted the Government's statement that 36% of the Government's budget was allocated to labour administration. However the Government has not provided information regarding the distribution of these resources between labour administration bodies.

Evidence of implementation effectiveness: The Committee of Experts have requested that the Government provide information regarding activities and outcomes regarding direct negotiations between employers' and workers' organizations. The Committee has also requested information regarding workers' education

activities²⁴, responsibility for which has recently passed from the authority of the MoL to the General Federation of Trade Unions.

Coverage of workers in law: N/A

Coverage of workers in practice: N/A

Ratification of ILO Conventions: Labour Administration Convention, 1978 (No. 150); ratified in 2003.

Sources:

1. National legislation,
http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=JOR
2. CEACR 2010, Direct Request on the *Labour Administration Convention, 1978 (No. 150)* http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMME_NT_ID:2324767
3. Jordan National Employment Strategy, 2011-2010
4. Jordan National Agenda, 2006-20015
5. ILO, (2007) *The role of trade unions in workers' education: The key to trade union capacity building*. Available at: http://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---actrav/documents/meetingdocument/wcms_112434.pdf

Social Context

Jordan's population is currently estimated at 6.5 million, having increased rapidly in recent decades. From 1981 to 2011, Jordan's population grew by an average of 5.6%, well above the world's population growth rate and even the region's.²⁵ In terms of the demographic composition of the population, more than 70% of Jordan's population is under the age of 30 which indicates that the kingdom currently sits on the brink of a demographic opportunity²⁶, and faces a challenge in creating sufficient employment and income-generating opportunities for the increasing youth population entering into working age. To that extent, the Higher Population Council has recently set up a monitoring tool across all relevant economic and social fields to monitor the progress towards realizing and taking advantage of this opportunity.

²⁴Workers' education should not be confused with vocational training. According to the ILO, workers' education 'refers to programmes aimed at the educational attainment of working people. It involves programmes related to literacy, numeracy, learning a second language and other general education activities.' In ILO terminology, workers' education is one of three common forms of educational activities involving workers, alongside union education and labour studies Source: ILO, (2007) *The role of trade unions in workers' education: The key to trade union capacity building*. Available at: http://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---actrav/documents/meetingdocument/wcms_112434.pdf

²⁵ The annual average population growth rate was calculated on a raw and linear basis, to give a real representation of the increase in population. Using the exponential function usually employed for such growth, Jordan's rate over the period mentions averages 3.3% annually, which can also be considered to be relatively high.

²⁶ A demographic opportunity is a situation in which there is an increase in the ratio of the working age population (18-64) to the dependent population (below 15 and above 64); in other words, a large segment of the population is in the process of entering working age. Such an opportunity can be capitalized by a productive youth population leading to greater economic growth and overall productivity. However, the opportunity runs the risk of becoming a curse if appropriate policies are not put in place to accommodate the abundance of youth human resources, who may become idle.

Table 1.2 Education of adult population, and Children not in school rate

Decent Work Indicator											
Education of Adult Population²⁷	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Education Level											
Illiterate	10.3	9.9	10.3	8.9	9.3	7.9	7.7	7.2	7	6.7	6.7
<i>Male</i>	5.4	5.1	5.6	4.8	5.1	4.3	4.1	3.7	3.7	3.6	3.3
<i>Female</i>	15.2	14.9	15.1	13	13.7	11.6	11.4	10.8	10.3	9.9	10
Read and Write	5.4	4.7	4.4	4.5	4.5	3.9	3.7	4.1	3.6	3.4	3.1
<i>Male</i>	5.8	4.9	4.7	4.5	4.7	3.8	3.7	4.1	3.6	3.3	3
<i>Female</i>	5	4.5	4.1	4.4	4.4	3.9	3.8	4	3.6	3.5	3.2
Elementary	12.7	12.2	12.6	11.3	11.2	10.6	9.9	10.5	10.1	9.7	9.2
<i>Male</i>	12.7	13.2	14.1	12.1	12.2	11.5	10.6	11.4	10.8	10.4	9.7
<i>Female</i>	11.5	11.1	11	10.5	10.2	9.7	9.1	9.6	9.4	9.1	8.8
Preparatory	17.4	18	18	17.9	17.5	17.6	17.9	16.8	16.8	16.9	16.9
<i>Male</i>	17.4	18.9	18.7	19.3	18.7	18.8	19.2	18.2	18.1	18	18
<i>Female</i>	16.5	17	17.2	16.4	16.3	16.3	16.6	15.4	15.6	15.7	15.7
Basic Education	17.9	19	19.7	19.2	19.9	19.8	20.8	21.6	22.1	22.4	23.2
<i>Male</i>	17.9	20.5	21.1	20.8	21.6	21.4	22.9	23.7	24.3	24.6	25.5
<i>Female</i>	16.6	17.4	18.2	17.6	18.1	18	18.6	19.4	19.8	20.2	20.7
Vocational Apprenticeship	0.8	0.9	0.7	0.6	0.6	0.5	0.3	0.4	0.4	0.3	0.3
<i>Male</i>	0.8	1.7	1.3	1.1	1.1	0.8	0.6	0.7	0.8	0.5	0.5
<i>Female</i>	0.2	0.1	0.1	0	0	0.1	0	0.1	0	0	0
Secondary	18	17.8	17	18.8	18.2	18.8	18.6	18.1	17.7	17.7	17.4
<i>Male</i>	18	17.4	16.4	18.4	17.5	18.1	17.9	17.3	17.1	17.4	17.2
<i>Female</i>	18.5	18.2	17.5	19.3	18.8	19.5	19.4	18.9	18.2	18	17.6
Diploma Intermediate	8.3	8.2	8	8.7	8	8.4	8.4	8.4	8.3	8.2	8.1
<i>Male</i>	8.3	6.5	6.6	6.9	6.3	6.6	6.8	6.6	6.3	6.6	6.4
<i>Female</i>	10	9.8	9.4	10.6	9.8	10.2	10	10.2	10.3	9.9	9.8
Bachelor & Above	9.2	9.4	9.4	10.2	10.7	12.7	12.7	13	14	14.7	15.2
<i>Male</i>	9.2	11.8	11.5	12.3	12.8	14.6	14.3	14.3	15.3	15.7	16.1
<i>Female</i>	6.6	7	7.3	8.1	8.5	10.7	11.1	11.6	12.7	13.7	14.2
Children not in School²⁸											
Age Group											
4-5	-	-	-	-	-	-	-	-	-	62.8	62.1
<i>Male</i>	-	-	-	-	-	-	-	-	-	62.1	61.6
<i>Female</i>	-	-	-	-	-	-	-	-	-	63	62.7
6-15	-	-	-	-	-	-	-	-	-	1.7	2.3
<i>Male</i>	-	-	-	-	-	-	-	-	-	2.4	2.9
<i>Female</i>	-	-	-	-	-	-	-	-	-	1	1.6
16-17	-	-	-	-	-	-	-	-	-	24.5	22
<i>Male</i>	-	-	-	-	-	-	-	-	-	30	22.7

²⁷ Source: DoS - Employment & Unemployment Survey

²⁸ Source: Ministry of Labor - Annual Reports

Notes: to obtain the share of children not in school, the net enrollment rate was subtracted from 100.

Female	-	-	-	-	-	-	-	-	-	19	16.4
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The Jordanian adult population is considered to be well-educated relative to other countries in the MENA region. In 2012, 6.7% of the adult population was illiterate, broken down into a 10% illiteracy rate for women and 3.5% illiteracy rate for men. Thus, although female illiteracy has decreased by a third over the past decade, they are still far more likely to be illiterate than males. Further progress is visible in the fact that 15.2% of the adult population has obtained a bachelor degree or above. Overall, adult literacy and education levels has markedly improved over the past decade (2002-2012) where the proportion of the adult population having obtained a bachelor degree or above was only 9.2% in 2002, and illiteracy levels at that time had amounted to 10.3%. Education levels for females have particularly improved, with the percentage of female graduates more than doubling over the past decade.

An exception to the positive educational trends is the proportion of adults who undertake 'Vocational Apprenticeship' which had decreased from 0.8% in 2002 to 0.3% in 2012. Moreover, the share of females undertaking such apprenticeships has decreased from a low starting point of 0.2% in 2002 to a negligible share in 2012. This suggests a need for more vocational training and education programs in Jordan in order to increase the numbers of the adult population, especially women, engaged in vocational employment, so as to lessen unemployment pressures. Such programs have already commenced during the last part of the last decade.

Jordan is a country where there is compulsory and free education for children aged between six and 15 and thus has relatively high school enrollment rates. 62.1%, 2.3%, and 22% of children aged (4-5), (6-15), and (16-17) respectively are not enrolled in school. The reason for the high figure for the first age group is due to the fact that education is not compulsory for children kindergarten age. In regards to the 22% for the last age group, it is also most likely due to the fact that education is not compulsory for this age group, and also due to children joining the labor force before the completion of secondary education, due to household income pressures, as the labour force participation rates among children aged 15-17 is almost 7%. The low figure of 2.3% for children aged 6-15 is an indication of the strong education base of the Jordanian population. When comparing this data with that of the previous school year, it appears that the share of children not in school had decreased for all age groups except for (6-15) which actually showed an increase from 1.7% to 2.3%. It is worth noting that the share of male children not in school is higher than females in the age group between 6 and 17.

Having described both the general performance of the economy and the population structure and education levels, it is worthwhile to present the Jordanian Labour force in this context, in terms of the labour share to GDP and labor productivity, in addition to inspecting the type of occupation that employs the highest number of workers.

Table 1.3 – Labour share in GDP, Labour productivity, and Labour productivity growth

Decent Indicator	Work	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
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Labour Share in GDP (%)²⁹	24.3	25.0	25.3	25.8	22.9	21.9	20.7	21.1	-	-	-
Labour Productivity³⁰	9817	9500	9497	10305	12235	13929	17016	17575	19190	20232	-
Labour Productivity Growth (%)³¹	5.6%	-3.2%	0.0%	8.5%	18.7%	13.8%	22.2%	3.3%	9.2%	5.4%	-

The labour share of GDP amounted to 21.1% in 2009, a decrease of more than four percentage points from its value in 2001 which had reached 25.2% with the most significant decline occurring after 2005. This indicates that the growth during the period from 2005 to 2009 did not result in an equal rise in employment/wages. It should be noted here that labour share of GDP usually underestimates the proportion of gross value added accrued to labour as it covers only the compensation to employees.

Labour productivity in Jordan has been volatile over the past decade but generally low, where the average variation from one year to the next amounted to more than 8%. Since labour productivity depends on both employment and GDP, this indicates that productivity is subject to different factors of seasonality and volatility from both the two aforementioned variables. In 2011, labour productivity amounted to 5.4% a fall of 3.8 percentage points from the preceding year, but similar to its value in 2002, which was 5.6%.

Poverty reduction constitutes a significant development challenge, with approximately 14.4% (as of 2010) of the population living below national poverty line, and a national Poverty Reduction Strategy has been developed, although not yet endorsed. Poverty rates have remained relatively stable over the past decade, decreasing from 14.2% in 2002 to 13% in 2006, but increasing slightly to 13.3% in 2008. However, the 2010 figure cannot be directly compared to the previous rates as a new calculation methodology has been adopted to produce this figure.³² Reflecting the above low labour productivity rates, the majority of the poor are in employment (see chapter 3 further analysis).

When inspecting national employment figures broken down by type of occupation, one can notice that the occupation with the highest ratio of employment is 'Professionals' employing 28.5% of all the employed by the end of 2011. This is followed "Service Workers, Shop and Market Sales Workers" (13.3%) and "elementary occupations" (12.5%). In 2002, the occupations that employed the most workers were "Professionals" (21.6%), "Elementary Occupations" (16.7%) and "Technicians

²⁹ Source: DoS Employment Survey and CBJ

Notes: Values for Labour Share of GDP were obtained through dividing the total compensation to employees by the GDP.

³⁰ Source: DoS - Employment Survey; CBJ - GDP figures.

Notes: To obtain productivity values, the GDP is divided by the number of employees.

³¹ Source: DoS - Employment Survey; CBJ - GDP figures.

Notes: To obtain productivity values, the GDP is divided by the number of employees.

³² *Jordan Poverty Reduction Strategy - Final Report*, UNDP/Government of Jordan, January 2013:48-49. The statistics referenced in the Strategy are based on the Department of Statistics Household Expenditure and Income Survey 2010. Note that the concept of 'poor' is defined in this instance as persons who fall below the current absolute poverty line in Jordan. This is equal to an expenditure of JD 814 (USD 1146) per individual per year (or JD 67.8 (USD 96) per individual per month). At the household level this equates to JD 4,395.6 (USD 6,189) per household per year (or JD 366.3 (USD 516) per household per month). The previous poverty line calculations in Jordan (i.e. 2002, 2006, 2008) took the bottom 20% of the population as a reference group. However, to better reflect consumption patterns the bottom 30% of the population has been used as a reference group in the 2010 poverty line calculation.

and Associate Professionals” (13.8%). This further confirms the fact that employment is becoming more and more concentrated in the services sector, as opposed to industry and agriculture as mentioned in the beginning of the chapter. It is worth noting here that in all occupation categories, the share of male in employment is higher than that of females and in some cases, such as in “service workers, shop and market sales workers”, “crafts and related trade workers”, and “plant and machine operators and assemblers”, the gap is quite large where the share of male employment is more than 90%.

Scope of the Labour Law

The Labour Law No. (8) (1996) and its amendments (the ‘Labour Law’) mediates the relationship between employees, employers and trade unions. It regulates all matters related to the relationship between the named parties, in addition to their rights and obligations. It governs, among other issues, leaves, wages, termination of employment, health and safety, unfair dismissal, working hours, dispute resolution and collective bargaining.

Article 2 of the Law defines employees as, ‘every male or female who performs a job against wages and is a subordinate to the employer and at his service.’ As a result of several amendments to the scope of Law, it applies to all paid employees and employers in the private sector. The Law excludes public sector and municipality employees. Members of the family of the employer working for his/her enterprise are excluded, unless it can be proved that both an employer-employee relationship exists and that remuneration is involved.

The expansion of the sectors of workers covered under the Law has been a gradual process. An amendment to Article 3 of the Law in 2002 included for the first time certain sectors of agricultural workers. In 2008, an additional amendment to Article 3 resulted in a further broadening of the scope of the Law, to include all agricultural workers, as well as domestic workers, gardeners and cooks. However, although they are subject to the Labour Law, the same amendment established that the aforementioned groups of workers are subject to specific legislation regarding certain labour issues, including hours of work and rest periods, annual paid leaves and labour inspection. Accordingly, namely ‘Regulation No. (90) (2009) on Domestic Workers, Cooks, Gardeners and Similar Categories was passed in 2009 to legislate for the aforementioned issues.

Summary Assessment

Over the past decade the economic context for decent work in Jordan has fluctuated in response to external shocks, namely the 2003 war in Iraq, the 2008 global financial crisis and, from 2011, instability in the region in the context of the ‘Arab Spring’. Such events have strongly impacted Jordan’s economic growth, FDI and inflation rates. Indeed, Jordan’s inability to shield its economy from external events is one of the most concerning conclusions of this overview. More positively, however, growth has become more equal in recent years, with wage inequality in particular narrowing. In the face of Jordan’s challenging economic context, including a rapidly growing population, the Government has defined a clear socioeconomic development strategy in the form of the National Agenda 2006-2015, an important element of which is the development of employment opportunities. Indeed, the combination of Jordan’s lack of natural resources and its increasingly highly educated population mean that the country’s human resources are its greatest asset. Concerningly however, labour productivity remains volatile, while the most recent figures available indicate that the contribution of labour to GDP has decreased.

Sources:

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2 Employment Opportunities

Creating employment opportunities for the Jordanian population has been a major economic challenge for Jordan. In recent years, the labour market has been placed under immense pressure by high population growth (averaging at 5.6% between 1981 and 2011, although slowing more recently to an average of 2.9% for the period 2005-2010)³³, reinforced by the arrival of a range of forcibly displaced groups, including Palestinians, Iraqis and, most recently, Syrians. With 38% of the population under 15 and a further 22% aged 15-24, absorbing young – increasingly educated – people, into the labour force constitutes a particular challenge³⁴.

The country's investment and trade liberalization policies have not been able to produce quality jobs that meet the expectations, aspirations, and qualifications of the highly educated Jordanian youth. As a result, an estimated 600,000 Jordanians, a figure that is half the size of the Jordanian labour force at home, work abroad mostly in skills intensive jobs, an indication that the *local supply* of skills exceeds the *local demand* for skills. As such, the high investments made by the Government in improving the educational systems have failed to translate into a smooth integration of young people into the labour market. In turn, many of the jobs created locally have been filled by migrant workers at low wages, poor working conditions, and without any form of social protection. The situation for Jordanian jobseekers, particularly youth has been further exacerbated by the ripple effects of the global financial crisis (2008), the European debt crisis (2010) and the political developments in the Arab region since late 2010. Finding ways to increase the currently very low labour force participation rate of women (14.1% in 2012) constitutes a further core challenge. This low participation rate is particularly caused by social and cultural obstacles hindering women from the full integration into the labour market.

The country faces the need to address high unemployment and economic inactivity through long-term solutions such as expanding job creation in the private sector (rather than absorbing jobseekers in the public sector, prioritising the employment of Jordanians rather than cheap migrant labour, addressing the trend - among both men and women - of premature exit from the labour market, and addressing the trend of highly educated Jordanians emigrating from the country. An overarching critical need is for Jordan to pursue a macroeconomic strategy which promotes both economic growth and employment opportunities of both quantity and quality.³⁵

The Jordanian government has ratified the Employment Policy Convention, 1964 (No.122) and, in an effort to address the country's severe employment challenges, has developed a range of policy

³³ ESCWA, 'The Demographic Profile of Jordan'. Available at: <http://www.escwa.un.org/popin/members/Jordan.pdf>

³⁴ Second National Millennium Development Goals Report Jordan 2010: 18

³⁵ National Employment Strategy 2011-2020

frameworks designed to promote employment and training opportunities (see Legal Framework Indicator 1 'Government Commitment to Full Employment'). These include the National Agenda (2006–15) and the document "We are all Jordan" of 2007, which were operationalized into a three-year Executive Development Programme (EDP) 2007–09 (and most recently, the EDP 2011–2013). In addition, in 2011 the government endorsed a National Employment Strategy (2011–2020) which combined a comprehensive labour market problem analysis with a long-term corrective strategy, aimed primarily at addressing Jordan's very low economically active population, especially among women. In order to develop appropriate policy responses to the economic and financial crisis of 2008 (which negatively impacted Jordan's economy in multiple ways, including through decreased FDI capital flows, decreased exports, increased imports and decreased remittances from abroad, the Jordanian government, in collaboration with the ILO, prepared the Jordan Global Jobs Pact Country Scan Report in 2010 which provided an overview of both the impact of the crisis on the Jordanian economy until the end of 2009 and of the subsequent – albeit fragile - recovery process.³⁶ In the quest to promote decent work, the government has further, with the support of the ILO, developed a Decent Work Country Programme (2012–2015), which is aligned with Jordan's National Agenda sets the enhancement of employment opportunities, particularly for youth, as one of three priorities.

Moreover, the Development and Employment Fund is a specialized development entity endowed with financial and administrative autonomy, with the purpose of providing job opportunities to low-income and unemployed populations. For the first half of 2013, the fund provided 3919 jobs compared with 2425 during the same period last year. The Ministry of Labour also supports job creation through the National Campaign for Employment, which employed 15,000 workers in its first phase. The second phase has been recently launched and is expected to create 20,000 job opportunities. Therefore, it can be noted that the government of Jordan has been actively seeking to create job opportunities for the growing population.

However, demonstrating the on-going impact of the global financial crisis on Jordan's economy, statistics show that since 2007, the number of jobs created has decreased steadily, with 50,000 net jobs created in 2012 in comparison to 70,000 created in 2007.³⁷ Over this period, the allocation of new jobs between the private and public sectors has remained consistent, with the private sector generating approximately two-thirds of new jobs. The share of new jobs which have been taken by non-Jordanians has decreased slightly over this period (from 17.8% in 2007 to 13.2% in 2012). However, Jordanians received a smaller share of the net jobs created in the 2012 compared with the previous year, suggesting their still a strong demand for migrant labour, a likely cause of which is the lower minimum wage rate for non-Jordanians (see chapter 3). The figures additionally show that no progress has been made with regards to creating female employment opportunities, with the share of new jobs going to women increasing by just 1 percentage point between 2007 and 2012 (from 21.6% in 2007 to 22.5% in 2012).³⁸

³⁶ ILO (2011), 'Jordan Global Jobs Pact Country Scan', Available at: http://www.ilo.org/wcmsp5/groups/public/---dgreports/---integration/documents/publication/wcms_151885.pdf

³⁷ Department of Statistics (2013), Press Release. Available at: http://www.dos.gov.jo/dos_home_e/main/archive/job_creation/2013/Created%20Jobs.pdf

³⁸ Department of Statistics (2013), Press Release. Available at: http://www.dos.gov.jo/dos_home_e/main/archive/job_creation/2013/Created%20Jobs.pdf

Legal Framework Indicator 2: Government Commitment to Full Employment

Article 6 of the Constitution states that ‘the Government shall ensure work and education within the limits of its possibilities’ and article 23 states that, ‘work is the right of every citizen, and the State shall provide opportunities for work to all citizens by directing the national economy and raising its standards. The Labour Law and its Amendments No. 8 of the Year 1996 as amended up to 2010 commits the government, via the Ministry of Labour, to organizing the labour market, including the ‘duties of organizing the labour market, vocational guidance, and the provision of employment opportunities for the Jordanians inside the Kingdom and abroad’ (art. 10). The Ministry of Labour is designated as the sole organiser of the labour market and is empowered to establish ‘employment offices for the Jordanians or license the establishment of private offices’ in order to achieve this purpose (art 11).

The National Agenda Strategy 2006-2015 aimed over the period 2007-2012 “at eradicating structural unemployment and reshaping the skills of the labour force by significantly expanding vocational training and employment support.” It further declared a commitment to reduce unemployment from 12.5 per cent in 2004 to 6.8 per cent in 2017 through the creation of 600,000 jobs. Building on the vision of the National Agenda, but with a narrower focus on employment generation, the government has developed a National Employment Strategy (NES) 2011-2020. In addition to the National Agenda, the NES built on the ILO’s “Employment Policies” paper and action plan prepared with the Ministry of Labor; ILO’s “Global Jobs Pact Country Scan for Jordan”; the World Bank’s “Resolving Jordan’s Labor Market Paradox of Concurrent Economic Growth and High Unemployment; and the “Jordan Human Development Report, 2011”. Developed in coordination with the ILO, UNDP and donor countries, the NES constitutes both an in-depth diagnosis of the challenges facing the labour market and details a prescriptive programme, identifying ten policy actions to be taken in the short-, medium- and long-terms. These include expanding credit to SMEs, curtailing public sector employment, reforming the Employment, Technical and Vocational Training (ETVET) Sector, introducing health insurance benefits and expanding social security coverage to SMEs, and developing industrial and investment policies towards economic growth with job creation. The NES includes a National Employment Strategy Implementation Plan which establishes projects to be undertaken by specific ministries and entities.

The NES notes the lack of strategic coordination concerning employment policies as an important shortcoming of efforts to implement the National Agenda. The failure to establish the Higher Council for Human Resource Development (HCHRD) Chaired by the Prime Minister as an umbrella institution for education and training policy, as recommended by the National Agenda, has meant that ‘the ability to coordinate across ministries to provide continued guidance has been virtually absent’. In particular, the NES notes the fragmentation of the vocational training sector under the mandates of several ministries and public agencies and notes ‘a critical need to review the roles and responsibilities to ensure clear division of labor/complementarity among them, especially when it comes to financing training activities, accreditation, and quality control’. In addition, the report critically identifies the deterioration of the role of certain institutions such as the National Center for Human Resource Development (NCHRD) which ‘played a major role in the 1990s and early 2000s in developing education, higher education, and training policies on HR’.

In addition to the NES, the government’s commitment to address employment challenges is expressed in the Ministry of Labour’s Strategic Plan and Executive Program (2009-2011). The document identifies the following institutions as concerned with the labour sector: Higher Council for Human Resources Development, Higher Council for Education, Education Council, Council of Employment and Technical and Vocational Education and Training, Ministry of Labour, and the Vocational Training Corporation.

In addition to such policy frameworks, the Ministry of Labour has undertaken specific actions to promote employment, including the National Training & Employment Project (NTEP), a vocational training project;

the National Employment Project, which seeks to stimulate employment including in Jordan's Qualified Industrial, and the National Employment Center, which seeks to decrease unemployment through matching job seekers to available jobs.

Evidence of implementation effectiveness: In 2012, net job creation stood at 50,000 jobs.

Coverage of workers in law: N/A

Coverage of workers in practice: N/A

Ratification of ILO Conventions: Employment Policy Convention, 1964 (No.122), ratified 1966

As key measure of labour supply, Jordan's labour force participation rate –that is, the share of the working age population that is either employed or unemployed- is considered to be relatively low, standing at 38% in 2012 and having remained virtually static over the last decade. While the MENA region typically has the lowest labour force participation rate globally (due to a variety of factors including a typically small private sector, extensive state subsidies (in the oil-rich countries), and high numbers of migrant workers), Jordan has one of the lowest rates within the MENA, alongside Palestine and Iraq.³⁹ A main factor behind this low value is that informal employment in Jordan and the Arab region is quite high, and such employment is likely to be under-represented in the official statistics due to the fact that, as noted by the organisation Fafo, respondents to surveys tend to understand work as regular employment, which frequently leads to under-reporting of many kinds of labour activity typical of the Jordanian society. Casual work, unpaid work, and work rewarded in kind are often omitted...⁴⁰ A recent study led by the Ministry of Planning and International Cooperation found that 44% of employment in Jordan is informal with 48% of men and 27% of women being informally unemployed, in 2010. Indeed the underrepresentation of the informal sector in official statistics is one reason for Jordan's low labour force participation rate and low employment-to-population rate. It is also worth mentioning that those engaged in informal employment are not granted labour rights such as subscription to the social security, health insurance, and decent hours (and not covered by the Labour law). Unfortunately, national data for informal employment is only available for 2010, so a comparison of longer term trends in informality is not possible.

Female labour force participation rates are particularly low, standing at only 14.1% in 2012, and recent trends do not indicate that this situation is improving. On the contrary, women's participation rates in 2012 were the lowest since 2006 and just 1.8% higher than in 2002. Other than the rationale mentioned above, another reason for this is the fact that many women in Jordan work at/from home (i.e. in non-economic household activities) and thus are not considered as employed in official definitions. A further hindrance to greater female employment, particularly in the private sector, is a widespread reluctance on the part of employers to employ women (see chapter 5). The population segment with the highest labour force participation rate is men in the 25-39 age group,

³⁹ World Bank, Statistic is for all population 15+, <http://data.worldbank.org/indicator/SL.TLF.CACT.ZS?page=2>

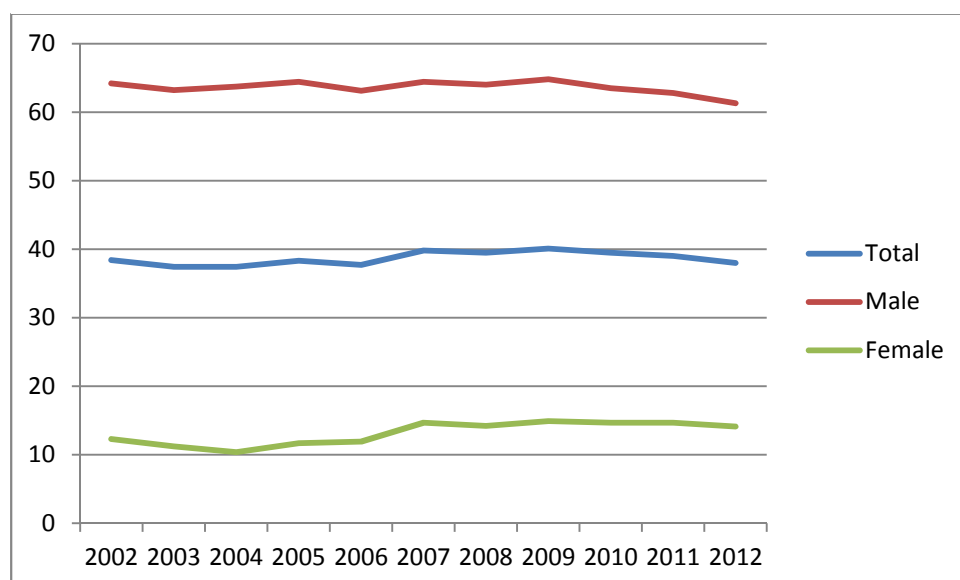
⁴⁰ Fafo, 'Strengthening Social Statistics and Monitoring Living Conditions in Jordan'. Available at: <http://www.faf.no/ais/middeast/jordan/sss/Chapter%204%20-%20Labour%20force.pdf>

which stood at 92.7% in 2012. During the past decade, overall male labour force participation rates reached a high point of 64.8% in 2009, but since then have been in decline, reaching 61.3% in 2012.

Table 2.1 – Labour Force Participation Rate

Labour force participation rate ⁴¹											
Age Group	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
15-19	12	12.4	12.9	12.1	10.9	11.1	11.8	12.2	10.9	9.7	8.7
Male	22.2	22.8	23.7	22.7	20.1	20.3	21.4	22	19.8	17.7	16.1
Female	1.2	1.1	1	0.9	1	1.4	1	1.2	0.9	0.8	0.6
20-24	46.3	45.8	44.1	45.1	45.8	46.6	45.9	46.2	44.9	43.6	42.9
Male	70.3	69.1	67.9	69.5	69.4	68	66.9	67.5	64.9	63.8	62.3
Female	18.2	18.3	16.3	18	19.4	22.4	21.7	22.6	21.8	20.1	19.5
25-39	56.4	55	54.7	55.5	55.3	57.6	58	58.9	58.6	58.5	58.3
Male	93.3	92.9	93.4	92.5	91.8	92.6	93.3	93.7	93.4	93	92.7
Female	21.2	18.8	17.6	19.4	19.7	24.2	23.8	25.2	25.2	25.3	25
40-54	44.3	44.2	43.7	44.6	44.7	46.2	45.2	46.2	46	45.8	44
Male	82.4	82.6	81.3	80.2	80.8	80.6	79	81.2	80.3	78.5	76.2
Female	11	10.2	8.9	10.5	10.7	12.8	12.4	12.7	12.8	13.8	13.2
55-64	23.7	22.6	22.4	22.7	21.4	22.7	22	23.5	22.3	22.7	22
Male	44.2	43.2	43.5	43.6	41.6	43.5	43.2	45.8	43.8	43.6	41.5
Female	1.6	1.2	1.4	2.1	1.4	1.9	2	2.7	2.2	2.3	2.3
65+	9.1	7.6	7.6	7.9	6.9	7.2	6.3	6.6	6.7	5.7	5.8
Male	16.8	13.9	13.9	14.4	12.9	13.2	11.7	12.3	12.3	10.8	10.8
Female	0.3	0.4	0.3	0.5	0.3	0.4	0.4	0.3	0.4	0.3	0.3
Total	38.4	37.4	37.4	38.3	37.7	39.8	39.5	40.1	39.5	39	38
Male	64.2	63.2	63.7	64.4	63.1	64.4	64	64.8	63.5	62.8	61.3
Female	12.3	11.2	10.4	11.7	11.9	14.7	14.2	14.9	14.7	14.7	14.1

Figure 2.1 Labour force participation rate



As a key measure of labour demand and thus, the extent to which the economy generates employment, Jordan's employment-to-population ratio (EPR) has been consistently low over the last decade, at between 32% and 35% during the period 2002-2011. In addition, most recently, the EPR has most decreased (to 33.4% in 2012), suggesting that there is a relatively small number of people working to support a relatively larger (and growing) population. The public sector has played an important and growing role in absorbing many of the country's jobseekers: in 2002 the private sector employed 10.8% more workers than the public sector, by 2012 the difference had narrowed to just 1.1%, with women more likely to work in the public than private sector. This would indicate that the private sector in Jordan has been relatively ineffective in creating sufficient job opportunities to meet the country's rising labour demand, in spite of the fact that - mentioned at the beginning of this chapter – the majority of jobs created in recent years have been in the private sector. This would suggest that workers are exiting the private sector early, either towards the public sector, or out of the labour market altogether. In addition, it must be noted that many Jordanians prefer working in the public sector due to greater job security and fewer working hours. The EPR for men, meanwhile, reached 58.1% in 2009 but decreased by 3.2 percentage points over the three subsequent years until 2012. The rate of change in the EPR was slightly more positive for women, increasing by 1.7 percentage points over the decade, although remaining very low at 11.3% in 2012. In fact, there was a closing of the gender gap for this particular indicator over the past decade, from a high of 47.5% to a low of 43.6%. This is partly due to the fact that over the past decade or so, women in Jordan have been able to make significant progress in their education level, and gender differentials in education and illiteracy have been rapidly disintegrating, indicating that more and more women are joining the formal labour force⁴²

Table 2.2 – Employment-to-population ratio

Decent Work Indicator											
Employment-to-population ratio ⁴³	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Age Group											
15-19	7.4	7.8	8.8	7.4	7	7.3	7.9	8.4	7.3	6.2	5.6
Male	13.8	14.4	16.1	13.9	13	13.4	14.6	15.2	13.3	11.3	10.4
Female	0.7	0.7	0.8	0.6	0.6	0.8	0.5	0.7	0.6	0.5	0.4
20-24	32.9	32.9	33.5	32.2	33.5	34.2	34	34.4	32.9	31.3	31
Male	52	52	52.8	53.1	54.1	54.2	53.9	54.4	51.5	49.1	48.5
Female	10.6	10.3	10.9	8.9	10.5	11.6	11.1	12.1	11.5	10.5	9.8
25-39	50	49.2	49.4	49	49.1	51.6	52	52.8	52.7	52.3	52.4
Male	84.2	84.1	85.1	83.6	83.5	85.9	86.3	86.6	86.1	85.3	85
Female	17.3	16	15.3	15.3	15.6	18.9	18.8	19.9	20.6	20.5	20.7
40-54	41.6	41.9	41.9	42.4	42.4	43.8	42.9	43.6	43.8	43.4	42.1
Male	77	78	77.8	76.3	76.7	76.8	75	76.7	76.3	74.2	72.8
Female	10.5	10	8.7	9.9	10	11.9	11.8	12	12.3	13.3	12.9
55-64	22.6	21.9	21.7	21.8	20.2	21.9	21.5	22.4	21.6	22	21.4

⁴² Al-Budirate (2009) "Jordanian Experience in Measuring Employment in the Informal Sector" DOS

⁴³ DOS - Employment & Unemployment Survey

<i>Male</i>	42.2	41.8	42.2	41.8	39.3	41.8	42.1	43.6	42.3	42.2	40.3
<i>Female</i>	1.6	1.2	1.3	1.9	1.3	1.8	2	2.6	2.1	2.2	2.3
65+	9.1	7.4	7.6	7.8	6.9	7.1	6.3	6.4	6.6	5.7	5.6
<i>Male</i>	16.8	13.6	13.7	14.2	12.8	13	11.6	11.9	12.1	10.8	10.5
<i>Female</i>	0.3	0.4	0.3	0.5	0.3	0.4	0.4	0.3	0.4	0.3	0.3
Total	32.6	32	32.7	32.7	32.4	34.6	34.5	35	34.5	34	33.4
<i>Male</i>	55.2	54.7	56.2	56.2	55.6	57.8	57.5	58.1	56.9	55.9	54.9
<i>Female</i>	9.6	8.9	8.7	8.7	8.9	11	10.8	11.3	11.5	11.6	11.3

In addition to the large numbers that are out of the labour force altogether (i.e. economically inactive), Jordan has also struggled with typically high unemployment throughout the last decade. In 2011, total unemployment stood at 12.9%, only slightly down from its 2002 level of 15.3%. In other words, real GDP economic growth rates of between 2.1% (2009) and 8.7% (2004)⁴⁴ have not shown a clear and positive effect on the unemployment rate (i.e. to depress it) indicating that there is a fundamental mismatch between the types of jobs offered by employers and potential Jordanian workers, as the outputs of education do not cater to the needs of the labour market. This has been supported by numerous studies and assessments which point towards the jobless nature of the recent economic growth in the past decade for Jordanian workers⁴⁵. These studies explain how recent economic growth was fuelled largely from unproductive sectors, such as real estate, and those sectors which did in fact witness a positive employment response, such as construction, were dominated by migrant workers⁴⁶. Indeed, 63% of newly created jobs between 2001 and 2007 were filled by migrant workers⁴⁷. There are many reasons for this, the most obvious being that migrant unskilled labour is not as costly as Jordanian unskilled labour, and thus is in higher demand. Sectors that contributed to economic growth and job creation in Jordan require unskilled labour; such sectors include construction which has been historically dominated by migrant Egyptian and Syrian workers, and manufacturing, which saw a boom in the last decade due to the strong growth of the textile industry fuelled by the expanding operations of the QIZs, which predominantly hire migrant workers to minimize costs. In fact, the number of employed persons in the QIZs have surged by 188% or 35,700 employees, increasing from 19,000 in 2001 to 54,700 in 2005; and 85% of these 35,700 additional employees were migrant workers.⁴⁸

Unemployment is most severe for women and young people. Women in Jordan are almost twice as likely to be unemployed than men, with 19.9% unemployment in 2012 compared with 10.4% among men. However, it is worth noting that the female unemployment rate has improved considerably of

⁴⁴ For full real GDP growth rates between 2002-2012, see chapter 1.

⁴⁵ These documents include:

Taghdisi-Rad (2012). "Macroeconomic policies and employment in Jordan: Tackling the paradox of job-poor growth" ILO, Employment Working Paper No. 118

Al-Habees & Abu Rumman (2012) "The Relationship Between Unemployment and Economic Growth in Jordan and Some Arab Countries" Al Balqa Applied University, Faculty of Planning and Management

Jordan's National Employment Strategy 2011-2020.

⁴⁶ European Commission (2010) "Labour Market Performance and Migration Flows in Arab Mediterranean Countries: Determinants and Effects" Occasional Papers 60

⁴⁷ Ibid

⁴⁸ Calculated from: Taghdisi-Rad (2011) "Jordan's Paradox of Growth with Employment; A Microcosm of the Middle East?" Center for Development Policy and Research, SOAS.

late, falling from a high of 25.9% in 2005 to 19.9% in 2012.⁴⁹ Young people (aged 15-24), meanwhile, are far more likely to be unemployed than older people, with almost 1 in 3 young people (31.9%) out of work in 2012 (a 3.2 percentage point increase since 2009). This further supports the argument of the existence of structural unemployment, described above. Young women are particularly likely to be unemployed, with a rate of 39.3% in 2012, compared with 29.3% among young men. However, data also suggests that this imbalance is being redressed somewhat: whereas female youth unemployment has decreased by 11.3 percentage points since the 2008 financial crisis, male youth unemployment has actually increased by 3.3 percentage points.

Table 2.3 - Unemployment Rate, Economically inactive youth who are not in education, Youth unemployment rate, and Unemployment by level of education

Decent Work Indicator	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Unemployment Rate⁵⁰	15.3	14.5	12.5	14.8	14	13.1	12.7	12.9	12.5	12.9	12.2
<i>Male</i>	14	13.4	11.8	12.8	11.9	10.3	10.1	10.3	10.4	11	10.4
<i>Female</i>	21.9	20.8	16.5	25.9	25	25.6	24.4	24.1	21.7	21.2	19.9
Economically inactive youth who are not in education⁵¹											
Age Group											
15-19	18	19.5	14.4	19	18	16.7	16.1	16.5	15.7	16.8	15.7
<i>Male</i>	9.4	11.6	6.5	11.5	13.1	11.6	10.6	10.9	10.8	12.3	11.1
<i>Female</i>	25.2	26.1	21	25.1	22.2	21.1	21	21.4	20.2	20.9	19.9
20-24	56.3	55	52.7	56.8	54.9	50.7	48.3	48.5	48	47.4	46.6
<i>Male</i>	20.2	22.1	17.9	22.4	24.4	20.8	18.2	17.4	19	18.3	19.3
<i>Female</i>	71.6	69.7	68.3	71	67.9	64.7	63	63	63	62.8	62
Youth unemployment rate (15-24)⁵²	33.8	32.9	28.1	34.1	31.5	30.9	29.6	28.6	30.1	32.6	31.88
<i>Male</i>	32.2	31.2	27.3	31.6	29.2	27.5	26.0	25.6	27.1	30.2	29.28
<i>Female</i>	42.0	41.0	27.9	45.5	42.9	46.1	50.6	42.0	42.7	40.7	39.30
Unemployment by level of education⁵³											
Illiterate	2	1.5	2	1.3	1.4	0.9	0.8	1.1	0.8	0.7	0.9
<i>Male</i>	2.3	1.8	2.3	1.6	1.9	1.1	1.1	1.5	1.1	1	1.3
<i>Female</i>	0.8	0.2	0.5	0.4	0.1	0.5	0.2	0	0	0	0.1
Less than Secondary	57.3	56.2	58.6	51	49.6	45.4	47.1	47	46.1	45.4	44.4
<i>Male</i>	68.6	67.7	69.3	64.9	64.9	62.5	64.5	62.5	62.9	61.4	60
<i>Female</i>	19.3	13.9	10.3	12.7	10.3	14.8	13.6	10	8.1	9.1	7.3
Secondary	12.7	11.5	10	11.2	11.7	11.7	10.2	8.8	7.6	9.1	8.2
<i>Male</i>	12.2	12	10.3	11.9	12.3	12.6	11.5	10	8.7	10.5	10

⁴⁹ We cannot conclude that such an improvement in the female unemployment rate is a result of more women being employed. Although this might be the case, there are other factors to be considered including discouraged women who exited the labour force altogether.

⁵⁰ Source: DoS Employment & Unemployment Survey.

⁵¹ Source: DoS Employment & Unemployment Survey. Notes: Values for Youth who are not in education nor employment are unavailable. As a proxy, the share of Youth who are economically inactive and are not in education are presented instead

⁵² Source: DoS Employment & Unemployment Survey.

⁵³ Source: DoS Employment & Unemployment Survey.

<i>Female</i>	14.7	9.8	8.6	9.1	10.1	10.1	7.7	5.9	5.1	5.8	3.8
Intermediate Diploma	11.9	11.4	11	11.9	11.4	12.6	11.7	10.8	11.2	10.6	9.5
<i>Male</i>	5.5	6	6.1	6.3	4.9	5.4	5.8	5.3	6.3	6.3	5.4
<i>Female</i>	33.2	31.2	33.4	27.5	28.1	25.5	23	23.8	22.4	20.3	19
Bachelors and Above	16.1	19.4	18.4	24.6	25.9	29.4	30.2	32.4	34.3	34.2	37
<i>Male</i>	11.4	12.5	12	15.3	16	18.3	17.1	20.6	21.1	20.8	23
<i>Female</i>	32	44.9	47.3	50.4	51.5	49.2	55.5	60.3	64.3	64.7	70

Figure 2.2 Unemployment rate

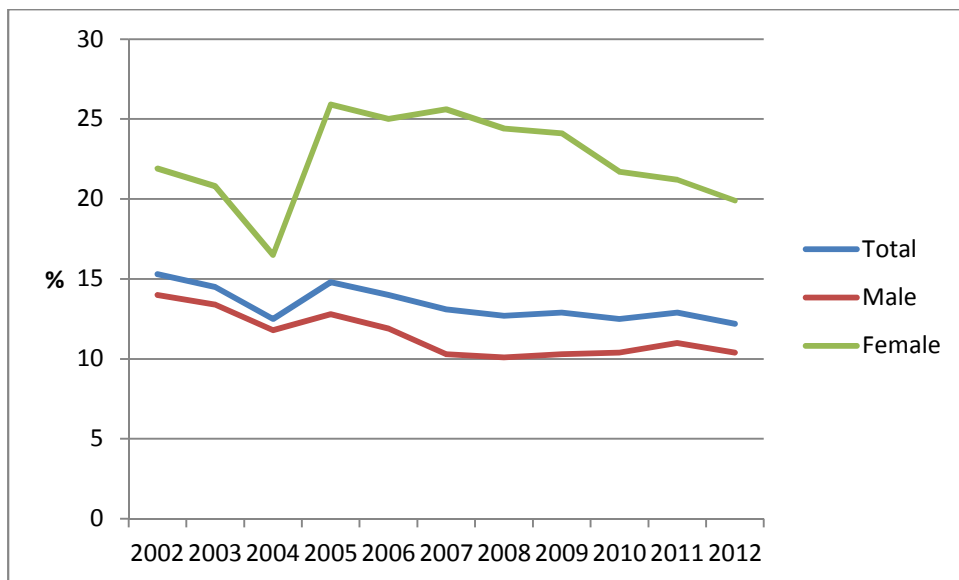
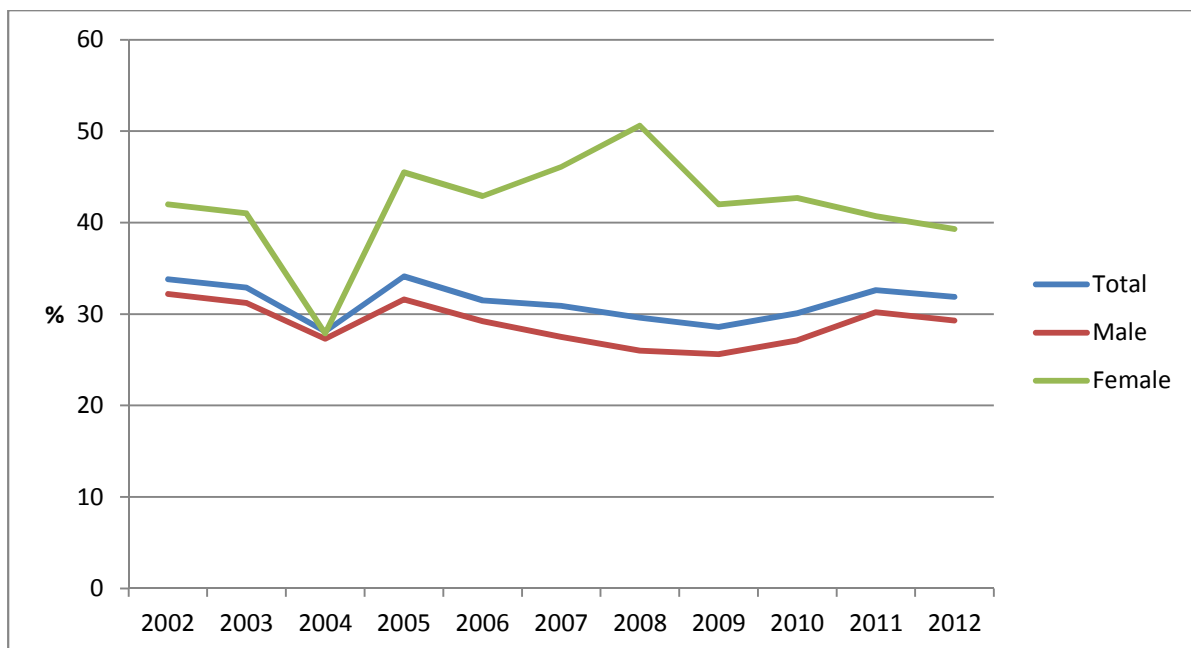


Figure 2.3 Youth Unemployment Rate (15-24)



The percentage of economically inactive youth who are not in education provides a measure of the youth who are economically inactive and are also not in education, and thus serves as measure for potential youth labour market entrants, which is broader than the youth unemployment rate. Such an indicator is crucial for the concept of decent work as it gives an indication of the sufficiency of job opportunities for the youth, and might also point towards the phenomenon of discouraged youth workers. This indicator amounted to 26.3% in 2012, having decreased by 5 percentage points since 2002. Thus, although Jordan's high education enrolment levels contribute to the economic inactivity of youth, it is evident that there are other factors in play that are keeping young people both out of education and out of economic activity. This points to the presence of discouraged workers among the youth population in Jordan due to their prolonged unemployment time and failure in securing job opportunities⁵⁴. Such premature discouragement may have long-term consequences on youth's further integration into the labour market. This problem appears to be especially true for young women, although a major factor here is the fact cultural norms still keep many young women in the home performing household chores rather than outside in the labour force.

With regards to levels of education of the unemployed, levels differ markedly between genders with the female unemployed on average being far higher educated. Whereas the majority of unemployed males have an educational attainment of less than secondary level (60.3%) and only 23% are educated to bachelor level, unemployed females represent a highly educated segment of the population, with 70% educated to bachelor level⁵⁵. This would suggest that women face particular barriers to entering the labour market. For example there are many jobs that are culturally considered to be male dominated (such as construction sector, drivers etc.). In addition, women face direct discrimination such as employers' preference for hiring men, positions which are often in turn underpinned by laws which make the terms of women's employment less favourable than those of men, such as prohibitions on women working at night (see chapter 5). Nonetheless, it is important not to discard the cultural norms in the Jordanian society as an explanatory factor, which are still resistant to female employment. Overall, among the number of unemployed persons, the share of those with higher level education has increased in the past decade from 16.1% in 2002 to 37% in 2012, which further reinforces the contention that unemployment in the country is a structural problem related to the pattern of growth in the economy and labour market, and one that does not seem to be improving (see chapter 8 for further analysis on issues facing women in employment).⁵⁶

It should be noted that employment rates are a measure of quantity rather than quality of employment and thus can only provide limited insights into decent work in a given society. More accurate indications of the quality of work can be obtained by considering labour market indicators relating to the status of employment. The proportion of paid employees relative to self-employed

⁵⁴ Gurbuzer & Ozel (2009) "Youth Employment in the Hashemite Kingdom of Jordan: Characteristics and Determinants" AND Guarcello, Korova, & Lyon (2012) "Youth disadvantage in the labour market: Empirical evidence from nine developing countries" UNESCO

⁵⁵ In interpreting these figures, it should be noted that women in general have higher education attainments than men (Second National Millennium Development Goals Report Jordan 2010: 48).

⁵⁶ For more information concerning barriers facing women to enter the labour force, see European Training Force (2009), 'Women and Work in Jordan: Case Study of Tourism and ICT Sectors': Working Paper. Available at: <http://www.silviacambie.com/wp-content/uploads/2010/01/womenwork-in-jordan.pdf>

workers⁵⁷ increased over the last decade, accounting for 84.1% of those in employment in 2012 compared with 81.4% in 2002. This suggests that the economy in Jordan, despite its sluggish recent growth, is still supporting the growth of wage employment, which tends to provide greater economic security and access to the core components of decent work (such as fundamental rights, access to social security, and a safe working environment) than non-wage jobs. When the agricultural sector is excluded, this share rises to 98.1% in 2012, an increase from 96.3% in 2002. This suggests that employment in agriculture is dominated by self-employed workers –a group that is typically (but not always) characterised by comparably poorer quality, more insecure employment.

Although the overall proportion of self-employed or “own account” workers has fallen, this share remained consistent over the past decade at around (and 9.3% in 2012). The proportion of all other categories of self-employed workers decreased in that period: the proportion of employers decreased from 7.8% in 2002 to 6.2% in 2012; of contributing family from 1% in 2002 to 0.4% in 2012; and of unpaid workers from 0.4% in 2002 to 0.1% in 2012. Given that employees (i.e. those in wage employment) are generally considered to face less economic risk and are more likely to have access to core components of decent work than those in self-employment, the relative increase of the former would suggest that a degree of progress has been made in recent years towards decent work. However, such a supposition can only remain tentative in the absence of information regarding the breakdown of employees in terms of stable and unstable contracts and regular versus irregular employees. Furthermore, both contributing family workers and the overlapping group of informally employed⁵⁸ workers can be expected to generally have poorer quality employment relative to both formal employees and employers, due to lack of legal protection mechanisms such as contracts and social security benefits. Therefore, the aforementioned decrease in the proportion of contributing family workers is particularly positive in terms of decent work.

Table 2.4 – Employment by status in employment, Share of wage employment in non-agricultural employment, and Informal employment

Employment by Status in Employment⁵⁹											
Paid Employees	81.4	82.5	82.2	82.7	83.8	84.1	84.4	83.4	83.5	84.3	84.1
<i>Male</i>	79.5	80.7	80.3	80.9	82.2	82.1	82.4	81.3	81.3	82.2	82
<i>Female</i>	92.4	94.1	94.6	94.3	94.3	94.8	95.1	94.7	94.8	94.9	96
Public	34.9	35.4	35	36.1	36.6	37.9	38.6	37.9	37.6	38.7	38.7
<i>Male</i>	33.1	33.7	33.6	34.3	34.8	35.4	36.4	36	35.3	36.5	37
<i>Female</i>	45.5	45.9	43.9	48.1	48	50.8	50.2	48.2	49.5	49.2	49
Private	45.7	46.4	46.5	45.9	46.6	45.7	41.3	39	39.4	39.8	39.8
<i>Male</i>	45.8	46.4	46.1	46.1	46.8	46.2	40.9	38	38.6	38.9	39
<i>Female</i>	44.9	46.8	49.5	44.8	45.4	42.8	43.3	44.3	43.4	44	45
Other	0.8	0.8	0.7	0.7	0.6	0.6	4.2	0.5	0.6	0.6	0.6
<i>Male</i>	0.6	0.7	0.6	0.6	0.6	0.4	4.8	0.4	0.5	0.4	0.4

⁵⁷ Self-employed workers incorporates employers, own account workers, members of producers’ cooperatives and contributing family workers.

⁵⁸ Contributing family workers are considered to be a subset of informal workers, and thus there is overlap between both categories of workers.

⁵⁹ DoS Employment & Unemployment Survey.

<i>Female</i>	2	1.3	1.2	1.4	1	1.2	0.7	1.1	1.5	1.5	1.3
Employer	7.8	7.7	7.1	7.1	6.6	7.4	6.7	6.8	6.8	6.2	6.2
<i>Male</i>	8.8	8.7	8	7.9	7.3	8.5	7.5	7.7	7.7	7.1	7.1
<i>Female</i>	1.9	1.5	1.1	1.6	1.9	1.7	2	2.2	2.1	2	1.6
Own-Account Workers	9.4	8.9	9.6	9.5	8.9	7.8	8.3	9.1	9.2	9	9.3
<i>Male</i>	10.4	9.9	10.7	10.5	9.9	8.8	9.4	10.4	10.5	10.2	11
<i>Female</i>	4	2.9	2.7	2.5	2.5	2.4	2	2.4	2.4	2.5	2
Contributing Family Workers	1	0.6	0.8	0.6	0.5	0.5	0.5	0.5	0.4	0.4	0.4
<i>Male</i>	1	0.5	0.8	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.4
<i>Female</i>	1	0.7	0.7	0.8	0.8	0.8	0.6	0.5	0.4	0.3	0.3
Unpaid Workers	0.4	0.3	0.3	0.2	0.2	0.2	0.2	0.1	0.2	0.1	0.1
<i>Male</i>	0.3	0.2	0.2	0.1	0.2	0.1	0.2	0.1	0.1	0.1	0.1
<i>Female</i>	0.7	0.9	0.8	0.7	0.4	0.3	0.4	0.3	0.4	0.3	0.2
Share of wage employment in non-agricultural employment (per cent)⁶⁰	96.3	96.6	96.7	96.8	97	97.5	97.6	97.4	98.1	98.3	98.1
<i>Male</i>	96.1	96.3	96.4	96.5	96.8	97.3	97.4	97.2	97.9	98.1	97.9
<i>Female</i>	97.9	98.3	98.5	98.6	98.4	98.4	98.8	98.4	99.2	99.3	99.2
Informal Employment⁶¹	-	-	-	-	-	44	-	-	-	-	-
<i>Male</i>	-	-	-	-	-	48	-	-	-	-	-
<i>Female</i>	-	-	-	-	-	27	-	-	-	-	-

⁶⁰ Source: DoS Employment & Unemployment Survey.

⁶¹ MOPIC-UNDP-ESC-AECID (2010) The Informal Sector in the Jordanian Economy.

Legal Framework Indicator 2. Unemployment insurance

Law, policy or institutions: The Social Security Law No. (7) (2010) (the "SSC Law") provides for unemployment insurance, operated by the Social Security Corporation. Although they are not covered by the SSC Law, unemployment insurance might be applicable to domestic workers in the event a Council of Ministers Resolution is rendered, although there are no plans for such a resolution.

Qualifying Conditions: All individuals that are mandatorily under the SSC umbrella. The insured must be between 16-55 (females) and 16-60 (males) and must have made a minimum 36 monthly contributions. The unemployment allowance cannot be combined with any other pension or maternity allowance. In the case that the insured is entitled to the latter, she is entitled to whichever is the higher amount (e.g. unemployment benefit or maternity allowance).

By virtue of a council of ministers resolution effective 1/9/2011, public sector employees are excluded, so are voluntary insured.

Benefits (level and duration): If the insured has made between 36 and 180 monthly contributions, he/she is entitled to three months benefit. If the insured has made more than 180 contributions then he/she is entitled to six months benefit. The upper limit of unemployment benefit is JD 500 (USD 705) monthly and is calculated according to the insured's last wage as follows: 75% for the first month, 65% for the second month, 55% for the third month, and 45% for the subsequent fourth, fifth and sixth months. The insured can receive unemployment benefit up to three separate occasions.

Financing: The financial resources for unemployment insurance consist of employer contributions of 0.5% of the employees' wages and employer's contribution of 1% of the employees' wages.

Evidence of implementation effectiveness: No comments from ILO supervisory bodies.

Coverage of workers in law: Insureds subject to the SSC Law, with the exception of public sector employees and voluntary insureds.

Coverage of workers in practice: N/A

Ratification of ILO Conventions: The Social Security (Minimum Standards) Convention, 1952 (No. 102); not ratified. The Employment Promotion and Protection Against Unemployment Convention, 1988 (No. 168); not ratified.

Sources:

1. GESS, <http://www.social-protection.org/gimi/gess/ShowTheme.do?tid=3565>
2. The Social Security Law No. (7) for 2010

Disaggregating the data by gender, the proportion of paid female employees has increased to 96% in 2012, up from 92% in 2002. The proportion of working women who are own account workers and contributing family workers has decreased from 5% and 1% in 2002 to 2% and 0.3% respectively in 2012. In addition, the proportion of female unpaid workers decreased from 0.7% in 2002 to 0.2% in 2012. Overall, this suggests a reduction in the economic risk facing working women, an important dimension of decent work.

Summary Assessment

Overall, Jordan continues to face substantial supply and demand challenges in the labour market. The slight progress that was made by the middle of last decade in terms of labour force participation rates, employment-to-population ratios, and unemployment rates have been wiped out by the effects of the global financial crisis. Jordan continues to face a severe challenge of integrating young people into the labour market, with rates of youth unemployment and of the number of economically inactive youth who are not in education remaining concerningly high. Regardless of education levels, youth face significant barriers to employment, indicating a mismatch between the outputs of the education sector and the need of the job market, causing a continuous increase in jobs filled by migrant workers. After having increased, women's labour force participation rates, have in recent years began to slide backwards, while young females in particular appear to face significant barriers to entering the job market. Therefore, incorporating women into the labour force continues to constitute a key social and economic challenge.

However, the information presented does suggest that some progress has been made in terms of the quality of employment opportunities being created. There has been an increase in the proportion of the workforce who are in wage employment. Moreover, the proportion of contributing family workers has decreased by more than half, and the proportion of unpaid workers by three quarters (albeit from a very low base of less than 1%), during the past decade, suggesting a reduction of the proportion of workers in comparably poor quality employment (relative to wage employment). In general, however, Jordan continues to face major challenges with regards to employment opportunities in the labour market.

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3 Adequate earnings and productive work

Adequate earnings and productive work are essential components of the principles of decent work and adequate standards of living. The concept of adequate earnings relates to the minimum level of income required to live reasonably and can be assessed through measuring average earnings (an indication of income levels), as well as through measuring low pay rate and the working poor. The explanatory power of the concept of earnings is limited in Jordan by the large proportion of the labour force who are in informal employment (48% of male workers and 27% of female workers in 2010, see chapter 9) and who therefore are not subject to the minimum wage and often face lower than average earnings for their effort (see Chapter 2). Nevertheless, despite its limitations, a focus on earnings provides a useful indication of trends in relation to decent work. The concept of productive work refers to work that is not just productive in an economic sense, but also adequately paid and ensures fairness, equity, respect for rights, and reasonable protections for working people.

The main mechanism for regulating wages in Jordan, at least at the bottom of the earnings distribution, is the minimum wage (introduced in 1999), which covers all workers subject to the Labour Law, including part-time workers, temporary workers, agency workers, and casual workers as well as permanent workers. (see chapter 1 for details of Labour Law coverage). Notably, the informally employed (see chapter 9) are excluded from the minimum wage. Between 2002-2012 the national minimum wage has been incrementally increased on several occasions, rising over this period from JD 70 (USD 99⁶²) to JD 190 (USD 268) (see Legal Framework Indicator 3, 'Statutory minimum wage'). The most significant raises were in 2008, when it was increased by 36.2%, and in 2011, when it was increased by 26.9%. These hikes resulted in the minimum wage increasing substantially as a percentage of the median wage –i.e. the midpoint wage level in the earnings distribution- over the period 2002-2011, from 43.7% to 61.3%. This suggests that the minimum wage has been reasonably effective in improving the position of low paid workers relative to the overall labour workforce. It is generally agreed that there is a maximum limit at which the minimum wage should be set relative to the overall wage distribution (typically two-thirds of the median wage), above which it may have a negative effect on compliance and employment creation, including through driving employers into the informal economy. Therefore, Jordan's minimum wage falls within the recommended minimum and maximum boundaries with regards to the overall wage distribution.

However, it is important to note that migrant, domestic workers, and workers in the Qualified Industrial Zones (QIZs) (mainly garment workers), have been subject to specific and lower minimum wages (see Legal Framework Indicator 3, 'Statutory minimum wage'). Thus, the minimum wage as a proportion of the median wage has been less for these categories of workers than for those subject to the mainstream national minimum wage. Yet it is important to note that, as of January 2013, employees in the QIZs are no longer subject to a lower sectoral minimum wage and are instead subject to the national minimum wage of JD 190. Such an equalisation of wages can be interpreted as an outcome of sustained international pressure and criticism of low wages in the QIZs, as well as a

⁶²Based on a JOD-USD exchange rate of 1.408. Source: Central Bank of Jordan.

realisation that boosting Jordanian employment in those areas required an increase in the sectoral minimum wage there. In turn, the issue of traditional differential wages in the QIZ originates in the fact that the work of the predominant garment manufacturing companies operating in those areas are mostly engaged in work which entails very little value added, hence the price and cost sensitivity of their products and the employers' demand for low-cost and high productive labour. This led to such companies mobilising labour from South and East Asia since they could be paid lower wages. The willingness of migrant workers to be paid lower wages additionally explains the differential minimum wage rates for Jordanians and non-Jordanians in general (the latter's minimum wage is currently JD 150 (USD 211)). With regards to domestic workers (whose minimum wage is JD 110 (USD 155)), it should be noted that the majority of these workers are migrants, and therefore have been prepared to work for lower wages. A further point is that domestic workers' comparatively lower minimum wage (compared with the national minimum wage) is to an extent compensated by payment received in kind (e.g. accommodation, food etc.).

Legal Framework Indicator 4: Statutory minimum wage

Law, policy or institutions: Article 23 of the Jordanian Constitution (1952) commits the state to protect labour based on the principle that every worker receives a wage commensurate with the quality and quantity of his/her work. Article 52 of the Labour Law No. (8) (1996) and its amendments (the "Labour Law") provides that minimum wage procedures are administered by a Tripartite Committee formed by the Council of Ministers, 'constituted from an equal number of representatives of the Ministry, employees and the employers'. The committee is responsible for determining the minimum wage (either nationally or for a specified area or occupation), taking into account living costs. The minimum wage applies to all employees subject to the Labour Law, including those on probation or rehabilitation.

Minimum wage levels: The minimum wage was most recently adjusted in 2012 via a Labour Tripartite Commission Order which increased the national minimum wage to JD 190 (USD 268) per month for Jordanian employees (effective from 16th February 2012). Non-Jordanian nationals were excluded from the Order, whose minimum wage remains unchanged at JD 150 (USD 212) per month. In addition, the Order established a specific wage setting mechanism for the garment sector, whereby the sector's minimum wage for Jordanians was increased to JD 170 (USD 240) as of 1st February 2012 and to JD 190 (USD 268) on 1st January 2013.

House workers' minimum wage is in the amount of JD 110 (USD 155) in addition to the employer's obligation to provide residence, medical insurance, travelling tickets, nourishment. In 2005, the minimum wage, as set by a Tripartite Commission Order, was JD 95 (USD 134). In 2006 this was raised to JD 110, and in 2009 raised again to JD 150 per month. The 2009 wage hike did not include workers in the garment sector, domestic workers, gardeners and cooks from its ambit, who remained subject to the previously set minimum wage of JD 110 per month.

The aforementioned minimum wage levels do not apply to public sector employees, whose wages are established by the Civil Services Bylaw No. (30) for 2007 (the "Civil Services Bylaw") and are dependent upon job title, classification and qualifications, except for those employees hired under temporary inclusive contracts.

Evidence of implementation effectiveness: No comments from ILO supervisory bodies.

Coverage of workers in law: All employees subject to the Labour Law, and those subject to the Civil Services Bylaw.

Coverage of workers in practice: N/A

Ratification of ILO Conventions: The Minimum Wage Fixing Convention, 1970 (No. 131); not ratified. Protection of Wages Convention, 1949 (No. 95); not ratified. Minimum Wage-Fixing Machinery Convention, 1928 (No. 26); not ratified. Minimum Wage Fixing Machinery (Agriculture) Convention, 1951 (No. 99); not ratified.

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Real wages rose between 2002 and 2011 by approximately 15 percentage points to JD 320.08 (USD 451) although stalling nominal wages coupled with high inflation as a result of the war in Iraq resulted in a steep fall in real wages between 2002 and 2004. Later during the decade, wages were again severely affected by the financial crisis of 2008. Despite a substantial rise in average nominal wages in 2008, inflation rates of 14% in 2008 meant that real wages stalled between 2007-2008. Furthermore, the financial crisis appeared to impact men and women differently, with women's real wages decreasing slightly between 2007 and 2008, before increasing in 2009, whereas by 2011 men's real wages had not yet recovered to their 2009 levels (please refer to the 'average real wages' indicator in Table 2.1). This reflects the fact that wages in occupations dominated by men were hit harder than occupations in which women constitute a larger share. For example, the occupation category in which women are most proportionally represented, 'Professionals', witnessed an overall increase of 48.8% in wages between 2008 and 2011. Conversely, the occupations in which women are least present, namely manual and basic service workers (see chapter 8 for more details), experienced an increase of approximately just 37% over the same period.

Over the past decade, the percentage increase of real wages was similar for both genders, with men's wages increasing by 16.2% and women's wages increasing by 15.3%. From a positive perspective, the gender wage gap has not significantly widened over the past decade. On the other hand, the gap has not been reduced and remains substantial, with men's real wages 13.2% higher than women's in 2011. Therefore there is a need for women's wages to substantially increase relative to men's if Jordan is to meet the requirements of equal pay for equal work as guaranteed by ILO Convention No. 100 (Equal Remuneration Convention), which Jordan has ratified (refer to Chapter 7 for additional information on equal pay, including recent Government policy initiatives).

Table 3.1 Adequate Earnings and Productive Work: Average Real Wages, Minimum Wage as % of Median Wage and Manufacturing Wage Index

Decent Work Indicator	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Average real wages (monthly JD)⁶³	277.2	275.4	266.0	278.4	280.0	291.2	293.3	307.9	314.9	320.1	-
<i>Male</i>	284.1	281.0	274.8	290.0	291.0	300.8	305.0	334.9	323.8	330.1	-
<i>Female</i>	253.0	255.1	239.6	245.4	249.0	264.5	263.1	275.8	288.4	291.6	-
Public Sector	316.5	328.4	330.9	332.5	321.0	336.1	336.1	347.5	351.9	354.6	-
Private Sector	247.7	238.2	230.9	248.9	257.0	263.6	268.8	285.0	293.2	300.0	-
Minimum wage as % of median wage (JD)⁶⁴	43.7	51.3	56.2	54.0	61.1	54.2	61.7	57.3	55.4	65.6	61.3

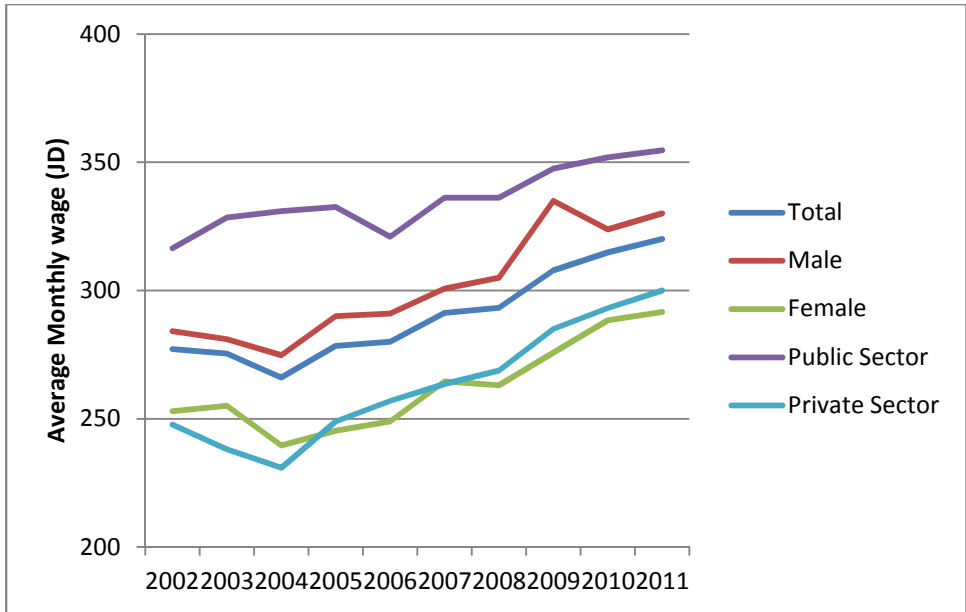
⁶³ Calculated by dividing nominal wages by CPI of each year (base year: 2006). Source: DoS - Employment Survey - Paid Employees by Major Occupation Groups, Sex, Average Work Hours and Wage per Employee During the Reference Month (October).

⁶⁴ Source: Median Wage figures calculated from DoS - Employment and Unemployment Survey. Minimum Wage figures calculated from various official sources / MoL.

Manufacturing Wage Index ⁶⁵	-	-	-	-	-	108	120.6	136	140.3	-	-
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Between 2002 and 2011, the nominal average earnings increased in all selected occupation categories. Hourly earnings increased at a higher rate over this period (111.5%) than monthly earnings (73.3%), reflecting a general reduction in hours worked⁶⁶. Over the past decade, the extent to which nominal hourly earnings have increased have varied across occupations, with increases ranging from 77.7% to 122.7%. The largest wages percentage increase occurred among ‘craft workers’ (133.3%), and ‘service workers, shop and market sales workers’ (120%), while ‘plant and machine operators and assemblers’ experienced the smallest wages percentage increase (85.7%). The manufacturing wage index (MWI) is used to measure the change in wage rates in the manufacturing sector. During the years where data for this indicator is available, 2007-2010, the MWI increased from 108 to 140.3.⁶⁷ A main reason for this significant increase is likely due to the fact that many of those employed in manufacturing are factory workers that earn minimum wage or close to minimum wage. In the period for which MWI data is available (2007-2010), there was a considerable hike in the minimum wage, from JD 110 (USD 155) to JD 150 (USD 211). This is almost a 36% increase and therefore largely explains the similar rise in the MWI.

Figure 3.1 - Average Real Wages⁶⁸



⁶⁵Source: DoS - Standard Wage Figures

On average, the average monthly hours worked for men and women combined decreased by 22%. For men, the average hours decreased by 20.3% and for women by 26.7% (Source: DoS Employment Survey – ‘Paid Employees by Major Occupation Groups, Sex, Average Work Hours and Wage per Employee During the Reference Month (October)’). For more information concerning working hours, refer to Chapter 3, ‘Decent hours’.

⁶⁷ The MWI measures how wage rates in the manufacturing sector in the latest year compare with those for the last base year when the index equalled 100.

⁶⁸ DOS - Employment Survey - Paid Employees by Major Occupation Groups, Sex, Average Work Hours and Wage per Employee During the Reference Month (October)

Table 3.2 Adequate Earnings and Productive Work: Average Real Wages by level of education

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Average real wages by level of education (monthly JD)⁶⁹											
Less than high school	182.4	185.1	174.7	182.8	180	194.8	196.6	201.5	201.6	250	-
High school and diploma	247.1	243.8	235.3	271	253	254.1	257.1	276.7	277.2	286.2	-
Bachelor degree and above	462	459	470.5	473.8	461	471.7	467.5	489.2	490.9	485.5	-

Table 3.3 Adequate Earnings and Productive Work: Average hourly earnings by occupation

Decent Work Indicator	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Average hourly earnings by occupation (JD)⁷⁰										
<i>Total</i>										
1. Legislators, Senior Officials and Managers	3.5	3.0	3.2	3.6	3.6	4.0	4.7	6.4	6.8	6.6
2. Professionals	1.5	1.5	1.6	1.8	1.8	1.9	2.1	2.9	3.0	3.1
3. Technicians and Associate Professionals	1.0	1.1	1.1	1.1	1.3	1.3	1.4	2.1	2.1	2.2
4. Clarks	0.9	0.9	0.9	1.0	1.1	1.1	1.3	1.8	1.9	1.9
5. Service Workers, shop and market sales workers	0.5	0.6	0.6	0.6	0.7	0.8	0.8	1.0	1.1	1.1
6. Craft and Related Trade Workers	0.6	0.7	0.7	0.7	0.7	0.9	1.0	1.3	1.3	1.4
7. Plant and Machine Operators and Assemblers	0.7	0.7	0.7	0.7	0.8	0.8	0.9	1.1	1.2	1.3
8. Elementary Occupations	0.6	0.6	0.6	0.6	0.7	0.8	0.9	1.1	1.2	1.2
9. Total	1.0	1.0	1.0	1.1	1.2	1.3	1.4	1.9	2.0	2.1
<i>Male</i>										
1. Legislators, Senior Officials and Managers	3.5	3.2	3.5	4.0	3.9	4.4	5.0	6.8	7.3	7.1
2. Professionals	1.8	1.8	2.0	2.1	2.1	2.2	2.5	3.3	3.4	3.6
3. Technicians and Associate Professionals	1.2	1.1	1.1	1.2	1.3	1.4	1.5	2.2	2.2	2.3
4. Clarks	1.0	1.0	1.0	1.0	1.1	1.2	1.4	1.8	2.0	2.0
5. Service Workers, shop and market sales workers	0.5	0.6	0.6	0.6	0.7	0.8	0.8	1.0	1.1	1.1

⁶⁹ Calculated by dividing nominal wages by CPI of each year (base year: 2006). Source: DoS - Employment Survey - Paid Employees by Major Occupation Groups, Sex, Average Work Hours and Wage per Employee During the Reference Month (October).

⁷⁰ Values are approximate due to rounding. Source: DoS - Employment Survey - Paid Employees by Major Occupation Groups, Sex, Average Work Hours and Wage per Employee During the Reference Month (October).

6. Craft and Related Trade Workers	0.7	0.7	0.7	0.7	0.8	0.9	1.0	1.3	1.4	1.4
7. Plant and Machine Operators and Assemblers	0.7	0.8	0.7	0.8	0.9	0.9	1.0	1.3	1.3	1.4
8. Elementary Occupations	0.6	0.6	0.6	0.6	0.7	0.8	0.9	1.1	1.1	1.2
9. Total	1.0	1.0	1.0	1.1	1.2	1.3	1.5	1.9	2.0	2.1
<i>Female</i>										
1. Legislators, Senior Officials and Managers	3.0	1.9	1.9	2.2	2.5	2.5	3.3	4.7	4.8	4.8
2. Professionals	1.2	1.2	1.2	1.4	1.4	1.5	1.7	2.4	2.6	2.6
3. Technicians and Associate Professionals	0.9	1.0	1.0	1.0	1.2	1.2	1.3	1.7	1.8	1.9
4. Clerks	0.9	0.8	0.9	1.0	0.9	0.9	1.2	1.6	1.8	1.7
5. Service Workers, shop and market sales workers	0.6	0.5	0.6	0.7	0.8	0.9	0.8	1.1	1.2	1.2
6. Craft and Related Trade Workers	0.4	0.5	0.6	0.5	0.5	0.6	0.7	0.7	0.7	0.9
7. Plant and Machine Operators and Assemblers	0.4	0.4	0.4	0.4	0.5	0.6	0.6	0.7	0.6	0.7
8. Elementary Occupations	0.6	0.7	0.6	0.6	0.7	0.7	0.8	1.2	1.3	1.4
9. Total	1.0	1.0	0.9	1.0	1.1	1.2	1.4	1.8	2.0	2.1

Disaggregation of earnings by gender reveals that the difference in earnings between men and women is largest amongst 'plant and machine operators and assemblers', with men earning nearly twice that of women in that category. During the period 2001-2011, the category in which men and women experienced the biggest difference in wage change was 'legislators, senior officials and managers', in which the hourly earnings for men increased doubled and for women by only 62.5%. Therefore, although women's employment in the best paid occupation group has become much more common in recent years (with the number of women employed in such occupations increasing by more than four times over the past decade), there remains a glass ceiling in terms of the remuneration to which women at the top end of the income distribution are entitled. In three occupations, women's wages increased by a larger percentage than did those of men. These were 'Professionals', 'Technicians and Associate Professionals', and 'Elementary Occupations'. In the latter, the difference in wage increase between gender was particularly large with women's hourly earnings increasing by 134.3% while for men they increased by only 103.8% (please refer to the 'average hourly earnings by occupation' indicator in Table 2.1). Nevertheless, despite this progress, a significant wage gap still remained in these occupations (see chapter 8).

Throughout the period from 2002 to 2011, the highest nominal earners have been 'legislators, senior officials and managers' while the lowest earners have been 'service workers' and workers in 'elementary occupations'. Comparisons between highest and lowest paid occupations show a very slight narrowing of the wage gap between the upper and lower income distribution, but the difference remains substantial. In terms of real monthly wages, the gap between the highest and lowest paid occupations decreased slightly, with 'legislators, senior officials and managers' earning on average just over five times more (506.4%) more per month than 'service workers' workers in

2011, compared with a difference of just over six times more (607.1%) in 2002. However, to some extent this convergence between the two extreme ends of the income distribution reflects the fact that the average hours worked by those in lower paid jobs have progressively increased relative to those at the higher end of the spectrum. Thus the gap between the highest and lowest paid occupations in terms of hourly wages only narrowed slightly, reflected in the fact that the hourly wage of 'legislators, senior officials and managers' was almost seven times (680.4%) more than that of 'service workers' in 2002 and decreased only marginally in relative terms to just about six times more (610.2%) in 2011. Therefore, this suggests that the low paid are working longer for comparably less, relative to the higher earners.

Table 3.4 Adequate Earnings and Productive Work: Average monthly earnings by occupation

Average monthly earnings by occupation (JD) ⁷¹	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<i>Total</i>										
1. Legislators, Senior Officials and Managers	850	726	766	851	873	953	1140	1206	1283	1266
2. Professionals	351	345	361	375	398	428	478	487	523	547
3. Technicians and Associate Professionals	242	259	257	272	299	312	347	394	401	423
4. Clarks	226	221	224	248	250	259	321	333	366	375
5. Service Workers, shop and market sales workers	140	154	157	174	184	203	218	235	246	250
6. Craft and Related Trade Workers	165	169	178	189	180	227	264	269	283	315
7. Plant and Machine Operators and Assemblers	180	179	165	175	203	205	227	234	241	270
8. Elementary Occupations	147	149	144	157	167	188	222	226	238	257
9. Total	240	244	242	262	280	305	350	365	392	416
<i>Male</i>										
1. Legislators, Senior Officials and Managers	863	780	854	953	953	1062	1246	1327	1422	1390
2. Professionals	408	409	449	462	485	513	584	586	611	647
3. Technicians and Associate Professionals	276	269	268	287	308	325	373	428	429	455
4. Clarks	238	240	234	260	267	282	337	354	387	401
5. Service Workers, shop and market sales workers	140	157	159	176	185	200	220	234	244	250
6. Craft and Related Trade Workers	170	172	182	193	197	231	267	275	293	322
7. Plant and Machine Operators and	187	189	181	194	211	220	251	255	269	298

⁷¹Source: DoS - Employment Survey - Paid Employees by Major Occupation Groups, Sex, Average Work Hours and Wage per Employee During the Reference Month (October).

Assemblers										
8. Elementary Occupations	147	148	145	158	168	191	224	228	239	258
9. Total	246	249	250	273	291	315	364	379	403	429
<i>Female</i>										
1. Legislators, Senior Officials and Managers	732	429	431	468	564	569	756	776	818	846
2. Professionals	274	266	261	279	301	334	367	378	424	436
3. Technicians and Associate Professionals	193	234	228	236	275	283	298	326	335	359
4. Clerks	205	192	205	225	221	221	280	288	324	316
5. Service Workers, shop and market sales workers	140	133	148	165	181	218	207	239	258	248
6. Craft and Related Trade Workers	100	126	140	117	121	152	184	149	158	177
7. Plant and Machine Operators and Assemblers	100	99	107	111	130	148	141	152	133	150
8. Elementary Occupations	143	161	140	143	158	172	196	207	229	246
9. Total	219	226	218	231	249	277	314	327	359	379

Typically, the working poor indicator measures the proportion of the working population who, despite employment, live in poverty. It thus illustrates the relationship between work and poverty, and with that, the extent to which decent work deficits exist in the area of adequate earnings and productive work. Data concerning the proportion of the working population which are poor is not available for Jordan, however. However, statistics show that the majority (55.2% in 2010) of those in poverty and who are of working age are in employment.⁷² The majority of the working poor are in urban areas (57.7% in 2010), compared with 44.9% in rural areas. The poor are only slightly less likely to work than the non-poor: as noted, in 2010 55.2% of the poor population had a household head that was employed, whereas 57.6% of the non-poor did so. Yet, employment still appears to significantly reduce the likelihood of poverty: in 2010 the poverty rate equalled 11.1% for households where the head of household was employed, whereas it equalled 21% for households where the head was unemployed.

The high share of poor that are working can partly be explained by the widespread prevalence of low wages, which in turn can reflect a predominance of low productivity economic activity in Jordan. As discussed in Chapter 1, while labour productivity has fluctuated over the past decade, it has remained low. Drawing on data from 2010, analysis of poverty by occupation of household head

⁷²*Jordan Poverty Reduction Strategy - Final Report*, UNDP/Government of Jordan, January 2013:48-49. The statistics referenced in the Strategy are based on the Department of Statistics Household Expenditure and Income Survey 2010. Note that the concept of 'poor' is defined in this instance as persons who fall below the current absolute poverty line in Jordan. This is equal to an expenditure of JD 814 (USD 1146) per individual per year (or JD 67.8 (USD 96) per individual per month). At the household level this equates to JD 4,395.6 (USD 6,189) per household per year (or JD 366.3 (USD 516) per household per month).

shows that poverty rates are highest amongst workers in the service, agricultural, transport, and construction industries. Moreover, with regards to the distribution of the poor by occupation of household head, the largest shares lay in the transport, trade and public administration sectors. The large proportion of poor that are working is exacerbated by the existence of a high dependence ratio amongst the poor, whereby the household size of the poorest quintile is nearly twice that of the wealthiest quintile.⁷³ Thus, poverty is aggravated by the need for workers to support multiple family members.

Table 3.5 Adequate Earnings and Productive Work: Low pay rate

Decent Work Indicator	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Low pay rate % ⁷⁴	20.9	20.1	19	19.3	19.4	21.2	20.9	18.7	15.4	13.6	14.2
Male	20	19.1	18	18.4	18.4	20.3	20.6	18.1	14.9	13	13.5
Female	25.1	23.9	23.5	22.7	23.5	24.1	21.3	21.3	18	16.2	17.6

The low pay indicator is a useful way to assess distributions of earnings in the labour market, measuring the proportion of employed persons whose monthly earnings are less than two-thirds of the median monthly earnings in that country. The low pay indicator is therefore a relative rather than absolute measure of inadequate earnings (in contrast to the working poverty rate which is the latter) since it is defined by the earnings of others in a society. The low pay rate remained steady between 2002 and 2007 but subsequently decreased on an annual basis to the extent that in the decade to 2012 the proportion of low paid workers decreased from 20.9% to 14.2%. The decrease in the low pay rate could, at least partly, be attributed to the role of the minimum wage in increasing the relative earnings of workers at the low end of the income distribution. However, as noted above, the existence of a lower minimum wage for migrant and certain other categories of workers, means that the legal minimum wage for such workers is significantly less than the low pay threshold. With regards to gender, whilst the reduction in the proportion of low paid workers has occurred at a similar rate across both genders, women still remain more likely to be low paid, with 17.6% of women low paid in comparison to 13.5% of men in 2012.

Summary Assessment

Overall, progress with regards to adequate earnings has been experienced by a wide section of the labour force. Real wages have increased for both male and female workers, having recovered relatively strongly from two separate shocks during the decade, namely the Iraq war and the global financial crisis. Wages have risen across all occupation categories, with the gap between the top and the bottom sectors of the income distribution decreasing marginally. Gender wage inequity has not substantially increased. However, neither has it narrowed, with the result that women continue to be paid less than men in the vast majority of occupations.

⁷³ Ibid: 48-101. On page 101 the report states that the average size of the poorest quintile is 7.6 and 4.2 for the richest quintile.

⁷⁴ Low pay is classed as wages which are below two-thirds of the median wage. Source: DoS - Employment & Unemployment Survey

The minimum wage has increased substantially relative to the median wage, indicating that the minimum wage has been increasingly effective in reducing the wage gap between the low end and the rest of the work force. Similarly, the low pay rate has decreased substantially, although it increased in 2012 for the first time since 2007, illustrating the fragility of progress made on low pay. Although data is not available regarding the proportion of working who are in poverty, the majority of the poor in Jordan are employed, indicating that low productivity (as noted in Chapter 1) and low wages are likely to be a significant causal factor of poverty.

References

Source: DoS - Employment Survey

Jordan Poverty Reduction Strategy - Final Report, UNDP/Government of Jordan, January 2013.

Available at:

<http://www.undp.org/content/dam/jordan/docs/Poverty/Jordanpovertyreductionstrategy.pdf>

4 Decent Working Time

Working time at daily, weekly and annual levels are central to the concept of decent work as they are integral to the ability of workers to lead balanced professional and personal lives. Excessive hours are considered undesirable for decent work in all circumstances, constituting potential physical, psychological and social harm both for workers and their families. In addition, excessive hours can be an indication of insufficient pay, particularly among workers that are paid on an hourly basis. The concept of decent working time also covers the phenomenon of insufficient hours or 'time-related underemployment', defined as workers who would like to work more hours but are unable to –and are thus underutilised in the labour market.

The centrality of working time to the idea of decent working conditions is reflected in the fact that the first ILO convention, The Hours of Work (industry) Convention, 1919 (No. 1), established a general working limit of eight hours per day and six working days per week. Therefore, the proportion of workers who work more than 48 hours per week is used as the decent work indicator of excessive hours. Although Jordan has not ratified the above convention, the Labour Law limits the working week to 48 hours (see Legal Framework Indicator 5, 'Maximum hours of work'). As noted in chapter 1, the Labour Law applies to all paid private sector employees (although domestic and agricultural workers are subject to specific regulations regarding working hours and other aspects of work). Alongside regulating maximum hours of work, the Labour Law also contains provisions for paid annual leave. All employees subject to the Labour Law are entitled to 14 days of paid annual leave, which is increased to 21 days after 5 years of successive service. It should be noted, however, that the legal provisions relating to hours of work and annual leave do not apply to workers in the informal sector which, as noted in chapter 7, constitutes a substantial proportion (estimated at 44% in 2010) of the Jordanian workforce.

Legal Framework Indicator 5: Maximum Hours of Work

Law, policy or institutions: Working hours for employees in the private sector are regulated by the Labour Law No. (8) (1996) and its amendments). Regarding public sector employees, the Civil Services Bylaw No. (30) (2007) is the relevant legislation. The Houseworkers, Cooks and Gardeners Regulation No. (90) (2009) (the "Regulation"), covers employees in those occupations.

Number of hours allowed: Article 56 of the Labour Law, sets maximum working hours at eight hours per day or 48 hours per week (maximum six days) excluding meal breaks and rest. However, the law provides for flexibility in the distribution of weekly working hours such that up to a maximum of 11 hours may be worked per day (as long as the total weekly working time does not exceed 48 hours). The seventh day (Friday) is a weekly holiday. In accordance with an Order rendered on 1st December 2010, the employment of women is prohibited between 10pm and 6am, with the exception of certain areas of business and upon her consent. The effective working hours of domestic workers, cooks and gardeners is limited to eight hours per day and household owners are under an obligation to grant domestic workers sufficient period (at least eight hours) for sleep per day. Prior to the amendment (amended Regulation No.11, 2013) working hours were ten rather than eight.

Under certain circumstances, outlined in article 57 of the Labour Law, the employer is entitled to unilaterally increase the employee's working hours in excess of the aforementioned limit. Such circumstances include the need to undertake excess hours in order to perform accounting, budgeting or prepare for a sale (for which overtime must be limited to 30 days per year and to ten hours per day) and to 'avoid losses in goods or any perishable material, for the prevention of any technical hazards related to a technical type of work or to receive, deliver or transport specific material' (for

which overtime must be limited to 20 days per year). In other circumstances, the consent of the employee is required for overtime work.

In all cases, overtime work, whether unilaterally enforced by the employer or mutually agreed upon, is paid at a minimum rate of 125% of the employee's regular remuneration, and at a minimum rate of 150% if he/she works on his/her weekly rest day or on religious or official holidays.

The legal provisions regulating working hours are not applicable to individuals undertaking the tasks of general supervision or management and those working in some cases outside the establishment itself, or whose work nature entails travelling inside Jordan or abroad.

For public sector employees, maximum working hours are seven hours per day, five days per week. The Council of Ministers may assign up to 25% of a given department's employees to work 45 hours or more per week. Overtime is compensated at a rate of 130% of employees' basic salaries.

Evidence of implementation effectiveness: No comments from ILO supervisory bodies.

Coverage of workers in law: Employees subject to the Labour Law, employees subject to the Regulation, and employees subject to the Civil Services Bylaw.

Coverage of workers in practice: In 2012 5.8 % of employees worked 60 or more hours per week.

Ratification of ILO Conventions: The Hours of Work (industry) Convention, 1919 (No. 1); not ratified. The Hours of Work (commerce and offices) Convention, 1930 (No. 30); not ratified.

Sources:

1. National legislation, http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=JOR

Time-series analysis for hours worked during the last decade is disrupted by the fact that in 2006 the Jordan Department of Statistics (DoS) changed its classifications of the upper tail of working time distribution from 37-50/51-70/71+ hours to 40-59/ 60+ hours. Therefore, for no year over the last decade is data available which encompasses the standard concept of excessive hours (i.e. in excess of 48 hours per week) in its entirety. Nevertheless, although limited in their utility, the available statistics do provide certain insights into excessive hours and thus, exposure to overwork among Jordan's workforce. Between 2002 and 2005, the proportion of employed persons working between 51 and 70 hours remained approximately stable, changing from 26.3% in 2002 to 27.4% in 2005, dipping in between to 21.2% in 2003.⁷⁵ A partial explanation for these high figures could be the dominance of low paid service employment: as described below, workers in the lowest paid occupations generally work the longest hours in Jordan. In addition, many of the respondents likely indicate their weekly working hours for more than one economic activity. This accounts for why the hours worked for this indicator are higher than statistics which show the average hours worked in each occupation. Over the same period, the proportion of employed persons working 71+ hours – or very excessive hours – decreased from 7.7% in 2002 to 4.4% in 2005. One reason – albeit unconfirmed – for this could be the fact that during this period there was a large influx of Iraqi refugees, many of which sought working opportunities which might otherwise have been done by Jordanians. It is also worth noting that the GDP growth which occurred during that period was in fact a jobless growth as it was mainly a result of the influx of Iraqi refugees and their sizable investments in the real estate and other sectors. Therefore, high GDP growth during that time did not have normal effect of increasing working hours. It is also possible that the decrease in working

⁷⁵It is likely that the low figures for 2003 reflect the relative decline of GDP growth during that year with growth decreasing from 6.5% in 2002 to 4.3% in 2003. In turn, this downturn was largely attributable to the Iraq war and the disruptions to trade and damage to tourism which the war entailed.

hours was a partly a result of many Jordanians benefitting from the inflow of Iraqis (through land sales in particular) and subsequently working less hours than they had previously.

Between 2006 and 2012 (which spans the period when domestic economic growth slumped amid the global economic downturn), the share of employed persons who worked 60 or more hours decreased from 18.3% in 2006 to 5.8% in 2012, albeit with certain fluctuations in-between (the share in excessive hours was 20.9% in 2007, for example). While this does not encompass all those in excessive hours (because the threshold is 60 hours rather than 48), it shows that there has been a decrease in the proportion of workers working very excessive hours during this period.

The economic crisis of 2008 onwards has strongly impacted working time, although certain effects were not experienced until 2009. Indeed, the data shows that 2008 was a strong year for Jordan in terms of working time, with more hours worked during that year than during any other year over the past decade. Interestingly however, an increase in hours worked did not translate into an increase in the share of workers working very excessive hours. On the contrary, the proportion of workers working 60+ hours halved from 20.9% in 2007 to 10.6% in 2008, despite average annual hours worked increasing by 2.1% from 2,880 to 2,940hours. Therefore, the increase in average hours has not come about due to increases at the top end of the 'hours worked' distribution but rather due to the fact that the majority of workers are working slightly more hours than previously.

It is worth noting that the decrease in very excessive hours worked in 2008 coincided with, and was arguably causally linked to, two developments in the national policy and legal framework. The first was the launch in February 2008 of Better Work Jordan, a partnership programme between the ILO and the International Finance Corporation (IFC) which aims to improve compliance within the country's garment industry with the national labour law and international labour standards. The garment industry employs more than 35,000 employees.⁷⁶ The majority (60%) of employees in the garment sector are female, while three quarters are migrant workers, mainly from Sri Lanka, Bangladesh, Burma, China, India and Madagascar. Employment in the industry is largely concentrated in over 80 garment factories, many of them operating within Jordan's 13 Qualifying Industrial Zones. Exports generated by the industry constitute approximately 16% of Jordan's total exports. Better Work Jordan has reported that although official working hours in garment factories are eight hours per day, six days per week, overtime is common. In addition, reports of forced overtime and excessively long shifts were key reasons for the introduction of the Better Work programme.

The second development which accounts for the decrease in very excessive hours worked in 2008 was the amendment to the Labour Law in 2008 to include formally excluded categories of workers, including all agricultural and domestic workers (see chapter 1), thus bringing these workers into the labour regulatory framework. However, the effectiveness of this should perhaps not be overstated since, as noted in chapter 9, the enforcement of the Labour Law in these sectors remains weak due to the lack of regular labour inspection.

An observable effect of the economic crisis(which started in 2008 and still lingers today) has been a significant reduction in the average hours people in Jordan work, with annual averages in 2011some 18percentage points lower than they were in 2008. This reduction has been accompanied by a steady decrease of the share of workers working vey excessive hours: the proportion of workers working 60+ hours reached a decade low of 5.8 percent in 2012, marking a decrease of 15 percentage points between 2007 and 2012. Although such figures illustrate solid progress with regards to excessive hours in the past few years, it is not clear whether a reduction of very excessive

⁷⁶ Better Work Jordan, 'Facts and Figures'. Available at: <http://betterwork.com/jordan/wp-content/uploads/Facts-and-Figures-1.pdf>

hours worked reflects workers' choices or whether workers have been obliged to work less in the face of low GDP growth rates since 2008 as noted in chapter 1.⁷⁷

Table 4.1 Decent Hours: Excessive Hours

Decent Work Indicator	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Excessive Hours ⁷⁸											
Share of Workers Working more than 70 Hours per Week (%)											
<i>Male</i>	8.7	3.1	1.5	4.6	-	-	-	-	-	-	-
<i>Female</i>	1.6	0.6	0.5	0.9	-	-	-	-	-	-	-
<i>Total</i>	7.7	2.8	1.4	4.1	-	-	-	-	-	-	-
Share of Workers Working more than 59 Hours per Week (%)											
<i>Male</i>	-	-	-	-	20.2	23.2	11.8	14.9	11.6	8.8	6.3
<i>Female</i>	-	-	-	-	6.4	8.7	4.2	5.9	4.6	3.6	3
<i>Total</i>	-	-	-	-	18.3	20.9	10.6	13.5	10.5	8	5.8

Men work substantially more hours than women, with 71% of employed men working at least 40 hours per week in 2012, in comparison to 49.4% of employed women. Moreover, men are more than twice as likely to work very excessive hours, with 6.3% of employed men working 60+ hours in 2012, in comparison to just 3% of employed women. In addition, a further 63.7% of men worked between 40-59 hours in 2012 in comparison 46.4% of women, although since this category of hours is split either side of the 48 hour benchmark, it does not necessarily indicate excessive hours and may, on the contrary, indicate full-time employment.

As noted, average annual hours worked have decreased over the past decade. Between 2002 and 2011, men's average annual worked hours fell 20% from 2,988 (249 monthly) to 2,484 (207 monthly). For women, this decline was even more significant at over 26%, from 2,736 (228 monthly) to 2,160 (180 monthly). It could be argued that such a reduction indicates an increase in labour underutilisation. However, in 2011 the average hours worked by men and women combined averaged at 7.4 hours per day⁷⁹ - compared with 9 hours per day in 2002 - which in fact reflects what most would consider healthy level of hours and progress over the decade with regards to Decent Work. Therefore, the observed decline in average working time in Jordan is indicative of a positive trend vis-à-vis the ability of workers to effectively balance work and personal life.

Table 4.2 Decent Hours: Annual Hours Worked

Decent Work Indicator	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Annual hours worked (per employed person) ⁸⁰										
<i>Male</i>	2988	2976	2952	3000	2916	2928	3000	2436	2448	2484
<i>Female</i>	2736	2760	2760	2700	2736	2784	2784	2124	2160	2160
<i>Total</i>	2928	2928	2904	2916	2868	2880	2940	2352	2376	2400
Monthly hours worked (per employed person)										

⁷⁷ Between 2008 and 2012, real GDP growth rates averaged at 3.6%, compared to growth rates of 7.1% over the previous six years (see chapter 1).

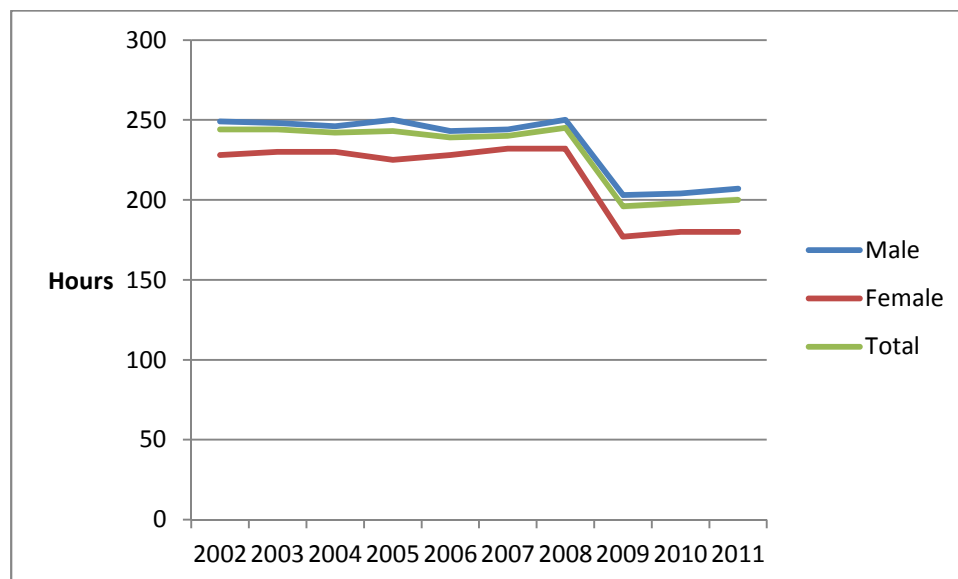
⁷⁸ DoS, Employment & Unemployment Survey. Note DoS changed the working hours classification bands in 2006.

⁷⁹ Assuming that there are 27 working days per month.

⁸⁰ DoS, Employment Survey

Male	249	248	246	250	243	244	250	203	204	207
Female	228	230	230	225	228	232	232	177	180	180
Total	244	244	242	243	239	240	245	196	198	200

Figure 4.1 Monthly Hours Worked (per employed person)



With regards to occupation, there is a general inverse relationship between average hours worked and remuneration, with ‘service, shop and market sales workers’ both the lowest paid and employed for the longest hours. This category of workers worked an average of 232 hours per month in 2011, which exceeds the international standard of the 8 hour working day⁸¹, and earned an average of JD 250 (USD 352) per month. The occupations in which employees worked for the next longest hours are ‘plant and machine operators and assemblers’ and ‘elementary occupations’, in which employees worked for 211 and 207 hours per month respectively in 2011, and in which average monthly wages were JD 270 (USD 380) and JD 257 (USD 362) respectively. In contrast, in 2011 the top earners, (Legislators, Senior Officials and Managers)’, worked an average of just 192 hours per month, but enjoyed average monthly wages of JD 1,266 (USD 1783).

Although all major occupation groups have witnessed a reduction of hours worked over the past decade, this reduction has been greatest for the highest paid occupations and smallest for the lowest paid. As a result, whereas in 2002 ‘service, shop and market sales’ employees worked 13.1% more hours than ‘legislators, senior officials and managers’, in 2011 they worked 20.8% more hours. It is worthwhile noting that overtime is rewarded at a minimum rate of 125% of the employee’s regular wages. However, this does not apply to employees in management positions (see legal indicator 5, ‘Maximum hours of work’).

⁸¹This averages at 8.6 hours per day if there are assumed to be 27 working days per month.

Table 4.3 Decent Hours: Usual Hours Worked

Decent Work Indicator	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Usual hours worked ⁸²											
Working Hours											
0											
Male	3	2.5	0.6	1.7	-	-	-	-	-	-	-
Female	9	8.5	1.7	7.5	-	-	-	-	-	-	-
Total	3.9	3.3	0.7	2.5	-	-	-	-	-	-	-
1-14											
Male	1.5	1.6	0.3	0.8	-	-	-	-	-	-	-
Female	3.1	3.7	0.4	1.7	-	-	-	-	-	-	-
Total	1.8	1.9	0.4	0.9	-	-	-	-	-	-	-
15-36											
Male	21.5	30.8	30	23.5	-	-	-	-	-	-	-
Female	39.1	44	50.4	41.8	-	-	-	-	-	-	-
Total	24.1	32.6	32.6	25.9	-	-	-	-	-	-	-
37-50											
Male	36.8	39.1	42.8	39.9	-	-	-	-	-	-	-
Female	33.4	32	34.1	34.4	-	-	-	-	-	-	-
Total	36.3	38.1	41.6	39.2	-	-	-	-	-	-	-
51-70											
Male	28.4	22.9	24.8	29.5	-	-	-	-	-	-	-
Female	13.8	11.1	12.8	13.7	-	-	-	-	-	-	-
Total	26.3	21.2	23.3	27.4	-	-	-	-	-	-	-
71+											
Male	8.7	3.1	1.5	4.6	-	-	-	-	-	-	-
Female	1.6	0.6	0.5	0.9	-	-	-	-	-	-	-
Total	7.7	2.8	1.4	4.1	-	-	-	-	-	-	-
Working Hours											
0											
Male	-	-	-	-	2.1	1.4	1.7	2.3	2.6	3.1	2
Female	-	-	-	-	8.4	3.3	5	8.2	8.9	11	7.5
Total	-	-	-	-	3	1.7	2.2	3.2	3.6	4.4	2.9
1-29											
Male	-	-	-	-	6.2	3	4.3	4.7	4.4	6.1	5.4
Female	-	-	-	-	9.1	4.2	6.3	6.3	5.5	8.4	8.3
Total	-	-	-	-	6.6	3.2	4.6	4.9	4.6	6.5	5.9
30-39											
Male	-	-	-	-	17	14.3	21.7	16.5	17.5	18.2	22.5
Female	-	-	-	-	26.5	30.4	36.4	27.5	30.2	28.3	34.8
Total	-	-	-	-	18.3	16.9	23.9	18.2	19.6	19.9	24.5

⁸²DoS, Employment & Unemployment Survey

40-59												
<i>Male</i>	-	-	-	-	54.5	58.1	60.6	61.6	63.9	63.7	63.7	
<i>Female</i>	-	-	-	-	49.6	53.4	48	52.1	50.9	48.7	46.4	
<i>Total</i>	-	-	-	-	53.8	57.3	58.6	60.1	61.8	61.2	60.9	
60+												
<i>Male</i>	-	-	-	-	20.2	23.2	11.8	14.9	11.6	8.8	6.3	
<i>Female</i>	-	-	-	-	6.4	8.7	4.2	5.9	4.6	3.6	3	
<i>Total</i>	-	-	-	-	18.3	20.9	10.6	13.5	10.5	8	5.8	

The time-related underemployment (TRU) indicator measures the proportion of workers who would be willing and are available to work additional hours but are unable to do so due to lack of employment opportunities which would provide them with increased hours.⁸³ It is thus a measure of labour underutilisation in an economy. It is worth mentioning that statistics for this indicator were obtained from a DoS survey in which respondents who were considering changing their jobs were asked their reason for doing so. Those who stated 'short hours' as a reason were included in this statistic. TRU is extremely uncommon in Jordan, (possibly due to the mentioned data collection methodology), accounting for 0.01% of the employed population in 2012, decreasing from 0.06% in 2002. Women are less likely to be time-related underemployed than men, and in 2012 the TRU rate for women stood at a 0%. These TRU rates are perhaps surprisingly low given the fairly sizeable share of the employed population that works fewer than full time hours, with, for example, 8.8% of workers working fewer than 30 hours per week in 2011.

Table 4.4 Decent Hours: Time-related Underemployment

Decent Work Indicator	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Time-related underemployment rate (%)⁸⁴											
<i>Male</i>	0.06	0.01	0.01	0.05	0.02	0.03	0.04	0.02	0.03	0	0.01
<i>Female</i>	0.03	0.02	0	0.06	0.01	0.03	0.01	0.05	0.02	0	0
<i>Total</i>	0.06	0.02	0.01	0.05	0.02	0.03	0.03	0.03	0.03	0.01	0.01

⁸³Note that the TRU indicator is based on the worker's main job/economic activity.

⁸⁴DoS, Employment & Unemployment Survey

Legal Framework Indicator 6. Paid annual leave

Law, policy or institutions: Annual leave for employees in the private sector is regulated by the Labour Law No. (8) (1996) and its amendments. Regarding public sector employees, the Civil Services Bylaw No. (30) (2007) is the relevant legislation. The Houseworkers, Cooks and Gardeners Regulation No. (90) (2009) covers employees in those occupations.

Benefits (level and duration): Private sector employees are entitled to 14 days of fully paid annual leave, increased to 21 days if the employee has been employed for at least five successive years (article 61 of the Labour Law). If the employee has served for less than a year, he/she is entitled to a paid leave on a pro rata basis. In all instances, the employer and the employee may agree to increase the duration of the leave. Annual leave is additional to public holidays, religious feasts and weekly holidays. Upon agreement between the employee and employer, the former's leave may be carried over to the following year. The employer is entitled to specify the times at which the employee must take his/her annual leave, taking the interests of the employee into consideration.

In the case of the termination of the employee's employment during his/her annual leave, the employee is entitled to compensation equivalent to half a month's pay for each year of service, with a minimum compensation of two months' wages. Should the employee's employment be terminated, he/she is entitled to receive the wage for any leave days not used (article 63 of the Labour Law). In addition, any agreement in which the employee waives any of his/her rights, including the right to the annual leave, is considered null and void (article 64 of the Labour Law).

Public sector employees are entitled to a paid annual leave ranging from 21 to 30 days depending upon the job description and the classification within which they fall. Domestic workers, gardeners and cooks are entitled to a paid annual leave for fourteen days.

Evidence of implementation effectiveness: N/A

Coverage of workers in law: Employees subject to the Labour Law, employees subject to the Regulation, and employees subject to the Civil Services Bylaw.

Coverage of workers in practice: N/A

Ratification of ILO Conventions: The Holidays with Pay Convention (Revised), 1970 (No. 132); not ratified. The Holidays with Pay Convention, 1936 (No. 52); not ratified. The Holidays with Pay (Agriculture) Convention, 1952 (No. 101); not ratified.

Sources:

National legislation, http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=JOR

Summary Assessment

The available data suggests that Jordan has made progress regarding decent working time, with the share of the employed population working very long hours having decreased substantially. However, a lack of data regarding the proportion of workers who work in excess of 48 hours means that only an incomplete picture of decent working time is available. Average hours worked by both men and women and in all major occupation categories have decreased substantially over the past decade (with this trend originating before the 2008 economic crisis), reflecting progress in terms of appropriate working time. Yet, the reduction in hours worked has not been evenly experienced across occupation groups with the working time gap (e.g. the extent to which lower paid employees work more hours than higher paid workers) having increased over the past decade. Time-related underemployment figures are extremely low, despite the fact that a sizeable proportion of the employed population worked fewer than 30 hours per week as of 2011.

References

Better Work Jordan, 'Facts and Figures'. Available at: <http://betterwork.com/jordan/wp-content/uploads/Facts-and-Figures-1.pdf>

5 Combining Work, Family and Personal Life

The ability of workers to achieve an appropriate balance between work commitments on the one hand, and personal, family and leisure activities on the other, is central to the concept of decent work, directly impacting not just the worker but also his or her family and dependents. The degree to which an appropriate work-life balance is achievable can also have an impact on the extent to which workers are incentivised to be economically active or not.

Jordan has not ratified any of the relevant international instruments relating to the intersection of work, family and personal life, namely the ILO's Workers with Family Responsibilities Convention, 1981 (No. 156), Maternity Protection Convention (revised), 1952 (No. 103), and Maternity Protection Convention, 2000 (No. 183). Nevertheless, the Labour Law contains a number of provisions related to the combining of work and personal life. In addition to annual leave (see chapter 4), these include entitlements pertaining to maternity leave and childcare. It is also worth noting that Jordan is party to the UN Convention on the Elimination of Discrimination against Women.

The Labour Law stipulates that women are entitled to fully-paid maternity leave of ten weeks (see Legal Framework Indicator 7, 'Maternity leave'). Since 2011, a maternity leave insurance scheme has been in operation, under the administration of the Social Security Corporation (SSC). Whereas previously the employer was required to finance maternity leave, the latter is now paid for by the insurance scheme. An objective of the scheme is to encourage employers to hire more female workers and thereby target the low Labour Force Participation Rate (LFPR) for women (see chapter 2). Indeed, employers' discrimination against employing females, particularly married workers, is widespread in Jordan and constitutes a significant challenge to increasing women's economic participation rates, especially in the private sector. For example, a 2010 survey of micro, small and medium-sized enterprises (MSMEs) found that only 43% of owners considered that female employees did not involve problems, while 41% believed they posed 'many' challenges. Of those interviewed, 9% cited problems arising from vacations and personal days, due to family matters.⁸⁵ Under the new system, employers pay a contribution of 0.75% of the employee's wages, regardless of whether or not the employee is male or female. Therefore, the insurance scheme significantly reduces the financial cost to employers of employing female workers, and can therefore be viewed as a significant step towards the promotion of equal opportunities across genders.

The Labour Law also contains provisions aimed to assist women in balancing work with motherhood commitments. In this regard, female employees who work in companies in which there are at least 10 employees are entitled to unpaid leave for up to one year. Additionally, all female employees have the right to take nursing paid breaks of up to one hour per day for a period of one year following the birth of the employee's child (see Legal Framework Indicator 8, 'Parental leave'). Further, the Labour Law states that establishments which employ at least 20 women and in which such employees have at least 10 children aged under four, must provide an area for the care of the employees' children, under the supervision of a qualified nurse.

⁸⁵MoPIC/UNDP, Jordan Human Development Report 2011:115

Legal Framework Indicator 7. Maternity leave

Law, policy or institutions: Maternity leave for women employees in the private sector is guaranteed by the Labour Law No. (8) (1996) and its amendments. The Social Security Law No. (7) (2010) establishes the institutional framework for maternity insurance, covering all employees subject to the SSC Law. Regarding public sector employees, the Civil Services Bylaw No. (30) (2007) is the relevant legislation, as they are excluded from the maternity insurance by virtue of a council of ministers resolution effective as of 1/9/2011.

Qualifying Conditions: All working women subject to the Labour Law are entitled to maternity leave (article 70), and all working women subject to the SSC Law are entitled to a maternity insurance providing that she has been included in the provisions of the insurance for at least 9 months preceding her maternity leave. The insured female may benefit from maternity insurance for a maximum of four deliveries. Employers are prohibited from dismissing female employees starting from the sixth month of their pregnancy and throughout the duration of their maternity leave.

Financing: The Social Security Corporation funds maternity leave for subscribers to maternity insurance; for other employees, the employer is obliged to fully pay the woman's wage during her maternity leave. Maternity insurance is primarily financed through monthly contributions from the employer of 0.75% of the insureds' wages. The maternity leave of public sector employees is financed by the relevant public employer.

Benefits (level and duration): Female employees in the private sector are entitled to fully-paid maternity leave for a period of up to ten weeks which includes a compulsory minimum six weeks of postnatal leave. In the public sector, female employees are entitled to fully-paid maternity leave for a period of up to 90 days.

Evidence of implementation effectiveness: No comments from ILO supervisory bodies.

Coverage of workers in law: Employees subject to the Labour Law, employees subject to the Civil Services Bylaw. Employees subject to the SSC Law with the exclusion of public sector employees from the SSC insurance scheme.

Coverage of workers in practice: N/A

Ratification of ILO Conventions: The Maternity Protection Convention, 1919 (No. 3); not ratified. The Maternity Protection (revised), 1952 (No. 103); not ratified. The Maternity Protection Convention, 2000 (No. 183); not ratified. The Social Security (Minimum Standards) Convention, 1952 (No. 102); not ratified.

Sources:

1. National legislation, http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=JOR

Legal Framework Indicator 8: Parental Leave

Law, policy or institutions: Parental leave for female employees in the private sector is regulated by the Labour Law No. (8) (1996) and its amendments). Regarding public sector female employees, the Civil Services Bylaw No. (30) 2007) is the relevant legislation.

Qualifying Conditions: In the private sector, parental leave is available only to female employees employed in enterprises which employ a minimum of ten employees (article 67 of the Labour Law).

Benefits (level and duration): Female employees employed in the private sector have the right to unpaid parental leave for a maximum period of one year; with the right to be reinstated at the end of her leave (provided that they are employed in an institution which has at least ten employees, as stated above). In addition, all women in the private sector are entitled to take paid breaks of up to one hour per day for a period of one year following the delivery, for the purpose of nursing her newborn baby (article 71 of the Labour Law).

In the public sector, female employees are entitled to unpaid parental leave for a maximum period of two years following the end of maternity leave. However, employees with temporary contracts are excluded.

Financing: Employer-financed

Evidence of implementation effectiveness: No comments from ILO supervisory bodies.

Coverage of workers in law: Employees subject to the Labour Law, employees subject to the Regulation, and employees subject to the Civil Services Bylaw.

Coverage of workers in practice: N/A

Ratification of ILO Conventions: The Workers with Family Responsibilities Convention, 1981 (No. 156); not ratified.

Sources:

1. National legislation, http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=JOR

Due to a lack of data, it is not possible to assess the extent to which the Labour Law provisions regarding work-life balance are upheld in practice. However, with regards to maternity leave insurance, figures provided by the Social Security Corporation indicate that as of July 2013, 4,123 women had benefitted from the scheme since its inception in 2011.⁸⁶ While this proves that the scheme is in operation, analysis of the extent of its implementation would benefit from the availability of data regarding the total number of women of child bearing age in the labour market.

The ability of workers to combine work with non-work related activities can depend heavily on their working hours. Working excessive hours can be particularly detrimental to workers' work-life balance since it likely entails working during antisocial hours. As discussed in Chapter 4, although data is only partially available, Jordan appears to have made progress in terms of excessive hours (i.e. above 48 hours per week in the standard definition), with a substantial reduction of hours worked having been experienced across all major occupation groups over the past decade.

⁸⁶ Social Security Corporation: www.ssc.gov.jo

Women have traditionally been excluded from working during certain hours, in accordance with article 69 of the Labour Law. In 2010, the law was amended, extending the times during which it is legal to employ women: whereas it was previously prohibited to employ women between 8pm and 8am (with the exception of certain occupations), as of 2010 the prohibited hours have been reduced to between 10pm and 6am (with the exception of certain categories of occupation, including hotels, restaurants, coffee shops, cinemas, malls, airports, air companies, tourism offices, hospitals, clinics, pharmacies and transportation).⁸⁷ The recent extension of times in which women are permitted to work can be viewed as constituting progress both in terms of women's ability to combine work with personal responsibilities and with regards to equal opportunities in the labour market (see chapter 8). Indeed, prior to the 2010 amendment, the ILO's Committee of Experts criticised the restriction on women's working times, arguing that such regulations jeopardised women's competitiveness in the labour market, and served to perpetuate the notion that family responsibilities are a challenge which concern only women, rather than the family and society as a whole. The Committee of Experts has advocated that the government seek to address the challenges to work posed by family responsibilities by extending to male employees certain measures concerning the care of family members which are currently only available to women and which therefore serve to undermine women's competitiveness in the labour market even as they assist women to balance work and family responsibilities.

Summary Assessment

It is not possible to make a conclusive assessment regarding progress in the area of workers' work-life relationship due to a scarcity of data to compute key indicators. However, the Labour Law contains a number of provisions designed to facilitate women's ability to balance work and non-work responsibilities. The introduction of maternity leave insurance in 2011 stands out as a key development, since it significantly reduced the cost borne by employers of employing female workers. As a result, it constitutes an important element of the government's efforts to counteract a culture of reluctance within employers of hiring women. Further progress on this issue could entail expanding provisions in the Labour Law, such as the entitlement of unpaid leave for the purposes of childcare, to male employees, thus further equalising the employment conditions of men and women. In addition, it may be useful for the Jordanian Department of Statistics/Jordanian Government to develop and include additional indicators in surveys and associated data, disaggregated by sex, in order to gain further insights into the work-family-personal life balance in Jordan. As examples, such indicators could include the share of economically inactive population performing household (family) duties, caring for children, sick and other family members; the share of children enrolled in pre-school education; and commuting times between home and work. A further indicator which could be particularly appropriate in the Jordanian context given the high number of - mainly migrant - garment workers (especially in the Qualified Industrial Zones) is factory compliance rates (e.g. compliance with maternity leave in the garment sector).⁸⁸

References:

⁸⁷ Women are also prohibited from working in sectors, mainly heavy industries. In addition, they must be awarded a rest period of at least 10 hours between work shifts.

⁸⁸ This indicator has been developed in Cambodia.

MoPIC/UNDP, *Jordan Human Development Report 2011*. Available at: http://www.undp-jordan.org/index.php?page_type=publications&press_id=197

Social Security Corporation: www.ssc.gov.jo

6 Work that should be abolished

International labour standards stipulate that certain types of work are unacceptable to society and thus represent a key obstacle to decent work, namely child labour and forced labour. Although definitions vary at the national level (thus complicating international comparability), child labour is internationally defined as including children (i) below the age of 12 and working; (ii) aged 12 to 14 and usually working more than 14 hours per week and/or working in a hazardous industry; or (iii) aged 15 to 17 and usually working more than 42 hours per week and/or working in a hazardous industry.⁸⁹ Similarly, forced labour is internationally defined as, ‘all work or service which is extracted from any person under the menace of any penalty and for which the said person has not offered him or herself voluntarily.’ Jordan has ratified ILO conventions relating to both child and forced labour, including the Minimum Age Convention, 1973 (No. 138), the Worst Forms of Child Labour Convention, 1999 (No. 128) the Forced Labour Convention, 1930 (No. 29) and the Abolition of Forced Labour Convention, 1957 (No. 105). In addition, in 2009 Jordan ratified the Palermo Protocol, 2000.⁹⁰

Ratifications of ILO conventions on child labour are also supported by a domestic legal framework which in recent years has been adapted to offer greater protection against the use of child labour (See Legal Framework Indicator 8, ‘Child labour’). The Labour Law stipulates that the minimum age of employment is 16, while workers aged 16-17 are subject to protective regulations such as the limitation of their employment to six hours per day, and cannot be employed without the written approval of the child’s parent or guardian. Therefore the minimum age of employment in national legislation (age 16) meets the requirement of the ILO Minimum Age Convention, 1973 (No. 138), which states that admission to employment should be no less than 15. The minimum age for hazardous work was raised from 17 to 18, by means of the adaptation of the law in 2004, thus aligning the national framework with international standards.⁹¹ Such hazardous work is defined by the Ministerial Order of 2011 Concerning Occupations that are Dangerous or Tiring or Harmful to the Health of Youth (replacing a previous decree of 1997). The Labour Law was further amended in 2008 to include previously excluded groups, include all agricultural workers, as well as domestic workers, gardeners and cooks (see chapter 1). Despite the fact that they are governed by their own sectoral regulations,⁹² the Government has indicated that the minimum age of 16 also applies to agricultural workers, domestic workers, cooks and

⁸⁹ ILO (2012) ‘Manual – Decent Work Indicators: Concepts and Definitions’. Available at: http://www.ilo.org/stat/Publications/WCMS_183859/lang--en/index.htm

⁹⁰ UN Protocol to Prevent, Suppress and Punish Trafficking in Persons Especially Women and Children, supplementing the UN Convention against Transnational Organised Crime, 15 Nov. The Palermo Protocol sets out a definition of human trafficking that involves three constituent elements – an act, a means and a purpose.

⁹¹ http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:2242521

⁹² For example, the Regulation No. (90) (2009) on domestic workers, cooks, gardeners and similar categories; and the Regulation No. (12) (2011) amending Regulation No. 3 of 2001 concerning Pension and Benefits Scheme for Agricultural Engineers.

gardeners.⁹³ That said, it is not clear the extent to which the law on minimum age is implemented in these sectors, given that they lie outside of the labour inspection system (see chapter 9).

Recent progress in strengthening the legal framework for countering forced labour includes the development of an interministerial committee for the coordination of labour issues in 2007, which led to Jordan ratifying the 2000 Palermo Protocol. The same year, Jordan adopted its Anti Human Trafficking Law No. (9), a significant development in the field of decent work. The law outlaws all forms of trafficking and proscribes substantial penalties for offenders. The legislation has been described as fairly progressive with regards to victim protection by virtue of its adherence to the principle of non-punishment of victims of trafficking.⁹⁴ The law builds upon existing provisions applying to trafficking in the Penal Code and Labour Law (see Legal Framework Indicator 9, 'Forced labour').

Typifying the Middle East, domestic workers in Jordan have been particularly vulnerable to trafficking and forced labour since they have traditionally been excluded from the Labour Law. However, in what was a first for the region, the Labour Law in Jordan was amended in 2008 to include domestic workers.⁹⁵ The same amendment mandated the Ministry of Labour to regulate the working conditions of domestic workers, which resulted in the issuing of a regulation in 2009 which set out the respective obligations of employers and employees in domestic contexts. The regulation was subsequently amended in 2011 to grant domestic workers greater protections against forced labour (see Legal Indicator 9, 'Forced labour').

Legal Framework Indicator 8: Child Labour

Law, policy or institutions: The Labour Law No. (8) (1996), and its amendments prohibits employment of minors under the age of 16 in any form (article 73). Compulsory education in Jordan covers children aged 6-15 (Education Act No. (3) (1994). Therefore, the end of compulsory education coincides with the minimum employment age.

The employment of juveniles aged 16 and 17 is subject to particular conditions. Namely, such employees must not be employed for more than six hours per day, must be given a one hour rest period after working four successive hours, must not work between 8 p.m. and 6 a.m., and must not work during religious feasts, public holidays and weekly holidays. In addition, the employer of such employees must obtain the written approval of the juvenile's guardian, and the juvenile's birth certificate and health certificate (article 76 of the Labour Law). In addition, employees below the age of 18 must not undertake hazardous work (article 74 of the labour law; raised from 17 as a result of an amendment to the Labour Law in 2004). Such hazardous work is defined by decisions issued by the Minister of Labour. The Ministerial Order of 2011 Concerning Occupations that are Dangerous or Tiring or Harmful to the Health of Youth (replacing a previous decree of 1997), determines the types of hazardous employment that are prohibited for juveniles under the age of eighteen according to the following categories: (i) physically hazardous work; (ii) psychologically and socially hazardous work; (iii) morally hazardous work; (iv) chemically hazardous work; (v) biologically and bacteriologically hazardous work; (vi) ergonomically hazardous works and (vii) other hazardous work.

Whilst the Labour Law does not explicitly establish a minimum age for vocational training, article 36(C) states that persons under 18 years of age who enter into vocational training contracts must be represented by a

⁹³ http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:2324755

⁹⁴ This principle maintains that victims of trafficking should not be prosecuted even if he/she has committed an act which is considered a crime under the law (*Tricked and Trapped, Human Trafficking in the Middle East*, ILO, 2013: 106).

⁹⁵ *Tricked and Trapped, Human Trafficking in the Middle East*, ILO, 2013: 111

guardian or trustee. In addition, the Vocational Training Regulation (1999) prohibits minors under the age of 16 from participating in such training in the 'short and/or medium term'.

In terms of the scope of legislation, the Government has confirmed that the minimum age specified in the Labour Law (e.g. 16) applies to agricultural workers, domestic workers, cooks and gardeners. Furthermore, the 2008 amendment to the Labour Law resulted in the inclusion in the Labour Law for the first time of unpaid family members of the employer working in his/her enterprise (including juveniles).

The amendment of the Labour Law in 2008 resulted in an increase of the minimum penalty for employing a young person, from JD 100 (approximately USD 140) to JD 300 dinars (approximately USD 422). The Anti Human Trafficking Law (2009) prohibits all forms of trafficking, including child trafficking, and prescribes penalties for offenders. Additionally, the use of minors for the purpose of drug trafficking is prohibited by the Law on Narcotic Drugs and Psychotropic Substances No. (11) (1988). Similarly, the Juveniles Behaviour Surveillance Act No. (37) (2006) prohibits the exploitation of any juvenile for begging purposes.

Jordan endorsed a bilateral agreement with the International Program on the Elimination of Child Labour (IPEC) leading to the establishment of a Child Labour Unit (CLU). A National Framework on Child Labour was approved by the Council of Ministers in August 2011, the implementation of which has included several projects including the ILO-IPEC programme, 'Moving towards a child labour free Jordan', launched in 2012.

Evidence of implementation effectiveness: The Committee of Experts has noted the findings of a 2006 ILO-IPEC rapid assessment study that enforcement of the provisions of the Labour Law related to the illegal employment of children remains weak. In this regard the Committee notes that failure of labour inspectors to adequately address child labour issues, as suggested by the findings of the aforementioned study that, while 1,459 working children were detected through labour inspections, in only 81 of these cases were fines applied.

Coverage of workers in law: N/A

Coverage of workers in practice: According to the Department of Statistics, the Child Labour Rate (age 5-17) was 1.86% in 2007 and the Hazardous Child Labour rate for the same year was 0.744%.

Ratification of ILO Conventions: The Minimum Age Convention, 1973 (No. 138); ratified in 1997. The Worst Forms of Child Labour Convention, 1999 (No. 128); ratified in 2000.

Sources:

1. National legislation, http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=JOR
7. CEACR 2012, Direct Request on the Minimum Age Convention, 1973 (No. 138) http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:3077160
8. CEACR 2010, Observation on the Minimum Age Convention, 1973 (No. 138), http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:2324755

In addition to the development of the legal framework to eliminate child labour, Jordan has taken substantial steps to strengthen its policy responses in this area, in coordination with ILO's International Programme on the Elimination of Child Labour (IPEC). Indeed, the development of 'an enabling environment for the elimination of residual child labour' constitutes one of eight objectives identified in the Jordan Decent Work Country Programme 2012-2015. In 2011 the Council of Ministers approved the National Framework on Child Labour (NFCL), the main mechanism of which at the implementation level is the ILO 'Moving Toward a Child Labour Free Jordan' (2011-2014) project.⁹⁶ Building on the previously implemented 'Country Programme on the Elimination of Child Labour in Jordan' (2002-2007), this project aims to create an enabling environment for a child labour free

⁹⁶ ILO. 'Launch of ILO-IPEC Project "Moving Towards a Child Labour Free Jordan"'

Jordan through a range of activities, including the establishment of a child labour monitoring system, awareness raising, the provision of assistance to the relevant authorities to handle cases of child labour, and the development of a supportive network to assist child labourers and their families.

A particular focus of the project is on building the capacity of the Ministry of Labour's Child Labour Unit (CLU), including labour inspectors, to coordinate and develop actions to combat child labour at national and community levels. Such capacity-building actions taken by the Government to enhance the effectiveness of labour inspections would appear to be particularly timely in light of Jordan's poor record of law enforcement with regards to violations of the Labour Law concerning child labour. In this regard, the ILO's Committee of Experts on the Application of Conventions and Recommendations (CEACR) noted (2012) that while 1,459 working children were detected through labour inspections, in only 81 of these cases were fines applied. In light of these findings, the Committee of Experts identified the fact that labour inspectors often handle child labour cases informally rather than issuing citations and fines as a key enforcement problem.⁹⁷

With regards to forced labour, institutional developments have involved the creation of the National Committee for Combating Trafficking in Human Beings (NCT) in 2009, under the chairmanship of the Minister of Justice. The NCT launched a National Strategy and Action Plan to Combat Human Trafficking for 2010-2012, which includes building the capacity of the judiciary and public prosecutors to ensure enforcement of the anti-trafficking law.⁹⁸ A key element of the Jordan Decent Work Country Programme 2012-2015 involves the establishment and capacity building of the Anti-Trafficking Unit, under the joint mandate of the Ministry of Labour, the Ministry of Interior and the Directorate of Public Security. It is anticipated that the role of the Unit will be to conduct investigations, refer cases for prosecution and provide comprehensive reports on human trafficking to the competent authorities.⁹⁹

In addition, steps have been taken to build the capacity of law enforcement officials in targeting forced labour. This has involved the delivery of training programmes by international organisations including the ILO, the American Bar Association (ABA) and the International Organisation for Migration (IOM) for labour inspectors, police officers, judges, lawyers and prosecutors on how to respond to cases of forced labour and trafficking. With regards to domestic workers specifically, the Committee of Experts noted the development in 2011 of an inspection strategy for the labour inspection of the employers of domestic workers, including migrant domestic workers. The Government has additionally implemented campaigns to promote awareness among female workers of their rights, and has taken steps to increase protection of migrant workers regarding the *kafala* sponsorship system.¹⁰⁰

⁹⁷ http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:3077160

⁹⁸ *Tricked and Trapped, Human Trafficking in the Middle East*, ILO, 2013: 108

⁹⁹ Jordan Decent Work Country Programme 2012-2015

¹⁰⁰ http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:3076025. *Under the Kafala system, employers are kafeels (sponsors), who determine their demand for labour and meet it either by direct recruitment or through intermediaries, such as private employment agencies (PEAs).*

Legal Framework Indicator 9: Forced Labour

Law, policy or institutions: The Jordanian Constitution (1952) and its amendments (article 13) prohibits compulsory labour. The Labour Law No. (8) (1996) and its amendments does not overtly tackle forced Labour, but does identify related offences, including employment of non-Jordanian workers without a work permit, violation of wage provisions and employment of workers against their will.

Since 2008, domestic workers have been included in the national Labour Law, and from 2009 they have been covered by the Domestic Workers, Cooks and Gardeners Regulation (No. 90), which extended their legal protection through a number of provisions as outlined in other indicators. As a result of the 2011 amendment to the Regulation, Domestic Workers, Cooks and Gardeners are no longer prohibited from leaving the house without the permission of the house owner (a requirement that the Committee of Experts previously noted may increase the workers vulnerability and lead to the imposition of forced labour), and are now required only to inform the owner before leaving the house. Other measures taken by the Government to strengthen protection of domestic workers include the formulation of an inspection plan for households, awareness-raising amongst domestic workers regarding their rights, as well as other preventative initiatives such as actions relating to improving the sponsorship system.

According to the Constitution, compulsory labour shall not be imposed on any person, but pursuant to law, work or service may be imposed on any person only under certain circumstances, amongst others, as a result of the conviction by a court, provided that the work is performed under the supervision of an official authority, and that the convicted is not hired to any persons, companies, societies or any public body, or is placed at their disposal.

The Penal Code No. (16) (1960) (the "Penal Code") includes several provisions that criminalize offences related to human trafficking. The Anti Human Trafficking Law No. (9) (2009) (the "Human Trafficking Law"), prohibits all forms of trafficking, punishable by a prison term of up to ten years, as well as a fine of between JD 1,000 to JD 20,000 (with larger punishments for juridical persons).

Act No. 9 (2004) on Reformatory and Rehabilitation Centres (the "Reformatory and Rehabilitation Centres Act") states that prisoners have no obligation to work if they are not sentenced to hard labour and if the work is not carried out for rehabilitation purposes. The aforementioned act repealed the Prison Act of 1953, which provided that prisoners might carry out work for an officer or members of the army by authorization of the Minister of Defence. The Government has confirmed that prisoners sentenced to hard labour in reformatory and rehabilitation centres, as governed by the Reformatory and Rehabilitation Centres Act (2004), are subject to the Standard Minimum Rules for the Treatment of Prisoners, earn monthly wages, and are subject to maximum hours as stipulated in the Labour Law.

The Law on Slavery Eradication prohibits slavery, debt bondage and trafficking and provides for penalties for violations of such prohibitions. A final piece of relevant legislation is the Regulation No. (30) for 2012 governing home shelters for victims and those affected by human trafficking crimes.

Evidence of implementation effectiveness: Under the 2009 anti-trafficking law, the National Committee for Combating Trafficking in Human Beings (NCT) was established in 2009, under the chairmanship of the Minister of Justice. The NCT launched a National Strategy and Action Plan to Combat Human Trafficking for 2010-2012, which includes building the capacity of the judiciary and public prosecutors to ensure enforcement of the anti-trafficking law.

Several capacity-building training initiatives have been organized by international organizations including the ILO, the American Bar Association (ABA) and IOM for labour inspectors, police officers, judges, lawyers and prosecutors on how to identify and respond to cases of forced labour and

trafficking. Interdepartmental cooperation in the field of anti-trafficking law enforcement has been pursued through the establishment of a Human Trafficking Office within the Public Security Directorate's Criminal Investigation Unit, which monitors hotels, restaurants, bars and nightclubs.

Ratification of ILO Conventions: The Forced Labour Convention, 1930 (No. 29); ratified in 1964. The Abolition of Forced Labour Convention, 1957 (No. 105); ratified in 1958. The Palermo Protocol; ratified in 2009.

Sources:

1. National legislation,
http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=JOR
2. Jordan Decent Work Country Programme 2012-2015
3. *Tricked and Trapped, Human Trafficking in the Middle East*, ILO, 2013
4. CEACR 2012, Direct Request on the Forced Labour Convention, 1930 (No. 29),
http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:3076025
5. CEACR 2012, Direct Request on the Abolition of Forced Labour Convention, 1957 (No. 105),
http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:3076065

Statistical information regarding the prevalence of child labour in Jordan is limited to a 2007 Child Labour Survey undertaken by the Jordanian Department of Statistics (DoS)¹⁰¹ and a 2006 rapid assessment of child labour, both undertaken in coordination with ILO-IPEC.¹⁰² Therefore, it is not possible to assess child labour trends over time, nor the impact of the Government's various child labour policy initiatives outlined above. This indicates the need for improved and more frequent data regarding child labour, in order that policy interventions can be based on clear diagnoses and a solid foundation of evidence. The 2007 survey found that child employment rate in Jordan was fairly low, accounting for 1.86% of the total child population and constituting a total number of 33,190 (see table 6.1). Boys were far more likely to be employed than girls, constituting 90% of children in employment.¹⁰³ Given the fact that, compared to other developing countries, child labour is a relatively small problem, the proactivity of the Jordanian government on the issue is perhaps explainable by the availability of international funding earmarked for projects to address child labour.¹⁰⁴ It is not clear from the survey report whether the survey was restricted to Jordanians only. However, there is a perception amongst development agencies that child labour amongst Syrian refugees is a growing problem, especially in the agricultural and urban informal sectors.¹⁰⁵

¹⁰¹The 2007 Child Labour Survey forms the basis of the DoS/ILO-IPEC report, Working Children in the Hashemite Kingdom of Jordan, 2009

¹⁰² Saif, I., Rapid Assessment of the Worst form of Child Labour in Jordan: Survey Analysis, 2006

¹⁰³ The survey further found that nearly two-thirds (62.7%) of employed children were wage earners in 2007, and nearly one-third (32.4%) were unpaid family workers. Whereas boys were most likely to be employed as wage earners (66.6%), girls were most likely to be unpaid family workers (66.8%). The study found that children's earnings accounted for approximately one-quarter of the total household income.

¹⁰⁴ For example, the project 'Moving towards a Child Labour Free Jordan' 2012-2014 is funded by the United States Department of Labor (USDOL)

¹⁰⁵ Meeting with ILO officials, 19.08.13

Table 6.1 Prevalence of Children in Employment¹⁰⁶

	Age 5-17		Age 5-11		Age 12-14		Age 15-17	
	Boys	Girls	Boys	Girls	Boys	Girls	Boys	Girls
Child population	929,116	856,479	514,872	477,519	214,105	198,836	200,139	180,125
In employment (n)	29,585	3,605	2,307	1,017	6,842	1,137	20,435	1,452
In employment (%)	3.18	0.42	0.45	0.21	3.2	0.57	10.2	0.81

However, although child employment is fairly uncommon, the vast majority of children that do work (88.1%) are simultaneously classified as child labourers, as defined by ILO Convention No. 138. Accordingly, in 2007 child labourers numbered 29,225 and accounted for 1.6% of all children aged 5-17. Reflective of boys' higher employment rates in comparison to girls, the former accounted for 90.7% of child labourers in 2007. In 2007 boys' child labour rate was 2.9% in contrast to girls' rate of 0.3%. The majority (83.4% in 2007) of child labourers fall into that category due to working conditions, including working hours. Employed children worked on average 38.6 hours in 2007, with boys on average working double the time of girls (40.6 hours compared with the average girls' rate of 22 hours).¹⁰⁷

The remaining minority of employed children classified as child labourers in 2007 (26.6%) were categorised as such due to their employment in hazardous sectors. In 2007 the hazardous child labour rate, which is a subset of the worst forms of child labour, was reported as 0.7%. The previously mentioned 2006 child labour Rapid Assessment study found that the most common hazards to which the sampled children were subjected were: exposure to heavy shaking and noise, carrying of heavy objects, prolonged standing up, exposure to dangerous chemicals and verbal abuse.¹⁰⁸ In 2007 the most common sectors of economic activity of child labourers were agriculture and fishing (25.6%), manufacturing (15.9%) and wholesale/retail trade (37.1%). Disaggregation of sectors of economic activity by sex is not available for child labourers. However, regarding employed children in general, the information for 2007 shows that boys were most likely to be employed in wholesale and retail trade (36.31%), followed by agriculture and fishing (27.53%). In contrast, 77% of girls were employed in agriculture and fishing, and just 11% in wholesale and retail trade. In 2007 the majority (65.5%) of child labourers were employed as wage earners, while 29.8% were employed as unpaid family workers. Regarding urban/rural differentiation, the 2007 study reported no difference between the child employment nor child labour rates in urban and rural areas.

Education is compulsory for 10 years, between the ages of 6-15, and is provided free of charge. Education enrolment rates are high, with 97.7% of children aged 6-15 enrolled in school during 2011/12, and 78 % of children enrolled in education beyond compulsory schooling. Girls' enrolment rates are higher than boys, with 98.4% of girls aged 6-15 and 83.6% of girls aged 16-17 enrolled in school, in comparison to 97.1% of boys aged 6-15 and 77.3% of boys aged 16-17. However, the enrolment rates of children in employment are significantly lower than for those not in employment,

¹⁰⁶ DoS/ILO-IPEC report, Working Children in the Hashemite Kingdom of Jordan, 2009

¹⁰⁷ However, a further finding of 2007 Child Labour Survey was that girls on average spent 3.5 more hours per week on unpaid household services than boys.

¹⁰⁸ Saif, I., Rapid Assessment of the Worst form of Child Labour in Jordan: Survey Analysis, 2006: 5-6

especially for children beyond the age of compulsory education. Whereas enrolment rates for boys aged 16-17 and not in employment was 88.7% in 2007, for employed boys the employment rate fell to 23.2%. For girls of this age and for the same year, the enrolment rates were 85.8% and 30% respectively. These figures indicate an inability for children to combine work with education, which is unsurprising giving the aforementioned long hours typically associated with child labour in Jordan and elsewhere.

Table 6.2 Work that should be abolished

Decent Work Indicator	2007
Decent Work Indicator	2007
Child Labour Rate (ages 5-17) (%) ¹⁰⁹	
<i>Male</i>	2.85
<i>Female</i>	0.32
Total	1.6
Hazardous Child Labour Rate (ages 5-17) (%) ¹¹⁰	
Total	0.74

Summary Assessment

In summary, the Jordanian Government has in recent years demonstrated a willingness to seriously address child and forced labour. To this end, in coordination with the ILO, the Government has initiated a range of activities to strengthen its legal and policy framework to combat child labour, human trafficking, and other forms of forced labour. While these initiatives are promising, such as the National Framework on Child Labour and the establishment of an Anti-Trafficking Unit, it is as yet too early to assess their impact on forced and child labour rates. While child labour rates are relatively low, the majority of children in employment undertake forms of work which violate the international labour standards. Furthermore, it is not clear whether child and forced labour rates are increasing or decreasing. A related point is that there is a need for more frequent quality data in this area; currently there is limited means to evaluate the success of the various policy frameworks designed to contribute to Decent Work in this area which have been put in place. Overall it seems likely that meaningful progress on this dimension of Decent Work will depend both the capacity and commitment of the Government to develop a clearer body of evidence relating to this dimension and to implement the relevant legislation and policies which it has recently developed.

¹⁰⁹ Based on the following national definition of child labour: the employment of children under the age of 16; the employment of children aged 16 and 17 year olds in excess of six hours per day and/or in occupations deemed 'hazardous' as defined by the Ministerial Order of 2011 Concerning Occupations that are Dangerous or Tiring or Harmful to the Health of Youth. Source: DOS - Child Labour Survey - 2007

¹¹⁰ Based on the following national definition of hazardous child labour: the employment of children under the age of 18 in occupations deemed 'hazardous' as defined by the Ministerial Order of 2011 Concerning Occupations that are Dangerous or Tiring or Harmful to the Health of Youth. Source: DOS - Child Labour Survey - 2007.

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7 Stability and security of work

The extent to which workers enjoy job stability and security in employment is an important element of the Decent Work Agenda. Stability and security involves employment which is characterised by a degree of relative permanence and predictability of employment tenure. A key measure of stability and security is the rate of 'precarious' work (expressed as a share of total employment). While the definition of precarious work is contested and context-specific, the concept is considered by the ILO to involve two key characteristics.¹¹¹ The first relates to contractual arrangements: precarious work is characterised by employment contracts which do not guarantee employment beyond the short term and thus encompasses workers employed under casual, seasonal and short-term contracts. Precarious work also involves ambiguous or disguised employer arrangements, including agency or subcontracting contracts. The second key element of precarious work relates to insecure conditions which arise from such contractual arrangements. These frequently involve low wages, vulnerability to termination of employment at short notice, lack of access to social protection, and limited or lack of workers' rights including unionisation and collective bargaining.¹¹²

Precarious employment can have wide-ranging impacts on both workers and society. Workers in precarious employment are typically more vulnerable (than regular workers) to occupational health and safety issues, owing to the fact that such workers are commonly employed in manual work, and also face obstacles in achieving an acceptable work-life balance. Women and migrant workers are often disproportionately affected by precarious employment since they are commonly overrepresented in traditionally precarious sectors such as domestic work, homework, food processing, electronics industries and the garment sector.¹¹³ From a collective perspective, societies with high levels of precarious employment have been found to be characterised by low levels of social cohesion as such conditions foster frustrations and resentment which can harden into societal fault-lines and political instability.¹¹⁴

The criteria used for precarious employment is fluid across national contexts. In Jordan, the precarious employment rate (PER) is deemed to be synonymous with the informal employment rate. That is to say, the PER as reported by the Department of Statistics (DoS) is defined as the proportion of three categories of workers as a share of total employment population: 1) unregulated private sector employees (i.e. paid employees in the private sector working without a written contract); 2) own-account workers; and 3) unpaid workers (including family contributors and other unpaid workers). Similarly, although DoS does not have a measurement of the informal economy, the Ministry of Planning and International Cooperation (MoPIC) in collaboration with UNDP, identifies the informal economy in Jordan as constituting these same three groups of workers.¹¹⁵ However,

¹¹¹ILO (2011) 'Policies and Regulations to Combat Precarious Employment'. Available at:

http://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---actrav/documents/meetingdocument/wcms_164286.pdf

¹¹² ibid

¹¹³ ibid

¹¹⁴ ibid

¹¹⁵UNDP/MoPIC (2012), 'The Informal Sector in the Jordanian Economy'. Available at: <http://www.mop.gov.jo/uploads/Final%20Informal%20report%20for%20website.pdf>.

under most definitions of precarious employment, it is not clear that the latter and informal employment fully overlap. For example, as discussed below, precarious employment can also include types of formal employment that lack permanency.

Time-series analysis of precarious employment is complicated by the fact that unregulated private sector employees were first included in the PER data in 2010, thus limiting the extent to which it is possible to identify trends over time. However, in general terms, the statistics suggest that the proportion of workers in precarious employment has remained relatively stable over the last decade (see table 1; a more detailed breakdown of each category of workers included in the PER is provided in chapter 2). During 2002 and 2009 the PER fell by 1 percentage point from 10.8% to 9.7%. In 2010 - when unregulated private sector employees were included in the statistic – the PER stood at 15.5%, decreasing slightly to 14.7% in 2012. Research suggests this type of employment is most common among skilled agricultural workers, craft workers, and machine operators.¹¹⁶

Men are far more likely than women to experience precarious employment: in 2002 the PER for males was 11.7% compared with 5.7% for females, while in 2012 the male rate was 17.1% compared with a female rate of 2.9%. Two key factors explain the contrast in the PERs between men and women. First, although the causes are unclear, there has been a substantial decrease in the share of women employed as own-account workers, contributing family workers and unpaid workers over the past decade (as discussed in chapter 2).¹¹⁷ Second, it is apparent that unregulated private sector employees are overwhelmingly male,¹¹⁸ since the inclusion of this group of workers in the statistic in 2010 resulted in a major increase in the male PER rate (from 11% in 2009 to 17.9% in 2010) but had only a negligible impact upon women (whose PER increased from 3.1% in 2009 to 3.6% in 2010). This is confirmed by the 2010 Jordan Labour Market Panel Survey (JMPLS) which found that 28% of male workers were informal workers in the private sector, compared with 17% of women.¹¹⁹

Table 7.1 Precarious Employment Rate

Decent Work Indicator	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Precarious Employment Rate (%) ¹²⁰											
Male	11.7	10.6	11.7	11.2	10.5	9.4	10.1	11	17.9	17	17.1
Female	5.7	4.4	4.2	4.1	3.8	3.4	2.9	3.1	3.6	3.4	2.9
Total	10.8	9.7	10.7	10.3	9.6	8.5	9	9.7	15.5	14.7	14.7

¹¹⁶UNDP/MoPIC (2012), 'The Informal Sector in the Jordanian Economy'. Available at: <http://www.mop.gov.jo/uploads/Final%20Informal%20report%20for%20website.pdf>.

¹¹⁷ As Table 7.1 shows, whereas in 2002 own-account workers, unpaid contributing family workers and other unpaid workers constituted 4%, 1% and 0.7% respectively of total female employment, in 2012 they constituted only 2%, 0.3% and 0.2% respectively (Source: DoS - Employment & Unemployment Survey 2002-2012).

¹¹⁸ This is not surprising given the fact that men constitute the vast majority of employment in the private sector overall.

¹¹⁹UNDP/MoPIC (2012), 'The Informal Sector in the Jordanian Economy'. Available at: <http://www.mop.gov.jo/uploads/Final%20Informal%20report%20for%20website.pdf>.

¹²⁰ Notes: The Precarious Employment Rate between for the years 2002-2009 is the share of own-account workers, unpaid contributing family workers, and other unpaid workers as a share of the total employed population. From 2010, unregulated private sector employees have additionally been included in the PER, which explains the sharp increase in the rate between 2009 and 2010. However, the DoS does not possess data containing the share of unregulated private sector employees. Source: DoS Employment & Unemployment Survey 2002-2012

of which:												
Own-Account Workers												
<i>Male</i>	10.4	9.9	10.7	10.5	9.9	8.8	9.4	10.4	10.5	10.2	10.7	
<i>Female</i>	4	2.9	2.7	2.5	2.5	2.4	2	2.4	2.4	2.5	2	
Total	9.4	8.9	9.6	9.5	8.9	7.8	8.3	9.1	9.2	9	9.3	
Unpaid Contributing Family Workers												
<i>Male</i>	1	0.5	0.8	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.4	
<i>Female</i>	1	0.7	0.7	0.8	0.8	0.8	0.6	0.5	0.4	0.3	0.3	
Total	1	0.6	0.8	0.6	0.5	0.5	0.5	0.5	0.4	0.4	0.4	
Unpaid Workers												
<i>Male</i>	0.3	0.2	0.2	0.1	0.2	0.1	0.2	0.1	0.1	0.1	0.1	
<i>Female</i>	0.7	0.9	0.8	0.7	0.4	0.3	0.4	0.3	0.4	0.3	0.2	
Total	0.4	0.3	0.3	0.2	0.2	0.2	0.2	0.1	0.2	0.1	0.1	
Unregulated private sector workers												
<i>Male</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-	-	-	
<i>Female</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-	-	-	
Total	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-	-	-	

It is important to note that the aforementioned data concerning precarious employment as reported by the DoS contrast sharply with other studies. Of particular note, the previously mentioned 2010 labour market survey (JLMPS), on which several studies have subsequently been based,¹²¹ found a far higher prevalence of the three categories of workers considered by DoS to constitute the PER (paid employees in formal and informal enterprises in the private sector working without a contract, those working for their private account, those working without pay). Indeed, according to this report, these three groups of workers (constituting the informal labour sector) accounted for 44% of the labour force in 2010 (as opposed to 15.5% as estimated by the DoS). Further, the survey found that informal workers accounted for 55% of the private sector, 48% of employed males and 27% of employed females.¹²² The enormous difference between this set of findings and that of DoS is not

¹²¹UNDP/MoPIC (2012), 'The Informal Sector in the Jordanian Economy'. Available at:

<http://www.mop.gov.jo/uploads/Final%20Informal%20report%20for%20website.pdf>.

UNDP/MoPIC (2013), 'The Panoramic Study of the Informal Sector in Jordan'. Available at:

http://www.undp.org/content/jordan/en/home/library/democratic_governance/The_Panoramic_Study_Of_The_Informal_Economy_In_Jordan/

RaguiAssaad (2012), 'The Structure and Evolution of Employment in Jordan', *Economic Research Forum*, Working Paper No. 674. Available at: <http://www.erf.org.eg/CMS/uploads/pdf/674.pdf>

¹²²The study further found very low levels of education amongst the informally employed, with an estimated 72% of such workers holding only a basic education or lower. (Panoramic)

clear given that both the JLMPS and the DOS Employment and Unemployment Survey (EUS) use the same methodologies (e.g. both are household surveys).¹²³

Despite the challenge of achieving definitive analysis of either precarious employment or of the informal sector due to the competing findings of various information sources, it is worthwhile assessing in greater depth the three aforementioned categories of workers which in Jordan are considered to constitute both of these indicators.

Workers in informal employment (i.e. unregulated private sector employees) often lack many of the key protections available to other workers, and thus face particular deficits to their achievement of 'decent work'. Such deficits include (comparably) weaker stability of employment and little or no access to social security. According to the 2010 JLMPS, informal workers also earn substantially lower wages than other categories of workers. In 2010 average wages for such workers were JD 269 (USD 379), compared with JD 388 (USD 546) (wage earners in the formal private sector) and JD315 (USD444) (wage earners in the public sector).¹²⁴ The data also shows that informal workers also enjoy less annual (paid) leave than formal workers: whereas 44% of all private sector workers had no leave in 2010, among paid informal workers the figure was 77%.¹²⁵ The 2010 JLMPS found unregulated private sector employees constitute some 26% of the workforce (a far larger proportion than estimated by DoS, as shown by Table 7.1).

¹²³According to Assaad (2012), the JLMPS holds several advantages over the EUS, including the incorporation of a number of retrospective questions that enables the reconstruction of entire employment trajectories rather than simply to obtain a snapshot of a single point in time. The survey additionally identifies informal employment in its various guises, including wage and salary employment without contracts or social insurance and self-employment and unpaid family employment. It also offers a more detailed view of employment conditions including paid and unpaid leaves, the presence of health insurance, hours of work, and the type and size of economic unit in which the worker is employed.

¹²⁴UNDP/MoPIC (2012), 'The Informal Sector in the Jordanian Economy'. Available at: <http://www.mop.gov.jo/uploads/Final%20Informal%20report%20for%20website.pdf>.

¹²⁵ ibid

Table 7.2 Size of the Informal Economy¹²⁶

The Size of the Informal Economy				
Year	GDPI (JD millions)	GDP (JD millions)	GDPI/GDP	GDPI Growth rate
2000	611.30	5998.62	10.19%	-6.6%
2001	656.29	6363.74	10.31%	7.4%
2002	688.45	6793.96	10.13%	4.9%
2003	629.88	7228.77	8.71%	-8.5%
2004	716.51	8090.67	8.86%	13.8%
2005	674.68	8925.36	7.56%	-5.8%
2006	862.24	10675.37	8.08%	27.8%
2007	1056.35	12131.40	8.71%	22.5%
2008	1546.14	15593.41	9.92%	46.4%
2009	1649.44	16912.21	9.75%	6.7%
2010	1890.00	18761.84	10.07%	14.6%

The 2010 JLMPS suggests that the informal economy is growing at a faster rate than the formal economy, in part due to reluctance on the part of private establishments to register as formal enterprises, thus pushing employees into informal enterprises.¹²⁷ A range of factors are reported to be driving the ‘informalisation’ of private sector establishments of all sizes (and preventing the ‘formalisation’ of these enterprises), including high government taxation of businesses and lack of government support and subsidy programmes available to businesses.¹²⁸ Such financial costs may be particularly prohibitive in the Jordanian context given the high proportion of businesses which are either micro or small, with 99% of businesses employing fewer than 20 employees.¹²⁹ Data from the 2010 JLMPS indicates that informal workers are concentrated in smaller businesses, constituting 92% of wage earner workers in firms which employ fewer than five workers, in comparison to 10% of employees in firms that employ 100 workers or more.¹³⁰ Part of the reason for the concentration of informal employment in small firms is that until recently employers of fewer than five employees have been exempt from registering for social security coverage.¹³¹ As noted earlier, informal paid employment is reportedly most widespread amongst skilled agricultural workers, craft workers, and machine operators, accounting for 92%, 68% and 64% of workers in these occupations respectively.¹³²

¹²⁶ Source: MOP Jordan

¹²⁷ *ibid*

¹²⁸ *ibid*

¹²⁹ DoS Establishments Census 2011

¹³⁰ UNDP/MoPIC (2012), ‘The Informal Sector in the Jordanian Economy’. Available at: <http://www.mop.gov.jo/uploads/Final%20Informal%20report%20for%20website.pdf>.

¹³¹ UNDP/MoPIC (2013), ‘The Panoramic Study of the Informal Sector in Jordan’. Available at: http://www.undp.org/content/jordan/en/home/library/democratic_governance/The_Panoramic_Study_Of_The_Informal_Economy_In_Jordan/

Note that the expansion of social security to compulsorily include firms employing fewer than five employees occurred in a phased process according to governorate, between 2008 and 2011.

¹³² UNDP/MoPIC (2012), ‘The Informal Sector in the Jordanian Economy’. Available at: <http://www.mop.gov.jo/uploads/Final%20Informal%20report%20for%20website.pdf>.

A positive development with regards to informal employees is the recent widening of the scope of workers whose employment is regulated under labour regulation and who are thus subject to employment protection mechanisms as stipulated in the Labour Law (see Legal Framework Indicator 10, 'Termination of employment'). Notably in this respect, in 2008 all agricultural workers, as well as domestic workers, ceased to be unregulated and were instead included in the Labour Law. Nevertheless, in the absence of data it is not clear the extent to which such legislative progress has impacted practice and led to improvements in the stability and security of such groups of workers.¹³³

With regards to the prevalence of unpaid contributing family and other unpaid workers, there has been clear progress, as discussed in chapter 2. Data from the DoS suggests that the proportion of unpaid contributing family workers and other unpaid workers was extremely low and declining over the last decade. In 2012 unpaid contributing family workers and other unpaid workers accounted for just 0.4% and 0.1% of the total employed population respectively. However, in light of the above discussion regarding the growth of informal private sector establishments, the decrease in the share of workers in unpaid employment may simply reflect a shift in the labour force from precarious unpaid employment to precarious paid employment (which may constitute *progress*, albeit tentative, towards decent work). It is also worth noting that the 2010 JLMPS found that unpaid workers constituted 1% of the working population in 2010 (accounting for 1% of working men and 3% of working women).

According to the DoS, the share of own-account (self-employed) workers of the total employed population has remained stable over the past decade, accounted for 9.3% of workers in 2012, the vast majority of which were men. The 2010 JLMPS found that this share of workers constituted 17% of workers in 2010 (19% of men and 7% of women).

¹³³ For example, in 2011 the ILO Committee of Experts noted that there were 1,882 complaints submitted to the Department on Domestic Workers (over an unstated period of time). Although it is not clear how many of these complaints related to job security, the Committee noted that some were concerned with the transfer of female domestic workers from one household to another without completing the necessary procedures (Source: CEACR 2011, Direct Request on the Discrimination (Employment and Occupation) Convention, 1958 (No. 111). http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:2699479)

Legal Framework Indicator 11: Termination of Employment

Law, policy or institutions: For the private sector, termination of employment is regulated by the Labour Law No. (8) (1996) and its amendments. Regarding public sector workers, the Civil Services Bylaw No. (30) (2007) is the relevant legislation.

Justification/prohibited grounds: According to the Labour Law, employment agreements shall be considered to have terminated in several circumstances. Article 28 of the Labour Law states that the employer may terminate the employment contract (whether for a limited or unlimited period) for a range of reasons related to the employee's misconduct (including failure to fulfil the obligations in the employment agreement, assuming false identity, disclosure of work secrets, working whilst under the influence of alcohol or drugs) without being obliged to give notice of dismissal. The Labour Law (article 29) also stipulates circumstances in which the employee is permitted to terminate the contract (including the employer's failure to comply with the Labour Law, having to undertake work hazardous to the employee's health, being employed in conditions necessitating a change of residence, getting downgraded from the agreed level of employment).

Prohibited grounds for dismissal under the Labour Law (article 27) are: pregnancy; maternity leave; filing a complaint against the employer; race; religion; trade union membership and activities; performing military or civil service; and lawfully taking leave (unless the employee was employed by any other employer during the leave).

Public sector employees are subject to the Civil Services Bylaw, which includes several provisions governing termination.

Procedure for individual dismissals: Notwithstanding circumstances (outlined above) whereby the employer is not obliged to provide notice of dismissal, the Labour Law states that if either employer or employee wishes to terminate an employment contract of indefinite duration he/she must provide written notice of one month. If notice is given by the employer, the employee is entitled to his/her remuneration for the notice period regardless of whether or not the employer releases him/her from the obligation to work during the notice. If the employee gives notice, and he/she leaves work before the end of the notice period, he/she is not entitled to any remuneration for the period of absence and shall compensate the employer by paying him/her the equivalent of his/her own remuneration for that period.

Despite the aforementioned, customarily and practically the Jordanian legal system provides extra protection for employees. This is expressed by the fact that for an employer to terminate an employment contract lawfully, he/she must refer to one of the events outlined in Article 28; however, for an employee to take the same action, he/she is not required to invoke such reference, so long as he/she provides the due notice.

Procedure for collective dismissals for economic reasons: The Labour Law (article 31) refers to reasons for which the employer may enact collective dismissal (economic or technical reasons that entail reducing the size of the workforce, the replacing of a production system with another, or stopping work completely) and states that authorisation must be obtained from the Minister of Labour. If an employer is forced to stop work temporarily for reasons beyond his control, employees are entitled to full pay for up to ten days and half pay for the remaining period up to a maximum of sixty days in any one year.

Severance pay and Redundancy payments: The payment differs depending on the nature of the contract, whether definite or indefinite. In the event the agreement is for an unlimited period, and the employee begins judicial proceedings within sixty days of his dismissal, and a competent court finds the dismissal arbitrary and in violation of the provisions of the Labour Law, the employer may be ordered to reinstate

the Employee or pay him/her damages. In addition, the employee is also entitled to compensation in lieu of notice and other entitlements stipulated for in the said law, provided that the total amount awarded is equivalent to a half month pay for each year of service, not less than the wage of two months, in addition to other benefits and dues. Prior to Amendment No. (26) of the Labour Law (2010), the employee was entitled to a compensation of between three months and six months wages.

Employees whose employment is terminated for any reason and who are working under a contract of an indefinite duration (and not covered by the Social Security Law) are entitled to end of service indemnity, calculated at the rate of one month's remuneration for every year of effective service (with provisions for employees paid by commission). In addition, at the end of his/her service, employees are entitled to receive allowances which he/she is entitled to under any schemes of savings, pension or other such funds in their establishment which he/she is covered by.

If a limited term employment contract is terminated before its expiry date by either the employer, or by the employee for any of the reasons outlined in Article 29, the employee is entitled to any remuneration payable to him/her throughout the remaining period (unless the termination of the contract is pursuant to Article 28). If a limited term employment contract is terminated by an employee for a reason that does not fall within Article 29, the employer may claim damages from the employee, limited to a maximum of the equivalent of half the employee's remuneration for every month remaining in the contract period.

Evidence of implementation effectiveness: No comments from ILO supervisory bodies.

Coverage of Employees in law: Employees subject to the Labour Law, employees subject to the Civil Services Bylaw.

Coverage of Employees in practice: N/A

Ratification of ILO Conventions: The Termination of Employment Convention, 1982 (No. 158); not ratified.

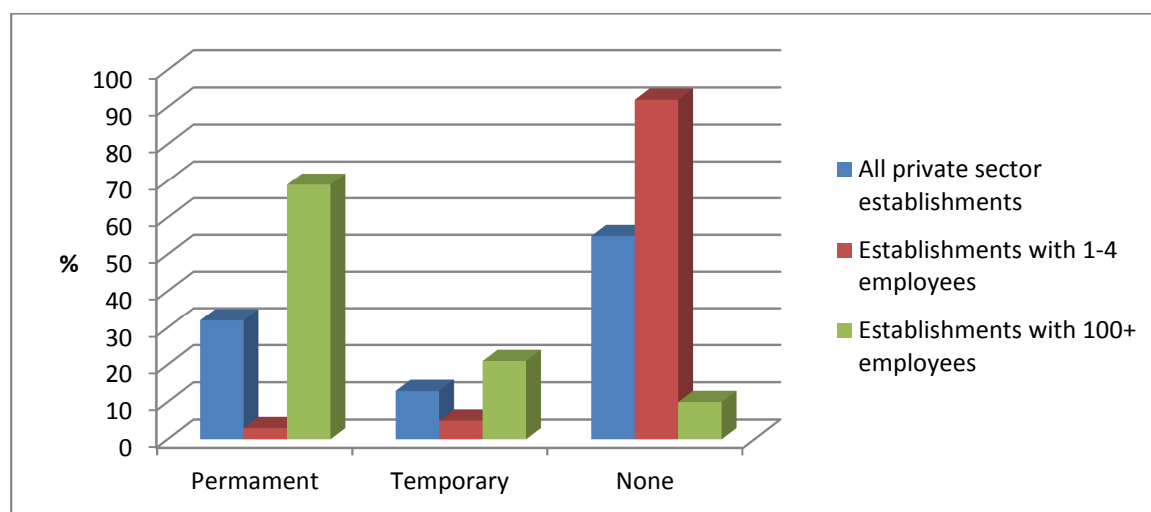
Sources:

National legislation,
http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=JOR

As has been discussed, a clear analysis of the precarious employment rate in Jordan is complicated by contrasting findings across different government departments. It is also the case that the DoS's definition of precarious employment does not include all categories of workers which may face precarious conditions such as those in regulated (e.g. formal) employment but subject to casual, seasonal and short-term contracts. Consequently, the PER may be underestimated. This is particularly relevant in light of reports that in recent years Jordan has witnessed an increase in the flexibility of formal employment through the use of temporary contracts. The 2010 JLMPS suggested that 32% of private sector employees had permanent contracts while 13% had temporary contracts (with the remaining 55% informally employed) (see figure 7.1). Employment under temporary contracts is substantially more precarious than under permanent contracts. For example, 24% of workers with temporary contracts in 2010 were deprived of any kind of leave, in contrast to 8% of

workers with permanent contracts.¹³⁴ Temporary contracts (as well as informal employment, as noted above) are far more common in smaller enterprises, with only 3% of employees in establishments that employ fewer than five workers having permanent contracts, while 5% have temporary contracts and 92% have no contracts. For establishments with 5-9 employees, 21% of workers have permanent contracts, 11% have temporary contracts and 68% have no contract. In contrast, for establishments with 100 or more employees, 69% of workers have permanent contracts, 21% have temporary contracts and 10% have no contract.¹³⁵ There are multiple dimensions in which employment under temporary employment is more precarious relative to permanent employment.

Figure 7.1 - Employment Contract Type (Private Sector)¹³⁶



With regards to the public sector, the 2010 JLMPS found that 97% of public sector employees had permanent contracts.¹³⁷ However, other data suggests that this overestimates the prevalence of permanent contracts in the public sector. For example, a study published in 2010 estimated that 23,000 public sector employees (equivalent to 7% of total public sector employees) were subject to either daily or casual contracts, of which 20% were women.¹³⁸ The report further highlights lack of stability and job security as a key difficulty facing such workers as employers have the authority to dismiss or transfer them to an alternative place of work without undergoing standard administrative procedures. In addition, the report noted that instability is caused by a lack of a fixed payment day, with the majority of surveyed workers having experienced delays in the payment of salaries by 10 days, with some employees experiencing significantly lengthier delays.

¹³⁴UNDP/MoPIC (2013), 'The Panoramic Study of the Informal Sector in Jordan'. Available at: http://www.undp.org/content/jordan/en/home/library/democratic_governance/The_Panoramic_Study_Of_The_Informal_Economy_In_Jordan/

¹³⁵ibid

¹³⁶ibid

¹³⁷ibid

¹³⁸Labor Watch, 'Day Labourers - Lack of Justice for Public Sector Day Labourers', Issue 3, April 2010, Amman. Available at: http://www.labor-watch.net/en/files/2010/files/2010/Day_laborers.pdf. According to the Jordanian Department of Statistics, there were 306,000 public sector employees in 2010. Source: DoS Employments in Establishments Survey, 2010, Table 1

Summary Assessment

The main challenge in analysing the precarious employment indicator is the presence of contrasting data which makes it very difficult to authoritatively assess the prevalence of precarious employment. In this respect, it may be useful for DoS to develop definitions of both informal employment and of precarious employment. Doing so would assist identifying the overlaps between the two indicators, but also the divergences: e.g. it may be beneficial to expand DoS's existing definition of precarious employment to include formally employed employees who work on temporary contracts.

Nevertheless, it is clear that informal employment - which serves as an imperfect proxy for precarious employment in Jordan - accounts for a sizeable and increasing portion of the labour workforce, in part due to the partly due to the high barriers to formalisation for enterprises and the resulting growth of informal private sector enterprises (and related job opportunities). Further, the vast majority of informally employed workers are in micro and small establishments, which partly reflects the fact that, until recently, establishments with fewer than five employees have been exempt from registering with social security (see chapter 10). While the recent policy that all firms must register with social security is designed to reduce the number of employees in informal and precarious employment, it is not yet clear how successful such a strategy can be in the absence of steps taken to alleviate the financial and administrative burdens which the process of formally registering their company places on establishments.

In addition to the informally employed, precarious employment conditions are faced by formally employed private sector employees who are on temporary contracts, which constitute a sizeable portion of formal private sector employment. Like the informally employed, temporary formal workers are concentrated in micro and small establishments and are less likely to have less access to various forms of non-wage benefits such as annual and sick leaves. However, despite this reality, temporary workers in the formal sector are currently excluded from national definitions of precarious employment. Therefore, there is a real need to develop a more accurate measure of precarious employment which, rather than equating precarious employment with informal employment, recognises how precarious employment is also located in the formal sector, particularly casual employment.

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UNDP/MoPIC (2013), 'The Panoramic Study of the Informal Sector in Jordan'. Available at: http://www.undp.org/content/jordan/en/home/library/democratic_governance/The_Panoramic_Study_Of_The_Informal_Economy_In_Jordan/

8 Equal opportunity and treatment in employment

The provision of equal opportunity and treatment in employment is a key element of both the Decent Work Agenda and the Millennium Development Goals (MDGs). Jordan has ratified the relevant international labour conventions, namely the Equal Remuneration Convention, 1951 (No.100), ratified in 1966, and the Discrimination (Employment and Occupation) Convention, 1958 (No. 111), ratified in 1963. In addition, the Jordanian Constitution identifies all Jordanians as equal before the law. However, the Constitution does not apply to migrant workers, thus excluding a large share of the work force. In addition, the Labour Law does not include specific provisions regarding effective equal opportunity and treatment in employment. Therefore, beyond broad commitments to non-discrimination, the legal framework does not guarantee effective implementation of Convention No. 111 (See Legal Indicator 11 'Equal Opportunity and Treatment'). However, progress has been made with regards to the expansion of coverage of the Labour Law, as noted in other chapters, with the inclusion of domestic and agricultural workers under the Law as of 2008.

While legislative protection against discrimination remains incomplete, promising policy developments have been made to address this deficit, particularly with regards to gender equality. For example, the National Agenda 2006-2015 states the intention to 'ensure equality and remove all forms of discrimination against women in Jordanian laws and legislation'.¹³⁹ In addition, the national Executive Development Program (EDP) 2011-2013 and the National Employment Strategy 2011-2020 both detail specific targets for increasing women's empowerment through enhanced economic participation.¹⁴⁰ Despite these promising policy initiatives, however, the implementation of such policies has been less dynamic, as reflected by the most recent National Millennium Development Goal Report (2010), which noted the need for 'increased political will and social changes' if Jordan is to meet MDG3 - Promote Gender Equality and Empower Women.¹⁴¹

Women remain substantially underrepresented in the labour market, with their share of employment in nine standard occupation groupings having increased only modestly over the past ten years: from 24.6 % in 2002 to 26.1 % in 2011.¹⁴² As noted in chapter 2, the female

¹³⁹ Jordan National Agenda 2006-2015

¹⁴⁰ Executive Development Program (EDP) 2011-2013; National Employment Strategy 2011-2020

¹⁴¹ MoPIC/UNDP (2010) 'Keeping the Promise and Achieving Aspirations', Second National Millennium Development Goals Report, Jordan.

¹⁴² Department of Statistics Employment Surveys, Table 4. Available at http://www.dos.gov.jo/owa-user/owa/employment.emp_show_t4. Note that there are 10 standard occupation groupings according to the International Standard Classification of Occupations. However, the Jordan Department of Statistics use nine classification, omitting the category 'armed forces'.

employment to population ratio (e.g. the share of working age women in employment is very low, standing at 11.3% in 2012). Likewise, the female labour force participation rate (e.g. the number of working age women who are employed or unemployed) is modest (14.1% in 2012, representing an increase of just 2 percentage points over the past decade) and is below the MENA average.¹⁴³ Moreover, female economic participation has slightly decreased in recent years, in spite of government targets (detailed in the National Employment Strategy) to increase it during the same period and associated strategies (such as increasing women's participation in vocational training programmes¹⁴⁴ (see below) and other reforms such as the introduction of maternity leave benefit in 2011).

In part, the low economic participation of women reflects a fact common across the MENA region, namely that Jordan's investment in female human capital has not been accompanied by a similar commitment to their vocational development.¹⁴⁵ Thus, while women's enrolment has climbed above that of males in secondary and tertiary education, their participation rates in vocational education is far below that of males: in 2009/10, 65 females enrolled in vocational training for every 100 males (although on this issue progress has been made, with the female-to-male enrolment ratio increasing by 10 percentage points since 1994/5).¹⁴⁶ Further, women who do undertake vocational training face significant barriers to securing employment. A study undertaken in 2010 by the Vocational Training Authority found that only 19.3% of female students found employment following training courses, compared with 46% of male students, whilst 58.3% of female vocational graduates were unemployed, compared with only 13.6% of male graduates. In addition to these issues concerning vocational education, higher women labour force participation rates are challenged by cultural issues (e.g. perceptions that women's primary roles are related to family responsibilities) as well as employer discrimination against hiring women, as discussed elsewhere in the profile).

Employment of women in the private sector is particularly low, with women accounting for 20% of private sector employees in 2011, compared with 36% of employees in the public sector.¹⁴⁷ While the weighting of women towards the public sector likely has multiple causes, a probable factor is women's attraction to the public sector due to the perceived relative stability and security of public sector jobs¹⁴⁸, shorter working hours and more extensive benefits which it

¹⁴³ World Bank (2013), *Opening Doors Gender Equality and Development in the Middle East and North Africa*. Available at: <http://documents.worldbank.org/curated/en/2013/02/17235637/opening-doors-gender-equality-development-middle-east-north-africa>. According to the report, women's economic participation rate in Jordan is above only the Palestinian Territories, Iraq, Morocco, Saudi Arabia and Yemen.

¹⁴⁴ Meeting with Ministry of Labour official, 10.09.13

¹⁴⁵ World Bank 2013, *Opening Doors Gender Equality and Development in the Middle East and North Africa: 7*. Available at: <http://documents.worldbank.org/curated/en/2013/02/17235637/opening-doors-gender-equality-development-middle-east-north-africa>

¹⁴⁶¹⁴⁶ MoPIC/UNDP (2010) 'Keeping the Promise and Achieving Aspirations', Second National Millennium Development Goals Report, Jordan.

¹⁴⁷ Department of Statistics Employment Surveys, Table 4. Available at: http://www.dos.gov.jo/owa-user/owa/employment.emp_show_t4

¹⁴⁸ European Training Foundation (2009), 'Women and Work in Jordan: Case Study of Tourism and ICT Sectors' Working Paper. Available at: <http://www.silviacambie.com/wp-content/uploads/2010/01/womenwork-in-jordan.pdf>

offers in comparison to the private sector (such as enhanced maternity and other social security provisions – see Legal Framework indicator 7, ‘Maternity leave’ in chapter 5). This is reflected in the fact that unmarried women are more likely to enter the private sector than married women, with 72 % of unmarried women obtaining their first job in the private sector compared with 57 % of married women in 2010.¹⁴⁹ Research also points to a reluctance on the part of private employers to employ women. Evidence suggests that such reluctance has multiple causes, including women’s inability to undertake certain tasks, concern over women’s requests for days off concerning family matters, and their inability to work antisocial hours.¹⁵⁰ It is worth noting that the over-representation of women in the public sector has the effect of increasing unemployment since women are willing to wait longer to acquire a job in the public sector rather than seek employment in the private sector.

Legal Framework Indicator 12: Equal Opportunity and Employment

Law, policy or institutions: The Jordanian Constitution (1952) and its amendments prohibits any discrimination based on race, language or religion, and stipulates that ‘Jordanians shall be equal before the law’. It further guarantees all citizens to equal opportunities (article 6) and the right of all citizens to work (article 23). However, gender is not included as a prohibited ground for discrimination as outlined in article 6. Although a coalition of women’s rights activists lobbied the Royal Committee on Constitutional Review (established in 2011 by the King as part of a process of political reform) to recommend that ‘gender’ be included in article 6, the Committee excluded this proposal from its recommendations. On the other hand, the Jordanian National Charter provides that men and women are equal before the law.

The Labour Law No. (8) (1996) and its amendments states that the provisions of the law apply to ‘any person, male or female, who performs work in return for wages or who is attached to an employer, and under his order, including young persons, and persons who are under probation or training’. Employers must first prioritize Jordanian workers. (Article 12 of the Labour Law). The Labour Law also obligates employers to employ a certain number of disabled workers depending upon the number of employees in the enterprise. The Labour Law prohibits the employment of women during certain antisocial hours (although the hours in which women are prohibited to work were amended and reduced in 2010 - see Chapter 5 for more details).

The Civil Services Bylaw No. (30) (2007) guarantees equal opportunities based on merit with no discrimination on the basis of gender, race, religion or social status.

The Social Security Law No. (7) (2010) applies to all employees who are aged sixteen or above without any discrimination as to nationality or gender.

Evidence of implementation effectiveness: The aforementioned legislation falls short of effectively prohibiting discrimination on the grounds enumerated in Convention (No. 111). Accordingly the ILO’s Committee of Experts on the Application of Conventions of Recommendations (CEACR) recommended in 2011 that the Government takes steps to ensure that the legislative framework effectively prohibits all aspects of discrimination ‘in employment and occupation with respect to the grounds of race, colour, national extraction, religion, political opinion and social origin’. In addition, the Committee has urged the government to take action to address occupational segregation in the civil service, including taking measures to overcome the problem of women having an insufficient number of accumulated years of experience and knowledge to render them eligible for higher level posts.

¹⁴⁹ Quoted in National Employment Strategy 2011-2020: 54

¹⁵⁰ UNDP, Jordan Human Development Report 2011: 112-113

Coverage of workers in law: N/A

Coverage of workers in practice: N/A

Ratification of ILO Conventions: The Equal Remuneration Convention, 1951 (No. 100); ratified in 1966. The Discrimination (Employment and Occupation) Convention, 1958 (No. 111); ratified in 1963. Workers with Family Responsibilities Convention, 1981; not ratified. Convention Concerning Equality of Treatment of Nationals and Non-Nationals in Social Security, 1962 (No. 118); ratified in 1962.

Sources:

1. National legislation,
http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=JOR
2. The Arab Women Organization (2012), 'Substantive Equality and Non Discrimination in Jordan', Shadow Report , Submitted to CEDAW Committee at the 51st Session, February2012,
http://www2.ohchr.org/english/bodies/cedaw/docs/ngos/AWO-Mosawa_forthesession_Jordan_CEDAW51.pdf
3. CEACR 2011, Observation on the Discrimination (Employment and Occupation) Convention, 1958 (No. 111)
http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:2699478
4. CEACR 2011, Direct request on the Discrimination (Employment and Occupation) Convention, 1958 (No. 111)
http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:2699479

From Table 8.1 it can be observed that men continue to constitute the majority in all of the major occupational groups as categorized by Jordan's Department of Statistics (DoS). Moreover, occupational segregation by sex has not significantly changed over the past decade. 'Professionals' (such as teachers, scientists, computing professionals) constitutes the most popular occupation group for women, accounting for just over half of all employed women in 2011. In addition, women account for nearly half of the total number of professionals as of 2011, having increased their share of the employment category by five percentage points since 2002. The occupations in which women are least represented are 'Craft and Related Trade Workers', 'Elementary Occupations', and 'Service Workers, Shop and Market Sales Workers', in which women accounted for 4.7%, 10.1% and 10.9% respectively of total employees in 2011.

With regards to managerial and senior employment positions, women accounted for 22.8% of employees in the category 'Legislators, Senior Officials and Managers' (this employment group can be considered to approximate ISCO88 groups 11 and 12 combined). Although this means that more than three times as many men as women occupy what are often the highest paid (and usually most "prestigious") jobs, women are in fact only slightly underrepresented in this category since, as noted above, they account for just 24.6% of all workers across the 9 major occupational groupings. In addition, women's share of this employment group has gradually increased over recent years, as shown in Table 8.1. However, women are significantly

underrepresented amongst employers and entrepreneurs, with only 5.3%¹⁵¹ of businesses owned by women in contrast to a MENA-wide figure of approximately 15%.¹⁵²

Table 8.1 Equal opportunity and treatment in employment - Occupational segregation by sex

Decent Work Indicator						
	Occupational Segregation by Sex (2002-2011) ¹⁵³					
	Major Occupation Group	Year	Number of Workers		Total	Share of Employment by Sex (%)
M			F	M		F
Legislators, Senior Officials and Managers	2002	15368	1632	17000	90.4	9.6
	2003	18316	3378	21694	84.4	15.6
	2004	19309	5077	24386	79.2	20.8
	2005	20224	5374	25599	79.0	21.0
	2006	22259	5723	27982	79.5	20.5
	2007	19917	5703	25620	77.7	22.3
	2008	21987	6030	28018	78.5	21.5
	2009	24509	6917	31425	78.0	22.0
	2010	25656	7679	33335	77.0	23.0
	2011	28232	8347	36579	77.2	22.8
Professionals	2002	71009	52566	123575	57.5	42.5
	2003	81683	67338	149021	54.8	45.2
	2004	83346	73691	157036	53.1	46.9
	2005	86885	78515	165400	52.5	47.5
	2006	90600	80306	170906	53.0	47.0
	2007	95343	86256	181599	52.5	47.5
	2008	102834	97782	200616	51.3	48.7
	2009	110006	98865	208871	52.7	47.3
	2010	120558	107789	228348	52.8	47.2
	2011	128629	116345	244975	52.5	47.5
Technicians and Associate Professionals	2002	46315	32937	79252	58.4	41.6
	2003	52947	23007	75954	69.7	30.3

¹⁵¹ Ibid: 114

¹⁵² World Bank 2013, *Opening Doors Gender Equality and Development in the Middle East and North Africa*: 9. Available at: <http://documents.worldbank.org/curated/en/2013/02/17235637/opening-doors-gender-equality-development-middle-east-north-africa>

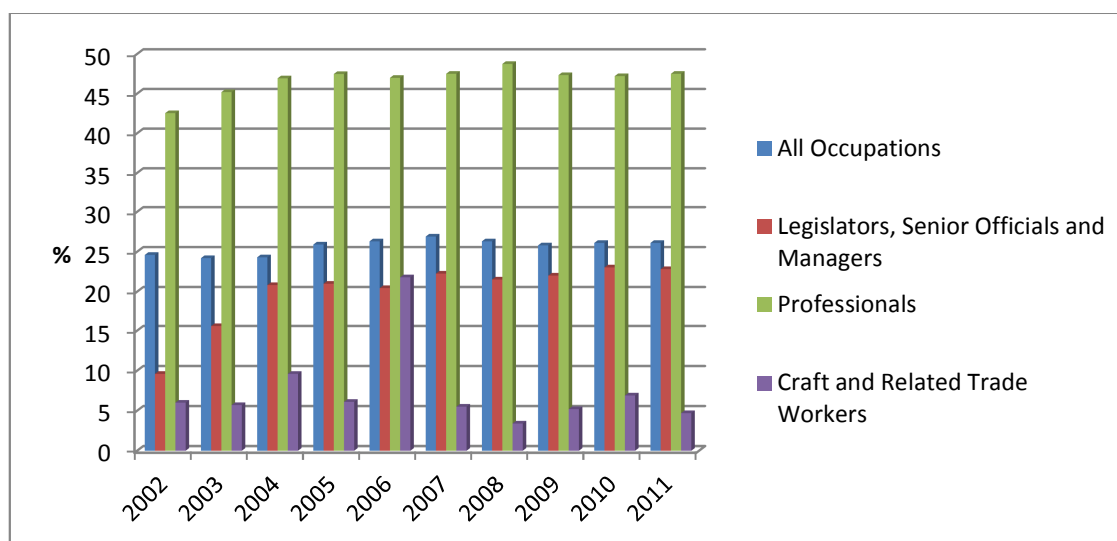
¹⁵³ Source: DOS Employment and Unemployment Survey 2002-2011 - Table 5.5 'Jordanian Employed Persons Age 15+ Years by Broad Age Groups, Sex, and Current Occupation'

Notes: ISCO88 group 11 refers to 'Legislators & Senior Officials' ISCO88 group 12 refers to 'Corporate Managers'. The DoS does not classify according to ISCO groups. However, as a proxy, DOS has a classification of 'Legislators, Senior Officials and Managers', which can be thought of as combining both ISCO88 groups 11 & 12.

	2004	56865	20838	77704	73.2	26.8
	2005	61730	26424	88154	70.0	30.0
	2006	64083	22774	86857	73.8	26.2
	2007	59622	27222	86843	68.7	31.3
	2008	61958	32034	93992	65.9	34.1
	2009	55856	28321	84177	66.4	33.6
	2010	54659	23323	77982	70.1	29.9
	2011	54994	27598	82593	66.6	33.4
Clerks	2002	46972	26694	73667	63.8	36.2
	2003	41855	26405	68260	61.3	38.7
	2004	48127	24636	72763	66.1	33.9
	2005	52169	26799	78968	66.1	33.9
	2006	46759	27461	74220	63.0	37.0
	2007	43307	25697	69004	62.8	37.2
	2008	47324	18834	66158	71.5	28.5
	2009	50625	23494	74119	68.3	31.7
	2010	54181	25674	79855	67.8	32.2
	2011	54549	24464	79013	69.0	31.0
Service Workers, shop and market sales workers	2002	53835	4630	58465	92.1	7.9
	2003	61694	8071	69765	88.4	11.6
	2004	61617	9313	70930	86.9	13.1
	2005	69637	14168	83805	83.1	16.9
	2006	67213	12973	80186	83.8	16.2
	2007	65806	10113	75919	86.7	13.3
	2008	67515	12021	79537	84.9	15.1
	2009	89070	14284	103354	86.2	13.8
	2010	88558	14401	102959	86.0	14.0
	2011	101453	12457	113910	89.1	10.9
Craft and Related Trade Workers	2002	64153	4112	68266	94.0	6.0
	2003	66997	4026	71024	94.3	5.7
	2004	65891	7010	72901	90.4	9.6
	2005	75978	4919	80897	93.9	6.1
	2006	80961	22528	103489	78.2	21.8
	2007	73818	4262	78080	94.5	5.5
	2008	80215	2821	83036	96.6	3.4
	2009	98344	5343	103688	94.8	5.2
	2010	100692	7477	108169	93.1	6.9
	2011	88681	4393	93075	95.3	4.7
Plant and Machine Operators and Assemblers	2002	52006	4255	56261	92.4	7.6
	2003	52328	6989	59318	88.2	11.8
	2004	67083	18019	85101	78.8	21.2

	2005	65909	19831	85740	76.9	23.1
	2006	58704	6848	65552	89.6	10.4
	2007	72622	19473	92095	78.9	21.1
	2008	73509	20867	94376	77.9	22.1
	2009	79728	20718	100445	79.4	20.6
	2010	81579	20596	102175	79.8	20.2
	2011	81592	19577	101169	80.6	19.4
Elementary Occupations	2002	81474	14419	95892	85.0	15.0
	2003	91087	10215	101302	89.9	10.1
	2004	132423	12592	145015	91.3	8.7
	2005	110282	13351	123634	89.2	10.8
	2006	105673	13214	118887	88.9	11.1
	2007	99914	16017	115931	86.2	13.8
	2008	112187	12167	124354	90.2	9.8
	2009	95795	11803	107598	89.0	11.0
	2010	93885	11589	105474	89.0	11.0
	2011	96457	10789	107246	89.9	10.1
Total	2002	431997	141246	573243	75.4	24.6
	2003	468037	149429	617466	75.8	24.2
	2004	534662	171176	705838	75.7	24.3
	2005	542814	189382	732196	74.1	25.9
	2006	536253	191825	728079	73.7	26.3
	2007	530349	194742	725091	73.1	26.9
	2008	567529	202557	770086	73.7	26.3
	2009	603932	209746	813678	74.2	25.8
	2010	619768	218529	838297	73.9	26.1
	2011	634588	223970	858558	73.9	26.1

Figure 8.1 - Female share of employment - selected occupations¹⁵⁴



A key dimension of equal opportunity concerns the gender wage gap, which is the shortfall of the monthly wages of female workers as expressed as a percentage of men's wages. As is clear from Table 8.2, the wage gap remains significant in Jordan, with women earning on average 11.7% less than men overall in 2011. Concerningly, the gender wage gap has not decreased from its 2002 rate of 11% (although progress has been made since 2005 when it increased to 15.4%). Moreover, the wage gap is prevalent throughout the labour market, with women in every major occupation group obtaining less pay than men, with the exception of the lowest paid workers (in which occupations, typically manual, women are anyway scarce). In four of the eight major occupation groups, women earn approximately one-third or less than men in equivalent jobs. As discussed in chapter 3, the wage gap is largest for 'Plant and Machine Operators' and 'Craft Workers' (where women earned just over half that of men in 2011), followed by 'Legislators, Senior Officials and Managers' (where they earned less than two-thirds that of men) and 'Professionals' (where they earned just over two-thirds of men's wages).

The wage gap is particularly pronounced in the private sector, in which it averaged at 19.5% for all occupations in 2011. Moreover, women in professional occupations in the private sector earned 42.3% less than men during that year.¹⁵⁵ Wage discrimination based on gender is even more evident when it is considered that women are on average better educated than men, especially with regards to public sector employees¹⁵⁶.

¹⁵⁴ Source: DOS Employment and Unemployment Survey 2002-2011 - Table 5.5 'Jordanian Employed Persons Age 15+ Years by Broad Age Groups, Sex, and Current Occupation'

¹⁵⁵ Department of Statistics Employment Surveys, Table 5. Available at: http://www.dos.gov.jo/owa-user/owa/employment.emp_show_t5

¹⁵⁶ Department of Statistics Employment Surveys, Table 4. Available at: http://www.dos.gov.jo/owa-user/owa/employment.emp_show_t4

Part of the reason for the substantial gender gap is that men typically work more hours than women (see chapter 4). In addition, it is likely that men, on average, hold more senior positions than women within each occupation:¹⁵⁷ for example, as noted above, only 5.3% of businesses are owned by women. With regards to the public sector, the ILO Committee of Experts noted in 2011 that women accounted for only 10.1% of senior positions and only 37.9% of supervisory positions in the civil service.¹⁵⁸ The gender wage gap is also accentuated by the fact that minimum wage rates have been consistently lowest for those sectors dominated by women (as noted in Legal Framework Indicator 3, 'Statutory minimum wage' in chapter 3). For example, domestic workers are subject to a minimum wage of JD 110, in comparison to a national minimum wage of JD 190. In addition, workers in the Qualified Industrial Zones (QIZ) were excluded from national minimum wage increases in 2008 and 2011 (although this discrimination has since been rectified with the application of the JD 190 rate to the QIZ.¹⁵⁹ Women constitute the majority of workers in the QIZ: a 2003 ILO baseline study of the garment sector, which accounts for the vast majority of goods produced in the QIZ¹⁶⁰, found that 71% of employees in the sector were women.

The government has taken recent initiatives to address the gender pay gap, including the establishment of the National Steering Committee for Pay Equity (NSCPE) in 2011 which is focused on reviewing legislation and collecting research concerning pay equity (See Legal Indicator 12 'Equal remuneration of men and women for work of equal value). While promising, the tangible outcomes of this initiative are yet to be determined.

Table 8.2 Equal opportunity and treatment in employment - Gender wage gap

Decent Work Indicator					
Gender Wage Gap ¹⁶¹					
Major Occupation Group			Average Wage per Worker (JD monthly)		Gender Wage Gap (%)

¹⁵⁷ For example, it is probable that, within the 'professionals' category, men are typically more senior than women

¹⁵⁸ CEACR 2011, Observation on the Equal Remuneration Convention, 1951 (No. 100)

http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:2699154

¹⁵⁹ As noted in Chapter 3, as of January 2013, workers in the QIZ have been subject to the national minimum wage of JD 190

¹⁶⁰ One study reported that the garment sector accounts for 97.2% of goods produced in the garment sector. Source: Khrais, Ebrahim, Azzam, Zakaria and Assaf, Ahmad (2010), 'Constraints Facing Garment Industrial Sector Operating within the Qualified Industrial Zones in Jordan', *Zarqa Journal for Research and Studies Humanities*, (Vol. 10, No.). Available at: <http://zujournal.org/eng/images/stories/2011/2-2010/6.pdf>

¹⁶¹ Source: DOS Employment and Unemployment Survey 2002-20011 - Table 5.5 'Jordanian Employed Persons Age 15+ Years by Broad Age Groups, Sex, and Current Occupation'.

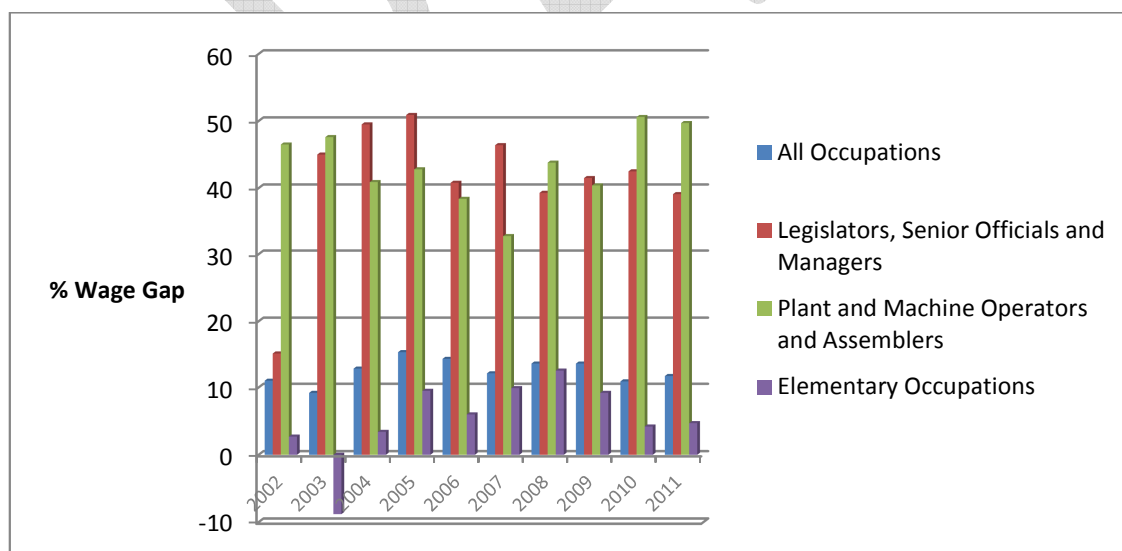
Notes: The gender pay gap corresponds to the difference between average earnings of men and average earnings of women expressed as a percentage of average earnings of men. Gender Wage Gaps were obtained by taking the difference between average wages for men and average wages for women, expressed as a percentage of average wages for men.

	Year	M	F	Total	
Legislators, Senior Officials and Managers	2002	863	732	850	15.2
	2003	780	429	726	45.0
	2004	854	431	766	49.5
	2005	953	468	851	50.9
	2006	953	564	873	40.8
	2007	1062	569	953	46.4
	2008	1246	756	1140	39.3
	2009	1327	776	1206	41.5
	2010	1422	818	1283	42.5
	2011	1390	846	1266	39.1
Professionals	2002	408	274	351	32.8
	2003	409	266	345	35.0
	2004	449	261	361	41.9
	2005	462	279	375	39.6
	2006	485	301	398	37.9
	2007	513	334	428	34.9
	2008	584	367	478	37.2
	2009	586	378	487	35.5
	2010	611	424	523	30.6
	2011	647	436	547	32.6
Technicians and Associate Professionals	2002	276	193	242	30.1
	2003	269	234	259	13.0
	2004	268	228	257	14.9
	2005	287	236	272	17.8
	2006	308	275	299	10.7
	2007	325	283	312	12.9
	2008	373	298	347	20.1
	2009	428	326	394	23.8
	2010	429	335	401	21.9
	2011	455	359	423	21.1
Clerks	2002	238	205	226	13.9
	2003	240	192	221	20.0
	2004	234	205	224	12.4
	2005	260	225	248	13.5
	2006	267	221	250	17.2
	2007	282	221	259	21.6

	2008	337	280	321	16.9
	2009	354	288	333	18.6
	2010	387	324	366	16.3
	2011	401	316	375	21.2
Service Workers, shop and market sales workers	2002	140	140	140	0.0
	2003	157	133	154	15.3
	2004	159	148	157	6.9
	2005	176	165	174	6.3
	2006	185	181	184	2.2
	2007	200	218	203	-9.0
	2008	220	207	218	5.9
	2009	234	239	235	-2.1
	2010	244	258	246	-5.7
	2011	250	248	250	0.8
Craft and Related Trade Workers	2002	170	100	165	41.2
	2003	172	126	169	26.7
	2004	182	140	178	23.1
	2005	193	117	189	39.4
	2006	197	121	180	38.6
	2007	231	152	227	34.2
	2008	267	184	264	31.1
	2009	275	149	269	45.8
	2010	293	158	283	46.1
	2011	322	177	315	45.0
Plant and Machine Operators and Assemblers	2002	187	100	180	46.5
	2003	189	99	179	47.6
	2004	181	107	165	40.9
	2005	194	111	175	42.8
	2006	211	130	203	38.4
	2007	220	148	205	32.7
	2008	251	141	227	43.8
	2009	255	152	234	40.4
	2010	269	133	241	50.6
	2011	298	150	270	49.7
Elementary Occupations	2002	147	143	147	2.7
	2003	148	161	149	-8.8

	2004	145	140	144	3.4
	2005	158	143	157	9.5
	2006	168	158	167	6.0
	2007	191	172	188	9.9
	2008	224	196	222	12.5
	2009	228	207	226	9.2
	2010	239	229	238	4.2
	2011	258	246	257	4.7
Total	2002	246	219	240	11.0
	2003	249	226	244	9.2
	2004	250	218	242	12.8
	2005	273	231	262	15.4
	2006	291	249	280	14.4
	2007	315	277	305	12.1
	2008	364	314	350	13.7
	2009	379	327	365	13.7
	2010	403	359	392	10.9
	2011	429	379	416	11.7

Figure 8.2 - Gender wage gap (selected occupations)¹⁶²



¹⁶² Source: DOS Employment and Unemployment Survey 2002-2011 - Table 5.5 'Jordanian Employed Persons Age 15+ Years by Broad Age Groups, Sex, and Current Occupation'.

Legal Framework Indicator 13: Equal remuneration of men and women for work of equal value

Law, policy or institutions: The Jordanian Constitution (1952) and its amendments prohibits any discrimination based on race, language or religion, and stipulates that Jordanians shall be equal before the law. It provides that 'every worker shall receive wages commensurate with the quantity and quality of his work'. There is currently no separate national law which explicitly provides for equal remuneration for work of equal value based on sex.

The Labour Law No. (8) (1996) defines wage as 'all cash or in-kind entitlements of the employee against his work in addition to all other entitlements of whatever type, provided for by the law, work contract or bylaw or; it has become the practice to pay except the wages payable for overtime work'.¹⁶³ The Labour Law does not contain explicit provisions which prohibit discrimination in employment and which establish a right to equal remuneration for men and women for work of equal value. Nor does it specify any regulatory or supervisory rules on the determination of wages by employers, or provide for objective job evaluation methods. Moreover, the law does not include any sanctions to be applied against any party as a result of its failure to abide by the principle of pay equity.

The Civil Services Bylaw No. (30) (2007) guarantees equal opportunities with no discrimination on the basis of gender. It also stipulates that employment in the civil service would be according to the needs approved in job formation schedules on the basis of merit, transparency, fairness and equality. It does not, however, explicitly provide for equal pay based on gender. In addition, the law stipulates that all male public service officials are entitled to a family allowance, whereas a female public service official is entitled to such an allowance only if she is the wage earner in her family.

Evidence of implementation effectiveness: The Committee of Experts has noted that in 2010 the ILO and Jordanian National Commission for Women (JNCW) developed a Policy Brief on Pay Equity in Jordan, and subsequently a Policy Roundtable on Pay Equity that recommended that a focused initiative on pay equity could help to eliminate the gender pay gap. This led to the Ministry of Labour launching, with support from the ILO, a tripartite plus National Steering Committee on Pay Equity (NSCPE) in July 2011, with representation from trade unions, professional associations, employers, civil society groups, women's research centres and the media. NSCPE's mandate is to promote cooperation among its members in implementing a National Action Plan on Pay Equity and to coordinate activities aimed at achieving equal pay for work of equal value. The NSCPE is fully operational and has created two subcommittees: the first is a legal subcommittee, which focuses on enhancing policies and legislation for equal pay. The second is a research subcommittee, which focuses on conducting in-depth research on pay-based discrimination in the private education sector to inform policy and programs. In addition, the JNCW undertakes research and advocacy on issues of women's empowerment and equity. The creation of the NSCPE has led to the inclusion of pro-pay equity provisions as priority areas in both the 2012-2015 National Strategy for Women and the National Employment Strategy 2011-2020.

Coverage of workers in law: N/A

¹⁶³ The Diwan in charge of the interpretation of laws issued decision No. 5 of 2003, which determines the number of entitlements falling within the concept of wage. These include a range of allowances, including technical allowance, competence and responsibility allowance, preparation allowance etc. In addition, the jurisprudence of the courts considered that a number of entitlements fall within the scope of wages, including commissions paid to workers in the commercial field in return for their sales, cash or in kind housing allowance, bonuses related to profits and achievement of enterprises etc.

Coverage of workers in practice: N/A

Ratification of ILO Conventions: The Equal Remuneration Convention, 1951 (No. 100); ratified in 1966. The Discrimination (Employment and Occupation) Convention, 1958 (No. 111); ratified in 1963. The Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), 1979; ratified in 2007.

Sources:

1. National legislation,
http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=JOR
2. CEACR 2011, Observation on the Equal Remuneration Convention, 1951 (No. 100)
http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:2699154
3. CEACR 2011, Direct request on the Equal Remuneration Convention, 1951 (No. 100)
http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:2699154

With regards to non-sex related discrimination, the issue of equal opportunities for migrant workers is particularly significant given the size of the non-Jordanian workforce.¹⁶⁴ As Table 8.4 shows, there were nearly 280,000 migrant workers in 2012, over 72% of which worked in three sectors: the agriculture and fisheries, manufacturing, and domestic work. It is worth noting that the agricultural and domestic work sectors, in particular, are poorly regulated since there is no system for regular labour inspection of these sectors.¹⁶⁵ In contrast, very few migrant workers are engaged in professional, technical, financial or administrative occupations. Table 8.3 shows the trend in numbers and occupations of non-Jordanians between 2002 and 2011. Over this period there has been a large decrease amongst the number of non-Jordanians engaged in construction work (from 15.6% in 2002 to 6.8% in 2011) and a shift towards employment in social and personal services (from 17.5% in 2002 to 26.1% in 2011). Non-Jordanians were excluded from the national minimum wage increase in 2012, whose minimum wage remains at JOD 150 (see chapter 3).

¹⁶⁴ Most migrant workers to Jordan come from other Arab countries, particularly Iraq, Palestine and Egypt, but also from South Asia. Most are young males with low levels of education and skills (CPDR, 2011).

¹⁶⁵ Meeting with Ministry of Labour officials, 09.09.2013

Table 8.3 Equal opportunity in employment - Sectoral distribution of migrant workers (2002-11)

Decent Work Indicator																				
Sectoral Distribution of Migrant Workers (2002-2011) ¹⁶⁶																				
Economic Activity	2002		2003		2004		2005		2006		2007		2008		2009		2010		2011	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
Agriculture and Fisheries	38995	30.	43386	29.	58923	26.	71064	27.	68338	23.	67954	21.	72734	24.	89772	26.	83871	28.	89414	31.
	.0	7	.0	2	.0	9	.0	3	.0	6	.0	6	.0	0	.0	7	.0	1	.0	9
and Quarrying Mining	1912.	1.5	1976.	1.3	3053.	1.4	3265.	1.3	2940.	1.0	2572.	0.8	2113.	0.7	2390.	0.7	2084.	0.7	1776.	0.6
	0		0		0		0		0		0		0		0		0		0	
Manufacturing	24804	19.	31712	21.	54291	24.	64180	24.	69739	24.	68751	21.	69420	22.	66916	19.	64232	21.	58624	20.
	.0	5	.0	4	.0	8	.0	7	.0	1	.0	9	.0	9	.0	9	.0	5	.0	9
Gas, and Water ,Electricity	121.0	0.1	92.0	0.1	135.0	0.1	147.0	0.1	202.0	0.1	385.0	0.1	371.0	0.1	418.0	0.1	459.0	0.2	531.0	0.2
Construction	19904	15.	22443	15.	36729	16.	42301	16.	44264	15.	61083	19.	37247	12.	38303	11.	26574	8.9	19038	6.8
	.0	7	.0	1	.0	8	.0	2	.0	3	.0	5	.0	3	.0	4	.0		.0	
Restaurants, and ,Trade Hotels	16030	12.	16325	11.	22067	10.	28869	11.	34659	12.	37604	12.	38923	12.	45263	13.	38887	13.	32284	11.
	.0	6	.0	0	.0	1	.0	1	.0	0	.0	0	.0	8	.0	5	.0	0	.0	5
Storage, and ,Transport Transportation	1299.	1.0	1171.	0.8	1551.	0.7	1709.	0.7	2002.	0.7	2244.	0.7	2457.	0.8	2548.	0.8	2374.	0.8	2022.	0.7
	0		0		0		0		0		0		0		0		0		0	
Finance and Business Services	1870.	1.5	1792.	1.2	3318.	1.5	3242.	1.2	3878.	1.3	4878.	1.6	4954.	1.6	4286.	1.3	4436.	1.5	3416.	1.2
	0		0		0		0		0		0		0		0		0		0	
Social and Services Personal	22247	17.	29454	19.	38689	17.	45580	17.	63702	22.	68491	21.	75106	24.	85811	25.	75425	25.	73158	26.
	.0	5	.0	9	.0	7	.0	5	.0	0	.0	8	.0	8	.0	6	.0	3	.0	1
Total	12718	100	14835	100	21875	100	26035	100	28972	100	31396	100	30332	100	33570	100	29834	100	28026	100
	2.0	.0	1.0	.0	6.0	.0	7.0	.0	4.0	.0	2.0	.0	5.0	.0	7.0	.0	2.0	.0	3.0	.0

¹⁶⁶ Source: Ministry of Labour.

Notes: The reason that data from 2012 is presented in a separate table from the data covering 2002-2011 is because the classification of sectors in which migrant workers work was modified in 2012, as can be seen by comparing the two tables.

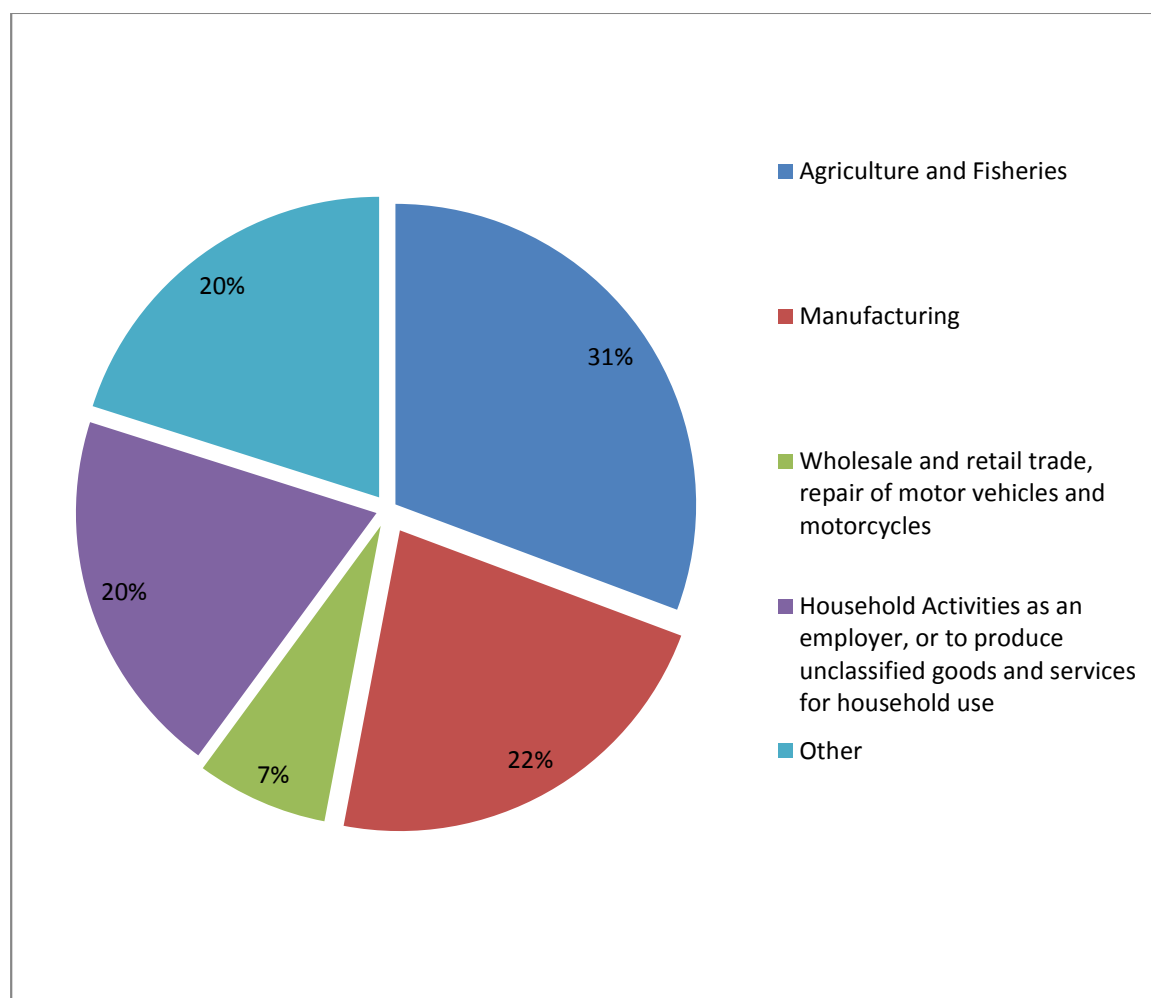
Table 8.4 Equal opportunity in employment - Sectoral distribution of migrant workers (2012)

Decent Work Indicator		
Sectoral Distribution of Migrant Workers ¹⁶⁷	2012	
<i>Economic Activity</i>	#	%
Agriculture and Fisheries	85880	30.7
Mining and Quarrying	901	0.3
Manufacturing	62434	22.3
Electricity, gas, steam and air conditioning Supply	346	0.1
Water Supply, Sewage, Waste & Sewage Management & Treatment	396	0.1
Construction	17835	6.4
Wholesale and retail trade, repair of motor vehicles and motorcycles	19875	7.1
Transport and Storage	2037	0.7
Accommodation & Food Service Activities	16541	5.9
Information and Communication	347	0.1
Finance and Insurance Activities	401	0.1
Real Estate Activities	285	0.1
Professional, Scientific and Technical Activities	2137	0.8
Administrative & Support Services Activities	5483	2.0
Public Administration and Defense, Compulsory Social Security	3301	1.2
Education	1644	0.6
Human Health and Social Work Activities	863	0.3
Arts, Entertainment and Recreation	471	0.2
Other Services	3228	1.2
Household Activities as an employer, or to produce unclassified goods and services for household use	55292	19.8
Activities of Extraterritorial Organizations and Bodies	101	0.0
Total	279798	100.0

¹⁶⁷ Source: Ministry of Labour.

Notes: The reason that data from 2012 is presented in a separate table from the data covering 2002-20011 is because the classification of sectors in which migrant workers work was modified in 2012, as can be seen by comparing the two tables. It is likely that the reason that the classification was changed is because the newer classification has more categories and thus is more informative. Another reason (which is possibly the main reason) is that Jordanian workers are classified according to the new classification, and so unifying the two classifications may have been deemed desirable for comparison and analytical purposes.

Figure 8.3 - Sectoral distribution of migrant workers (2012)¹⁶⁸



With regards to persons with disabilities, the statistical evidence indicates significant barriers facing disabled persons to participate in the labour market and that they are disproportionately overrepresented amongst the economically inactive. Whilst disabled persons constitute just 1% of the total employed population and 0.9% of the total unemployed population, they account for 3.3% of the total economically inactive working age population. This reflects the fact that 82.2% of disabled persons over the age of 15 are economically inactive, while 16% are employed and just 1.7% unemployed.

However, recent legal and policy developments are promising. Jordan ratified the Vocational Rehabilitation and Employment (Disabled Persons) Convention¹ 983 (No. 159) in 2003, and ratified the UN Convention on the Rights of Persons with Disabilities in 2008. Notably, in 2007 Jordan was the first MENA country to establish disability-specific legislation, in the form of Law No. 31 of 2007 on the rights of persons with disabilities. The law adopts a rights-based approach to disability and to ensuring the integration of persons with disabilities across the fields of education, employment and

¹⁶⁸ Source: Ministry of Labour.

health. It includes stipulations regarding employers' obligations with respect to disabled persons which incorporate a quota system for employment of people with disabilities.¹⁶⁹ In addition, Jordan has adopted a National Disability Strategy 2007-15¹⁷⁰ which includes a range of policies designed to increase the economic participation of disabled persons including assistance in transportation, building the capacity of vocational training, providing monetary incentives for employers who employ disabled persons and ensuring equal conditions and pay for disabled persons in the workplace.¹⁷¹

Table 8.5 Equal opportunity in employment - Employment of persons with disabilities

Decent Work Indicator	
Employment of persons with disabilities¹⁷²	
Share of disabled persons that are in employment	16.1
Share of disabled persons that are in unemployment	1.7
Share of disabled persons that are economically inactive	82.2
Disabled persons' share of total employment	1
Disabled persons' share of total unemployment	0.9
Disabled persons' share of total economically inactive	3.3

Summary Assessment

Overall, Jordan presents a mixed picture with regards to equal opportunity and treatment. On the one hand, recent policy initiatives attest to the commitment of the government to address gender- and disability-related inequities, including the National Disability Strategy 2007-15. On the other hand, the legal framework for guaranteeing gender equity in employment remains incomplete. Statistical data suggests that progress, although visible, has been modest with regards to increasing female labour force participation, especially in the private sector, while persons with disabilities remain overestimated amongst the economically inactive population. In addition, addressing discrimination within the workplace remains a challenge, particularly concerning the gender wage gap which remains high and has not decreased in recent years. Migrant workers are heavily concentrated in manual occupations (especially construction) and sectors devoid of regular labour inspection (notably agricultural and domestic work) and are therefore exposed to low pay and vulnerable working conditions.

¹⁶⁹ Under the law, public and private sector establishments and companies employing between 25 and 50 workers must employ one disabled person; in establishments with more than 50 employees, disabled workers should account for 4% of the total number of employees. Note that this quota system is not applicable if the type of disability is inconsistent with the nature of the work in the establishment.

¹⁷⁰ Developed by a royal committee, established in 2006 as mandated by the Laws for the Welfare of Disabled Persons (1993)

¹⁷¹ National Disability Strategy 2007-2015. Available in Arabic at: http://hcd.gov.jo/sites/default/files/arbic_strategy.pdf

¹⁷² Source: DOS - Disability Report 2010

Notes: The first three rows of the table distribute all disabled persons according to their state of economic activity. The second three rows present the share of disabled persons in each category.

Sources:

CPDR (2011) 'Jordan's Paradox of Growth without Employment.' Centre for Development Policy and Research (CPDR), School of Oriental and African Studies (SOAS), University of London, No.65, August 2011. Available at: <http://www.soas.ac.uk/cdpr/publications/dv/file70187.pdf>

European Training Foundation (2009), 'Women and Work in Jordan: Case Study of Tourism and ICT Sectors', *Working Paper*. Available at: <http://www.silviacambie.com/wp-content/uploads/2010/01/womenwork-in-jordan.pdf>

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MoPIC/UNDP (2010) 'Keeping the Promise and Achieving Aspirations', *Second National Millennium Development Goals Report*, Jordan.

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UNDP, Jordan Human Development Report 2011: 112-113. Available at: http://www.undp-jordan.org/index.php?page_type=publications&press_id=197

World Bank (2013), *Opening Doors Gender Equality and Development in the Middle East and North Africa*. Available at: <http://documents.worldbank.org/curated/en/2013/02/17235637/opening-doors-gender-equality-development-middle-east-north-africa>.

9 Safe Work Environment

Occupational safety and health at work are vital components of decent work and are concerned with the principle that work should not endanger or otherwise have a detrimental effect on the health of workers. Jordan has ratified one of the main international conventions designed to safeguard workers' health and safety, the Labour Inspection in Industry and Commerce Convention, 1947 (No. 81) (ratified in 1963). However, it has not ratified either the Protocol of 1995 to the Labour Inspection Convention, 1947 (No. 81); nor the Labour Inspection (Agriculture) Convention, 1969 (No. 129).

The Jordanian national Labour Law contains several provisions designed to protect workers' safety and health. These include articles related to the provision of first aid supplies, adequate space for employees to rest, lighting, electrical safety, heavy lifting, protection for pregnant and breastfeeding women, machine safety, fire hazards, provision of protective equipment, noise levels, chemicals and hazardous substances, and employer-provided accommodation.

Depending upon the number of employees, enterprises with more than 20 employees are additionally obligated to employ one or more full-time OSH technicians and specialist supervisors (both of which must be approved by the Ministry of Labour)¹⁷³. Employers employing more than 50 workers must also appoint doctors and nurses corresponding to the number of workers at the workplace.¹⁷⁴ Enterprises with more than 50 employees (with the exception of the education and tourism sectors)¹⁷⁵ must also form a committee of staff specialised in occupational safety and health (OSH) and whose members must include the company director and worker representatives from all departments. However, it is unclear the extent to which such regulations are upheld in practice. For example, in 2008 the ILO Committee of Experts noted that, pursuant to the Establishment of Occupational Safety and Health Committees and the Designation of Supervisors Regulation No. (7) (1998), occupational safety and health committees have been set up in 34 enterprises.¹⁷⁶ This is

¹⁷³Enterprises with between 20 and 200 employees are required to employ one full-time technician. Enterprises with between 201 and 500 employees are required to employ two full-time technicians and one specialist supervisor. Enterprises with between 501 and 1000 employees are required to employ three full-time technicians and two specialist supervisors. Enterprises with more than 1000 employees must employ two technicians and one supervisor for each additional 1000 employees. The specialist supervisor's responsibilities include, but are not limited to, the preparation of OSH rules and programmes, inspection of the work place, recording of information on work-related accidents, and the ensuring of adequate fire safety precautions and first aid materials (a full list of the responsibilities of the Specialist is provided in the 'Regulation of Forming Committees and Supervisors of Occupational Safety and Health' (7) (1998)

¹⁷⁴ Enterprises with 50-100 employees are required to employ one nurse and one part-time physician. Enterprises with 101-500 employees are required to employ two nurses and one full-time physician. Enterprises with 501-1000 employees are required to employ three nurses and two full-time physicians. Enterprises with more than 1001 employees are required to employ four nurses and three full-time physicians.

¹⁷⁵ Meeting with Ministry of Labour officials, 09.09.2013

¹⁷⁶CEACR 2008, Observation on the Labour Inspection Convention, 1947 (No. 81), http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:2298762

clearly a very small fraction of the approximately 1,200 enterprises in Jordan that have more than 50 employees.¹⁷⁷

Two sets of statistical indicators can be used to measure the status and recent progress in the area of workplace safety and health. Relevant output indicators are the proportion of workers which suffer occupational injuries and consequent work time lost, while the pertinent input indicator is the number of OSH labour inspectors. The available data shows that the frequency of non-fatal and fatal occupational injuries has decreased significantly over the past decade. The non-fatal injury rate has decreased by slightly more than half over the same period, falling to 1.3% of workers in 2012 (see table 9.1), while the rate of fatal injuries fell by approximately half since 2002, affecting just nine in 100,000 workers in 2012. Overall, there were 12,412 fatal and non-fatal work injuries in 2012.¹⁷⁸ In part, the decline of both non-fatal and fatal injury rates may be attributed to recent policies developed by the government to strengthen the national labour inspection system (see below).

Table 9.1 Occupation injury rates

Decent Work Indicator	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Share of insured workers suffering fatal injuries (%) ¹⁷⁹	0.018	0.021	0.018	0.016	0.017	0.018	0.011	0.012	0.011	0.008	0.009
Share of insured workers suffering non-fatal injuries (%) ¹⁸⁰	3	2.6	2.6	2.3	2	1.9	1.7	1.7	1.6	1.4	1.3

However, a degree of caution is required in interpreting the aforementioned injury figures. Although the statistics are evidence that progress has been made in the field of occupational safety and health, it should be noted that they refer only to workers who are insured under the Social Security Corporation (SSC) and therefore account for approximately two-thirds of the employed population. Thus, the figures likely underestimate the true extent of occupational injuries in the Kingdom. In particular, this data excludes establishments in the informal sector (in which injury rates are likely higher due to a widespread lack of safety and health provisions) in addition to many micro and small businesses, as well as certain categories of public sector and military employees.¹⁸¹

The majority of work accidents sustained by workers covered under the SSC in 2012 were in the manufacturing (40.7% of total accidents), wholesale/retail trade (14.2%), tourism (9.8%) and construction (9.2%) occupations. An indication of the consequences of occupational injuries, including their severity, can be ascertained through measuring the time lost due to such injuries.¹⁸²

¹⁷⁷ According to the 2011 DoS Establishments Census, there were 1,221 active establishments with more than 50 employees. Available at:

¹⁷⁸ SSC, 'Annual Report 2012', Statistical Appendix, Table 54)

¹⁷⁹ Source: Social Security Corporation. Notes: The statistics refer only to workers insured under the SSC.

¹⁸⁰ Source: Social Security Corporation. Notes: The statistics refer only to workers insured under the SSC.

¹⁸¹ As discussed in more detail in Chapter 10, public sector employees hired before 1995 and military employees hired before 2003 are not covered by the Social Security Corporation (SSC). Since 2008, coverage under SSC has been expanded to include enterprises with fewer than five employees for the first time. (Source: SSC, 'Annual Report 2012', Statistical Appendix, Table 2)

¹⁸² This indicator refers to the average number of days in which an employee could not work due to suffering an occupational injury.

Such data is only available for 2012, during which an average of 9.3 calendar days were lost per new cases of non-fatal occupational injury resulting in temporary incapacity.¹⁸³

Legal Framework Indicator 14: Employment injury benefits

Law, policy or institutions: The Social Security Law No. (7) (2010) provides for insurance against work injuries, operated by the Social Security Corporation (SSC). All workers subject to the law are covered, in addition to trainees under 16 years of age (for whom the employer is not required to make a financial contribution). Private sector workers not subject to the SSC Law, are subject to provisions in the Labour law No. (8)(1996)and its amendments. For public sector workers hired before 1996, the Civil Services Bylaw No. (30) (2007) is the relevant legislation.

Qualifying Conditions: See below.

Benefits (level and duration): Benefits under the SSC scheme are as follows: Payment of 75% of wages until the insured worker resumes work; a pension for permanent disabilities, equivalent to 75% of the insured's wage, rising to 100% if he/she requires constant assistance (providing that the pension does not exceed the minimum wage; a monthly disability pension for partial injuries of more than 30%, (e.g. injuries which require the employee to change jobs) the amount of which is equivalent to the proportion of such disability to the amount payable for total disability; a lump sum payment for partial injuries less than 30% (e.g. injuries which do not prevent the employee from retaining his/her job), the amount of which is equivalent to the proportion of such disability to the amount payable for total disability, multiplied by 36 months. In the event of recurring injury, the aforementioned entitlements are subject to adjustments as stipulated in the SSC Law, taking into account new levels of disability. If the employee dies as a result of the work injury, beneficiaries are entitled to a pension equivalent to 75% of his/her wages. The employer is obliged to notify the SSC of the occurrence of the injury, in writing, within seven working days of the date of its occurrence. Benefits also include coverage of medical expenses.

Provisions in the Labour Law relating to occupational injuries apply to workers not covered under the SSC Law. The employer is obligated to arrange and pay for transportation to a medical facility and to pay compensation as follows: 1,200 days' wages in the event of death or total disability as a result of an injury (between JD 2,000 – JD 5,000; USD 2,816-USD 7,040) compensation calculated according to specific criteria in the labour law in the event of permanent partial injury, and payment of between 65% and 75% of wages in the event of temporary disability. The employer is also obligated to employ the injured employee in an alternative type of work, if appropriate.

In the event the injured is a civil servant, he/she is entitled to his/her full basic salary in addition to allowances for the period specified in the Civil Services Bylaw, depending on his/her medical status. The injured is entitled to such compensation for a minimum of seven days.

Financing: Coverage under the SSC is financed by the employer's contribution of 2% of the insured's wages. Note that under the scheme, the employer pays the wage for the first three days from the date on which the injury occurred. If the employee is not registered under the umbrella of the SSC Law, the employer finances the injury payments, as noted above.

Evidence of implementation effectiveness: No comments from ILO supervisory bodies.

Coverage of workers in law: Workers subject to the SSC Law (for coverage of SSC injury insurance),

¹⁸³Data supplied by the Social Security Corporation after a written request for information.

workers subject to the Labour Law, workers subject to the Civil Services Bylaw.

Coverage of workers in practice:Data from the SSC shows that in 2012 there were 63 new cases of death pensions (due to work injury deaths) and 109 new cases of work injury disability pensions (SSC Annual Report (2012) Statistical Annex – Table 43).

Ratification of ILO Conventions:The Social Security (Minimum Standards) Convention, 1952 (No. 102); not ratified. The Employment Injury Benefits Convention, 1964 (No. 121); not ratified.

Sources:

1. National legislation,
http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=JOR

An insurance scheme, overseen by the SSC, is in place to protect workers against financial vulnerability in the event of occupational injuries. Workers covered under the scheme are entitled to compensation ranging from a disability pension for total disability (equivalent to between 75% and 100% of the employee's wage) to a lump sum payment for less serious injuries. If the employee dies as a result of the work injury, beneficiaries are entitled to a pension equivalent to 75% of the deceased's wages.¹⁸⁴ Although a large minority of workers are not included in the SSC law, progress has been made in recent years with the expansion of SSC coverage under the Social Security Extending Coverage Project to include establishments of fewer than five employees (see chapter 10, Social Security).¹⁸⁵ In 2012, there were 63 new cases of death pensions awarded to beneficiaries of deceased employees (due to work injury deaths) and 109 new cases of work injury disability pensions.¹⁸⁶ Workers who are not covered by the social security are subject to protective provisions related to work injuries in the Labour Law, ranging from the payment of 1,200 days' wages paid by the employer in the event of death or total disability, to the partial payment of wages in the event of temporary disability (see Legal Framework Indicator 13, Employment Injury Benefits).

The national labour inspection system is legislatively underpinned by the 'Regulation of Labour Inspectors Regulation' No. (56) (1996). Responsibility for labour inspection resides with the the Directorate of Labour Affairs and Inspection within the Ministry of Labour (see Legal Framework Indicator 14, Labour Inspection). In 2013 there were a total of 120 labour inspectors nationwide (see table 11.2). For the private sector alone, this translates to approximately one labour inspector for every 7,800 establishments.¹⁸⁷ Publicised criticisms of labour conditions, and lack of labour inspection, in the Qualified Industrial Zones (QIZs) in 2006 led the government to commit to enhancing the effectiveness of national labour inspection through the Labour Inspection Reform Project. Launched in 2006, the project is ongoing and is funded by the Employment-Technical and Vocational Education and Training Fund (ETVET) within the MoL as part of the latter's strategy for improving labour standards. The project's main objective is to promote labour inspection services at

¹⁸⁴ Dependents retain the pension benefit for the remainder of their lives or until they are no longer deemed dependents. The following categories are not considered dependents: women (wives, daughters, sisters, mothers) who get (re)married; sons over the age of 18 (unless they are studying); and men (husbands, brothers, fathers) unless they are disabled.

¹⁸⁵ The project was launched in 2008 and completed in 2011

¹⁸⁶ SSC Annual Report (2012) Statistical Annex – Table 43.

¹⁸⁷ 2011 DoS Establishments Census

the national level and involves capacity-building of the labour inspectorate, including through the recruitment and training of additional labour inspectors.¹⁸⁸ According to the MoL, this has, in particular, led to substantial improvements in the labour inspection of the QIZ, in which areas an effective labour inspection system was not in place prior to 2006.¹⁸⁹ In addition, the reform project has involved the recruitment of translators to facilitate engagement with non-Arabic speaking workers and employers, and the establishment of a hotline in six languages through which workers can refer complaints regarding employment conditions to the MoL.¹⁹⁰

Table 9.2 Number of Labour Inspectors

Decent Work Indicator	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Number of Labour Inspectors ¹⁹¹	-	-	-	-	-	-	-	-	-	120	124	-
No. of Labour Inspectors specialising in Occupational Safety and Health (OSH) ¹⁹²	-	-	-	-	12	-	-	-	-	-	-	25

As with labour inspectors in general, there is only limited information available concerning the proportion of inspectors which are specifically dedicated to OSH issues. Nevertheless, from the information available, progress has apparently been made with regards to the capacity of the OSH department in the MoL. According to the OSH 2006 OSH Profile published by the MoL/ILO, there were a total of 12 OSH inspectors in that year,¹⁹³ whereas as of 2013 this had doubled to 25.¹⁹⁴ (see table 9.2). Nevertheless, the total number of OSH inspectors evidently remains fairly low.

Legal Framework Indicator 15: Labour inspection (safety and health)

Law, policy or institutions: The Labour law No. (8)(1996) and its amendments, Regulation of Labour Inspectors No. (56) for the Year 1996 (the 'Labour Inspectors Regulation'). Regulation No. 7 (1998) on the

¹⁸⁸ The reform of the labour inspectorate has been a part of a wider reform of inspection within the Jordanian government, supported by the International Finance Corporation (IFC) since 2007. In addition to reform of labour inspection within the Ministry of Labour, this has included inspection reform within the Ministry of Environment.

IFC, 'Jordan Inspection Reform: Lessons and Reflections'. Available at: <http://www.ifc.org/wps/wcm/connect/032125004aeb27e98a1cfa888d4159f8/Report++IFC+2++23-2-2012.pdf?MOD=AJPERES>

¹⁸⁹ Meeting with Ministry of Labour officials, 09.09.2013

¹⁹⁰ Meeting with Ministry of Labour officials, 09.09.2013

¹⁹¹ Source: Figures for 2011 and 2012 are sourced from the Ministry of Labour in response to a written request for information.

¹⁹² Source: Figure for 2006 is sourced from MoL/ILO (2006), 'The National Occupational Safety and Health Profile of the Hashemite Kingdom of Jordan'. Available at: http://www.ilo.org/wcmsp5/groups/public/---ed_protect/---protrav/---safework/documents/policy/wcms_187744.pdf. Figure for 2013 is sourced from meeting with Ministry of Labour officials, 09.09.2013

¹⁹³ MoL/ILO (2006), The National Occupational Safety and Health Profile of the Hashemite Kingdom of Jordan. Available at: http://www.ilo.org/wcmsp5/groups/public/---ed_protect/---protrav/---safework/documents/policy/wcms_187744.pdf

¹⁹⁴ Meeting with Ministry of Labour officials, 09.09.2013. Note however that this does not appear to be consistent with an observation by the Committee of Experts noting (2010) that the number of OSH inspectors had increased by 30 during 2007-8 CEACR 2010, Observation on the Labour Inspection Convention, 1947 (No. 81), http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:2324700

Establishment of Occupational Safety and Health Committees and the Designation of Supervisors (the "Establishment Of Occupational Safety and Health Committees and The Designation of Supervisors Regulation").

The Labour Law establishes a national labour inspection system under the responsibility of the Directorate of Labour Affairs and Inspection within the Ministry of Labour. The objectives of labour inspection include: to verify the implementation of legal provisions relating to work conditions, to provide technical information to employers and workers regarding compliance with legal provisions, and to ensure occupational safety and health at work.

There is another distinct labour inspection system operating in the Aqaba Special Economic Zone (ASEZ) which is operated by the ASEZ Authority but is subject to the same regulations as is the national labour inspection system as stipulated in the Labour Law (although MoL inspectors are responsibly for provisions of article 12 of the Labour Law, relating to employment permits of migrant workers, even in the ASEZ).¹⁹⁵ OSH inspectors from the Ministry of Health (MoH) are responsible for inspecting living standards in workers' dormitories, under Regulation No.(1) 2013, 'Preventing Health Hardship in Relation to Health Effects of Housing Units for Labour Gatherings), based upon the Health Law No. (47) 2008 (article 49). However, MoH inspectors do not have the authority to issue penalties against employers. Coordination between MoH and MoL is achieved through committees involving the inspectorates of both ministries and the issuing of common inspection reports.¹⁹⁶

As of September 2013, there were 25 OSH inspectors, from a total of 120 Labour Inspectors, and 23 regional labour offices throughout the country. Labour are public servants and enjoy stability in employment. They are initially appointed for a one-year probation period. There is a set of labour inspectors recruited under the Labour Inspection Reform Project (a MoL inspectorate capacity-building project at the national level, in operation since 2007) who are hired with fixed term contract and thus do not have guaranteed continued employment.

Labour inspectors have judicial authority, which enables them to take legal actions such as initiating court proceedings. In the case of violations they may also order employers to remedy the situation within seven days upon receipt of a written notification, and have the power to impose fines. Based on a labour inspector's report and recommendations, the Minister of Labour may close down an establishment until the violation has been remedied. Employers must facilitate the work of inspectors through allowing access to the employers' records and documents. Aggrieved employees are granted the right to object to the penalties (e.g. fines) imposed on them by labour inspectors in the event such penalties exceed the limits stipulated for in the Labour Law.

National annual labour inspection plans are prepared by the central Directorate of Labour Inspection.

A monthly report is submitted by the director of the inspection directorate to the General-Secretary of the Ministry. The Ministry in turn prepares an annual report on the reality of labour inspection on the national level.

Evidence of implementation effectiveness: The ILO Committee of Experts noted in 2010 actions that had been taken by the Government to strengthen sanctions against employers, including the publishing of blacklists of offending establishments. The Committee further noted in 2010 additional measures that have been taken to enhance the capacity of the inspectorate including: the establishment of a computerized database of all undertakings liable to inspection, the cooperation of the inspectorate with other public institutions and judicial bodies, the strengthening of the capacity of the inspectorate through the employment of additional inspectors, training programmes (including training in 2007 of OSH inspectors at the ILO International Training Centre in Turin (ITC)), the development of a working manual and operational procedures, and the compilation in 2006 (also in cooperation with the ILO-ITC) of a national OSH profile containing information on occupational health in Jordan.

¹⁹⁵ Meeting with Ministry of Labour officials, 09.09.2013

¹⁹⁶ Meeting with Ministry of Labour officials, 09.09.2013

In 2006 MoL set up a free call-in telephone service for foreign workers, who may submit complaints and enquiries – in six languages such as Hindi, Bengali, Filipino, Chinese and Indonesian – about improper living and working conditions.

The ILO Committee of Experts noted in 2008 that in 2007 a number of inspection campaigns were organized in 2007 in the Qualified Industrial Zones (QIZs), covering not only occupational safety and health but also general conditions of work 2006. Prior to 2006, inspection in the QIZs was minimal.¹⁹⁷

Coverage of workers in law: Employees subject to the Labour Law

Coverage of workers in practice: Although the agricultural sector is included in the Labour Law, there is no mechanism in place for inspection in that sector. There is no regular inspection of employers of domestic workers, although regulation in this sector is overseen by the Anti-Trafficking Unit (see chapter 6).

Ratification of ILO Conventions: The Labour Inspection in Industry and Commerce Convention, 1947 (No. 81); ratified in 1963. The Protocol of 1995 to the Labour Inspection Convention, 1947 (No. 81); not ratified. The Labour Inspection (Agriculture) Convention, 1969 (No. 129); not ratified. The Labour Inspection (Seafarers) Convention, 1996 (No. 78); not ratified.

Sources:

6. National legislation,
http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=JOR
7. CEACR 2010, Observation on the Labour Inspection Convention, 1947 (No. 81),
http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:2324700
8. CEACR 2008, Observation on the Labour Inspection Convention, 1947 (No. 81),
http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:2298762

Summary Assessment

The available data suggests that Jordan has made some progress regarding occupational safety and health, with significant decreases in the rates of both non-fatal and fatal injury rates over the past decade. It is likely that such progress is, at least in part, causally linked to efforts to improve the national labour inspection system part of which has involved a focus on (the labour inspectorate's capacity to inspect) OSH issues, and has included an increase in the number of inspectors specialised since 2006 since 2006. However, the total number of OSH inspectors - and labour inspectors overall – remains small. In addition, the de jure extension of coverage under the SSC insurance scheme in recent years represents significant progress in the enhancement of protection against financial insecurity caused by occupational injury. In practice, however, around a third of the population remains outside SSC coverage, and so raising this, particularly among small enterprises, will remain a key priority for policymakers in the coming years.

¹⁹⁷ Meeting with Ministry of Labour officials, 09.09.2013

Sources

CEACR 2008, Observation on the Labour Inspection Convention, 1947 (No. 81),
http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:2298762

CEACR 2010, Observation on the Labour Inspection Convention, 1947 (No. 81),
http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:2324700

Department of Statistics, 2011 Establishments Census

IFC, 'Jordan Inspection Reform: Lessons and Reflections'. Available at:
<http://www.ifc.org/wps/wcm/connect/032125004aeb27e98a1cfa888d4159f8/Report++IFC+2++23-2-2012.pdf?MOD=AJPERES>

MoL/ILO (2006), 'The National Occupational Safety and Health Profile of the Hashemite Kingdom of Jordan'. Available at: http://www.ilo.org/wcmsp5/groups/public/--ed_protect/--protrav/--safework/documents/policy/wcms_187744.pdf

SSC, 'Annual Report 2012', Statistical Appendix

DRAFT

10 Social Security

Social security is an important aspect of decent work, providing protection to workers in the cases of unemployment, retirement and old age, illness and injury, invalidity, family responsibilities such as maternity leave, and the loss of a family breadwinner.¹⁹⁸ The main international instrument for promoting social security is the ILO Social Security (Minimum Standards) Convention, 1952 (No. 102) which establishes minimum standard for the nine principal branches of social security.¹⁹⁹ Although Jordan has not ratified the convention, the country has a reasonably well developed social security system, administered by the Social Security Corporation (SSC). Separate from the SSC scheme is the National Aid Fund (NAF) fund, a publicly-funded scheme which provides cash assistance to poor sections of the population on a non-contributory basis.²⁰⁰ Relief and social assistance is provided to Palestine refugees residing in Jordan through the United Nations Relief and Works Agency (UNRWA).²⁰¹ Nevertheless, important coverage gaps remain and the government is committed to expanding social protection through the Social Protection Floor (SPF) initiative, for which it is receiving technical assistance from the ILO.²⁰²

The SSC's social security programme covers all workers subject to the Labour Law, regardless of nationality, between 16 and 60 years old for males and 16 and 55 for females. In addition, the system includes public employees hired since 1994, and military employees hired since 2003. Public and military employees hired before these dates are covered by the Civil and Military Pension systems respectively.²⁰³ A new Draft Social Security Law was developed in 2010²⁰⁴ which includes provisions for maternity and unemployment insurance schemes, both of which have been implemented (see Legal Framework Indicator 7 'Maternity leave' in chapter 5 and Legal Framework Indicator 3 'Employment insurance' in chapter 2). The draft law also provides for health insurance,

¹⁹⁸ ILO, 'Social Security'. Available at: <http://www.ilo.org/global/standards/subjects-covered-by-international-labour-standards/social-security/lang-en/index.htm>

¹⁹⁹ The nine branches as stipulated in the Convention are medical care, sickness, unemployment, old age, employment injury, family, maternity, invalidity and survivors' benefits. Source: ILO, 'Social Security'. Available at: <http://www.ilo.org/global/standards/subjects-covered-by-international-labour-standards/social-security/lang-en/index.htm>

²⁰⁰ NAF handles six major programs focused on providing cash assistance to poor families and individuals. Source: UNDP (2013), 'Jordan Poverty Reduction Strategy'. Available at: <http://www.undp.org/content/dam/jordan/docs/Poverty/Jordanpovertyreductionstrategy.pdf>

²⁰¹ UNRWA, 'Projects in Jordan'. Available at: <http://www.unrwa.org/etemplate.php?id=98>

²⁰² ILO, 'Jordan Decent Work Country Programme 2012-2015'. Available at: <http://www.ilo.org/public/english/bureau/program/dwcp/download/jordan.pdf>. Social Protection Floors are defined by the ILO as, 'nationally defined sets of basic social security guarantees that should ensure, as a minimum that, over the life cycle, all in need have access to essential health care and to basic income security which together secure effective access to goods and services defined as necessary at the national level' (ILO, <http://www.ilo.org/secsoc/areas-of-work/policy-development-and-applied-research/social-protection-floor/lang-en/index.htm>). In the Jordanian context specifically, the SPF aims to promote access to (i) essential goods and services (health, water and sanitation, education, housing, food and other services) and (ii) social transfers, in cash and in kind, to provide a minimum income and livelihood security. Social transfers include four essential guarantees namely: (i) basic health care, (ii) assistance for the unemployed and poor, (iii) child benefits, and (iv) basic universal pensions (old age and disability benefits).

²⁰³ Global Extension of Social Security, 'Jordan'. Available at: <http://www.socialsecurityextension.org/gimi/gess/ShowCountryProfile.do?cid=113>

²⁰⁴ The draft law has remained a 'temporary law' pending its approval by Parliament, expected in 2013. It is not clear whether this will entail changes being made to the law.

although this has not yet been implemented (see below). In addition, the SSC scheme includes work injury insurance (see Legal Framework Indicator 13, 'Employment injury benefits' in chapter 9) and pension schemes covering old age, disability and natural death (see Legal Framework Indicators 15, 'Pension' and Legal Framework Indicator 17, 'Incapacity for work due to invalidity' in this chapter).

SSC Social security coverage has increased rapidly in recent years under the Social Security Extending Coverage Project which extended social security to include establishments with fewer than five employees (previously compulsory participation was limited to establishments with five or more employees). Launched in 2008, the Social Security Extending Coverage Project was implemented in each governorate according to a phased methodology and was completed in 2011.²⁰⁵ Consequently, the number of active employers covered under the SSC has increased from 15,172 in 2008 to 45,465 in 2012 and the number of active insured workers has increased from 788,000 to nearly one million (995,000) individuals over the same period.²⁰⁶ However, according to the SSC, only 64.3% of the employed population was covered by the SSC in 2012.²⁰⁷ This suggests that the expansion of compulsory coverage to all workers has experienced challenges in terms of enforcement and compliance, exacerbated by Jordan's large informal employment sector (for more details on this sector see chapter 2 and chapter 7).²⁰⁸

The coverage rate for women (accounting for one quarter of all insured workers) exceeds that of men, largely due to the fact that the former are concentrated in the civil service and sectors such as health and education.²⁰⁹ Foreign workers are substantially under-represented, accounting for approximately 12% of those covered,²¹⁰ whereas (as of 2011) they represented approximately 27% of total employment in Jordan.²¹¹ The coverage rate for firms in Amman is significantly higher than the rest of the country, with Amman accounting for 46% of total firms but 58.7% of firms registered with social security.²¹² With regards to the wages of workers covered by SSC, 10% of Jordanians and 64% of non-Jordanians earned equal or less than the national minimum wage (JD 190, USD 268).²¹³ Despite the recent expansion of the social security umbrella, public social security expenditure remains low. In 2012 it amounted to 2.7% of GDP, having increased modestly by 0.5% percentage points over the past decade (see Table 10.1).

²⁰⁵ Social Security Corporation. Available at: http://www.ssc.gov.jo/english/pages.php?menu_id=&local_type=1&local_id=80&local_details=1&local_details1=&localsite_branchname=SSC

²⁰⁶ SSC, 'Annual Report 2009'. Available at <http://www.ssc.govt.nz/sites/all/files/ssc-annual-report-2009.pdf>. SSC, 'Annual Report 2012', Statistical Appendix, Table 2. According to the latter report, The Extending Social Security Extending Coverage Project entailed the coverage of 26,786 employers under the SSC.

²⁰⁷ SSC, 'Annual Report 2012', Statistical Appendix, Table 2

²⁰⁸ This is confirmed by the fact that while, according to the 2011 Establishments Survey, there were 143,362 firms with between 1-4 employees, as of 2012 only 33,357 of such firms with 1-4 were registered with SSC. Sources: DoS 2011 Establishments Census; SSC Annual Report 2012, Statistical Appendix, Table 17

²⁰⁹ ILO (2010), 'The ILO's Strategy to Extend Social Security: An Independent Evaluation Report'. Available at: http://www.ilo.org/secoc/about-us/WCMS_146039/lang--en/index.htm According to the National Employment Strategy 2011-2020, women account for only 16% of the employed population.

²¹⁰ SSC, 'Annual Report 2012', Statistical Appendix, Table 2

²¹¹ According to the report 'Jordan Decent Country Work Programme 2012-2015', which also states that there are approximately 335,000 foreign workers officially employed in Jordan. Based on this figure, the proportion of employed non-Jordanians covered by the SSC is 36.5%.

²¹² SSC, 'Annual Report 2012', Statistical Appendix, Table 3

²¹³ SSC, 'Annual Report 2012', Statistical Appendix, Table 15. Note that non-Jordanians are subject to the lower minimum wage of JD 150 (USD 211) (see chapter 3).

Table 10.1 Social Security Expenditures (% of GDP)

Decent Work Indicator	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Social Security Expenditures (% of GDP)²¹⁴	2.2	2.3	2.3	2.4	2.3	2.4	2.4	2.4	2.5	2.6	2.7

Workers covered under the SSC scheme are entitled to an old age pension at the age of 60 (men and 55 (women), providing that the required number of monthly contributions have been made (see Legal Framework Indicator 15, ‘Pension’). However, the numbers of beneficiaries remain small, with only 11% of the total population aged 60 and over, and only 3% of eligible women, benefiting from an old age pension in 2012 (see Table 10.2). A total of 2,074 workers became old age pensioners in 2012 and 4,727 became early-retired pensioners.²¹⁵ Partly, the low pension inclusion figures reflect structural factors, e.g. Jordan’s low employment rate (see chapter 2). In addition, the recent expansion of social security described above has not yet impacted pension inclusion rates, due to the need for employees to accumulate several years of contributions to qualify.

A report by the ILO has argued that the lower retirement age for women serves to exacerbate the gender wage gap by limiting their years of contribution (which are additionally reduced by factors such as taking time from work for family responsibilities, and also due to high female unemployment) and therefore serves to reduce the value of women’s pensions. Accordingly the report has recommended the equalization of the retirement age.²¹⁶ A further point of discussion concerns article 70 of the Social Security Law which entitles those employees who terminate employment before reaching retirement age to a lump sum payment. Although such individuals are also entitled to be subsequently re-included in the pension scheme upon returning to the work force (in exchange of the repayment of the lump sum plus interest), the ILO in the aforementioned report has expressed reservations on this issue. It has noted that although the payment of a lump sum can supplement the loss of regular wages, the entitlement can also encourage women to leave the labour force and therefore lead in the long-term to the loss of both wage protection and to entitlement to an old age pension. Accordingly, the report recommends the withdrawal of the lump sum payment.²¹⁷ Nevertheless, detailed inspection of the Social Security Law shows that the option of taking a lump sum payment is not especially lucrative and therefore it is questionable how much of an incentive to leave the labour force this option really is.²¹⁸

Legal Framework Indicator 16: Pension

Law, policy or institutions: The Social Security Law No. (7) (2010) provides for a contribution scheme (combining old age, disability and natural death pensions) operated by the Social Security Corporation. Public sector employees hired before 1995 are subject to the Civil Pension System as legislated for in the Civil Retirement Law No. (34) (1959) and its amendments (the “Civil Retirement Law). Military employees hired before 2003 are subject to the Military Pension System as legislated

²¹⁴ Source: Social Security Corporation

²¹⁵ SSC, ‘Annual Report 2012’, Statistical Appendix, Table 45

²¹⁶ ILO (2013), ‘Towards Pay Equity: A Legal Review of Jordanian National Legislation. Available at: http://www.ilo.org/wcmsp5/groups/public/---ed_norm/---declaration/documents/newsitem/wcms_214956.pdf

²¹⁷ *ibid*

²¹⁸ Under the SSC Law, the lump sum payment is calculated according to a formula based on the number of years served.

for in The Military Retirement Law No. (33) (1959) (the “Military Retirement Law”).

Qualifying Conditions: SSC insurance: age 60 (men) or age 55 (women) with at least (180) months of contribution of which a minimum of 84 are contributions based on months worked (rather than cash top-up contributions). Early pension is available for employees who have reached age 50 (men and women) with at least 300 actual contributions (men) and 264 actual contributions based on months worked (women). Early pension is available for hazardous occupations (to be defined when the Social Security Law is passed – expected 2013 - and thus ceases to be temporary) for employees of 45 years of age with at least 216 actual contributions (men) and 180 (women). An insured person with minimum months of coverage may continue to contribute up to age 65 (men) or age 60 (women) to either meet the qualifying conditions or increase the value of the old-age pension. An insured employee who has reached age 60 (males) and 55 (females) or continues working after this and did not complete the minimum number of contributions (180), may purchase the required contributions through the payment of a lump sum, calculated in accordance with the SSC Law. If the employment of an insured employee is terminated before retirement age, he/she is entitled to a lump sum payment calculated in accordance with the SSC Law. He/she is entitled to be included in the pension scheme in exchange for repayment of the lump sum plus interest.

The Civil Retirement Law: the employee is entitled to retire after thirty years of service. Compulsory retirement upon reaching the age of 60 years of age, or upon reaching 40 years of service.

The Military Retirement Law: The council of ministers may remove them from service upon the recommendation of the minister of defence upon reaching a certain age depending on the ranking of the servant, provided that the service is not less than 16 years. A military servant may retire upon reaching the ages specified for in the relevant law upon the completion of 20 or 15 years of service as the case may be. Compulsory retirement upon the completion of 60 years of age or 40 years of service.

According to the Civil Retirement Law, eligible beneficiaries include a wife (s), a son up to 17 years of age, unmarried daughters, a mother, a dependent father. The same applies to military servants.

Benefits (level and duration): SSC insurance: 2.5% of the insured’s average monthly wage over the final three years of contributions (2% of the rest of the average which exceeds JD 1,500 (USD 2,112)) multiplied by the total years of service. Upon calculating the pension, it is taken into consideration that the wage of the insured at the end of the last sixty months of contribution of his/her service shall not be increased by more than (60%) or decrease by more than 20% of his/her wage under certain conditions. Old age pension is increased by a supplement of 10% for the first dependent (and by 5% for second and third dependents. According to the SSC Law, eligible dependents include a wife; a husband with a disability; a son up to age 23 or disabled; an unmarried dependent daughter; and dependent parents, brothers, and sisters, and a fetus when born alive.

The value of an early pension varies depending upon the age of the employee and the number of contributions made. Employees are entitled to a natural death pension if the death occurred during his/her covered service, provided that he/she had paid at least 24 actual monthly contributions (of which 6 were successive).

Dependents of the pensioners (see definition above) receive his/her pension in full upon his/her death. Dependents of a worker who dies before retirement age are entitled to 50% of the average monthly wage to which the contributions payments were set during the last twelve contributions (and 30% of the rest average which exceeds 1500 JD. The aforementioned wage is increased by 0.5% for each year of the insured contributive years if the number of his/her contributions amounted to 60 or

more contributions provided that this rate shall be increased to 1% if his/her contributions amounted to 120 or more contributions.

An employee engaged for an unlimited period and not subject to the SSC Law, whose employment is terminated for any reason whatsoever, shall be entitled to termination compensation on an average of the wage of one month for every year of his actual service and shall be paid for the fractions of year compensation in proportion thereof.

Employees subject to the Civil Retirement Law and the Military Retirement Law are entitled to receive the retirement wage as calculated in light of the said laws depending on the years of service.

Financing: The SSC scheme is financed by monthly contributions paid by the employer at a rate of 9% of the wages of his/her employees; monthly contributions deducted by the employer at a rate of 5.5% from the wages of his/her employees. Voluntary contributors pay 14.5% of his/her wage. For employees in the Jordanian Armed Forces and Security Corps, the SSC scheme is financed by contributions of 9% of the employee's wage (with the level of contributions increasing annually from 2011 by 1% up to 20%).

The maximum earnings used to calculate contributions for insured persons who joined the scheme after the 2010 law was implemented is 5 times the national average wage or JD 5,000 (USD 7,040).

The Civil Retirement Law and the Military Retirement Law: the contributions deducted are at a rate of 7% of the employee's wage.

Evidence of implementation effectiveness: No comments from ILO supervisory bodies.

Coverage of workers in law: Employees subject to the Social Security Law Employees subject to the Social Security Law (private employees aged between 16 and 60 years old for males and 16 and 55 for females. Public employees hired since 1994, and military employees hired since 2003. Domestic household workers are excluded). Public employees subject to the Civil Retirement Law (e.g. public employees hired before 1994), and employees subject to the Military Retirement Law (e.g. military employees hired before 2003).

Coverage of workers in practice: Figures from the SSC show that in 2012 18.5% of males and 3% of females age 60+ benefitted from an old age pension.

Ratification of ILO Conventions: Social Security (Minimum Standards) Convention, 1952 (No. 102); not ratified. Old-Age and Survivors' Benefits Convention, 1967 (No. 128); not ratified.

Sources:

4. National legislation, http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=JOR
5. GESS, <http://www.social-protection.org/gimi/gess/ShowTheme.do?tid=3565>

Table 10.2 Share of Population (60+) benefitting from a pension (%)

Decent Work Indicator	2009	2010	2011	2012
Share of Population (60+) benefitting from a pension (%) ²¹⁹				
<i>Male</i>	18.6	18.7	19.1	18.5

²¹⁹Source: Social Security Corporation

<i>Female</i>	2.9	2.9	3	3
Total	11.1	11.1	11.3	11

The SSC scheme additionally provides a pension for workers whose ability to work is affected due a non-work related disability (see Legal Framework Indicator 17, Incapacity for work due to invalidity). During 2012 there were a total of 298 new beneficiaries of disability pension.²²⁰ There is no social security scheme in place to provide insurance for leave from work due to sickness. However, workers covered by the Labour Law are entitled to 14 days fully paid sick pay (with possibilities for extension) during which period his/her dismissal is prohibited (see Legal Framework Indicator 16: Incapacity for work due to sickness/sick leave’).

Survivors’ pensions are available for dependents of deceased insured workers and pensioners. However, the law implicitly treats men as the main family breadwinner, since widows are regarded as dependents whereas widowers are not (and therefore not eligible to inherit his wife’s pension), except if he is disabled. At the end of 2012 there were a total of 7,458 beneficiaries entitled to pensions due to death of insured persons or pensioners.²²¹

²²⁰ SSC, ‘Annual Report 2012’, Statistical Appendix, Table 45

²²¹ SSC, ‘Annual Report 2012’, Statistical Appendix, Table 51

Legal Framework Indicator 17: Incapacity for work due to sickness / sick leave

Law, policy or institutions: For the private sector, sick leave is regulated by the Labour Law No. (8) (1996) and its amendments. Regarding public sector workers, the Civil Services Bylaw No. (30) (2007) is the relevant legislation.

Qualifying Conditions: None.

Benefits (level and duration): Article 65 of the Labour Law entitles employers to a fully paid sick leave of 14 days per year, based on a physician's report approved by the employer. Sick leave may be extended by a further 14 days with full pay if the employee is hospitalized, and with half pay if the worker is not hospitalized but provides a report approved by the employer from a medical commission. The employer is prohibited to terminate the employee's contract during the sick leave.

The Civil Services Bylaw entitles public employees to an annual paid sick leave of up to seven days, consecutive or otherwise. If the sick leave exceeds seven days, the additional leave days are deducted from the employee's annual leave. If the annual leave is exhausted, the additional leave days are deducted from his/her basic salary. The law specifies certain procedures that are taken in the event that the sickness period exceeds one month.

Financing: The employer.

Evidence of implementation effectiveness: No comments from ILO supervisory bodies.

Coverage of workers in law: Employees subject to the Labour Law, employees subject to the Civil Services Bylaw.

Coverage of workers in practice: N/A

Ratification of ILO Conventions: Social Security (Minimum Standards) Convention, 1952 (No. 102); not ratified. The Medical Care and Sickness Benefits Convention, 1969 (No. 130); not ratified.

Sources:

1. National legislation,
http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=JOR

Legal Framework Indicator 18: Incapacity for work due to invalidity

Law, policy or institutions: The Social Security Law No. (7) (2010) provides for a contribution scheme (combining Disability, Old Age and Death Insurance) operated by the Social Security Corporation.

Qualifying Conditions: The employee must have applied for a disability pension within six months of the termination of employment; he/she must have made at least 60 months of contributions including 36 consecutive months; and his/her disability must have been confirmed by the relevant medical authorities. The insured is eligible for a total permanent natural disability pension if his/her disability is permanent and totally prevents him/her to undertake any employment. Alternatively, the insured is eligible for a partial permanent natural disability pension if his/her disability is permanent and prevents him/her from continuing his original employment but does not prevent him/her from undertaking other employment.

Intended beneficiaries are the family members of the insured or the disability pensioner as follows: (i) The

widow / widower; (ii) Sons and daughters; (iii) Parents; (iv) Dependents of brothers and sisters; and (v) Fetus when born alive.

Benefits (level and duration): The total permanent natural disability pension is equal to 50% of the average monthly wage, reduced to 30% for payments beyond 1,500 JD. If the insured is deemed to require assistance in carrying out daily tasks, the total permanent natural disability pension is increased by 25%, providing that this increase does not exceed the national minimum wage. The partial permanent natural disability pension is equal to 75% of the total permanent natural disability pension. Both the total and permanent natural disability pensions are increased by 0.5% for each year of the insured's contributions in excess of 60 contributions, and by 1% for each year of his/her contributions in excess of 120 contributions.

If the employment of the insured comes to an end due to natural disability without the fulfillment of the required entitlement conditions for disability pension, a lump sum compensation is granted at the rate of 15% of the average monthly wage for the last 24 contributions or the average monthly wage multiplied by the months of contribution if the period of contribution is less than that.

Financing: The SSC Disability Pension (combined with Old Age and Death insurance as noted) is primarily financed by 9% of the wages of the employee paid by the employer and 5.5% deducted by the employer from the wages of the employee. For the voluntarily insured, the employee alone pays the full 14.5% of his/her wage into the scheme.

Evidence of implementation effectiveness: No comments from ILO supervisory bodies

Coverage of workers in law: Employees subject to the Social Security Law (private employees aged between 16 and 60 years old for males and 16 and 55 for females. Public employees hired since 1995, and military employees hired since 2003. Domestic household workers are excluded.

Coverage of workers in practice: N/A

Ratification of ILO Conventions: Social Security (Minimum Standards) Convention, 1952 (No. 102); not ratified. The Invalidity, Old-Age and Survivors' Benefits Convention, 1967 (No. 128); not ratified.

Sources:

1. National legislation,
http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=JOR
2. GESS, <http://www.social-protection.org/gimi/gess/ShowTheme.do?tid=3565>

As noted above, the draft Social Security Law provides for the introduction of health insurance, although this remains dependent upon the passing of a decree from the Council of Ministers, which has not as yet been forthcoming. However, the development of a health insurance scheme for all Jordanians is included in the government's planned healthcare reforms as detailed in the 2006-15 National Agenda.²²² Although the SSC social security framework currently excludes health insurance, several insurance systems are in operation as outlined below. Coverage rates have more than doubled in the past decade, partly due to government health reforms which has expanded coverage to include the poor. The available data is for those compulsorily insured, rather than for total insured (e.g. it includes those insured under the various state schemes (described below) for which

²²² Jordan National Agenda 2006-2015

the Civil Health Insurance Law No. (10) (1983) and its amendments is the main relevant legislation, and excludes those insured under pre-paid private health insurance plans). As of 2012, an estimated 75% of Jordanians were compulsorily covered by health insurance (see table 10.3). The coverage rate for women (73.1%) is substantially higher than for men (49.9%), which is likely due to the large proportion of women employed in the public sector: the Civil Health Insurance Programme (CHIP) under the Ministry of Health covers all public sector workers, their dependents, the poor, individuals aged over 60, the disabled, children under six and blood donors.²²³ A second scheme, the Royal Medical Services (RMS), compulsory insures and provides health care to active and retired military personnel and their families. UNRWA covers healthcare for eligible Palestinian refugees in Jordan, covering approximately 11.4% of the population.²²⁴ It should also be noted that any individual, regardless of whether or not they are insured, is entitled to utilize Ministry of Health facilities (such as hospitals and health centres) at subsidized costs (15%-20% of actual cost).

Table 10.3 Share of economically active population compulsorily covered by health insurance

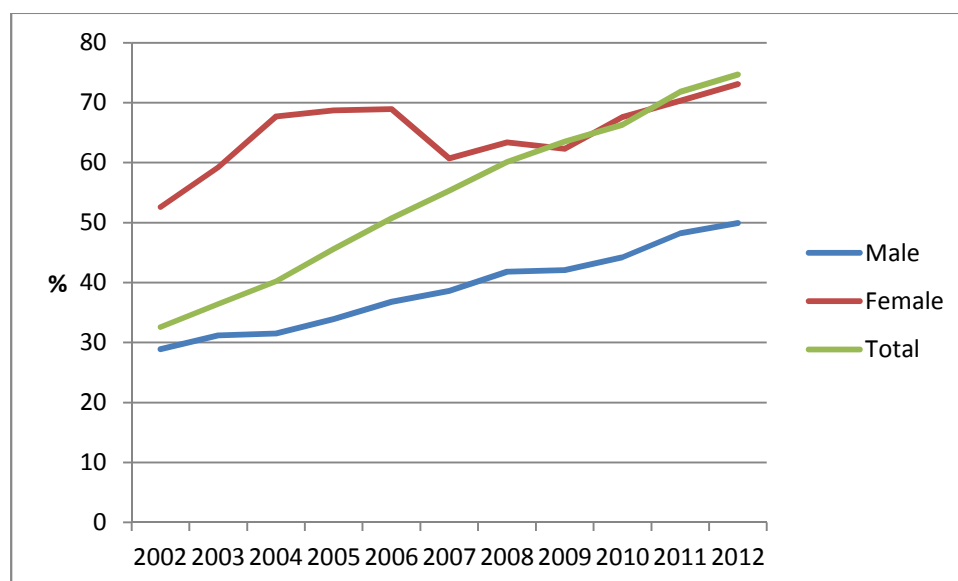
Decent Work Indicator	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Share of economically active population compulsorily covered by health insurance (%)²²⁵											
<i>Male</i>	28.9	31.2	31.5	33.9	36.8	38.6	41.8	42.1	44.2	48.2	49.9
<i>Female</i>	52.6	59.2	67.7	68.7	68.9	60.7	63.4	62.3	67.6	70.3	73.1
Total	32.6	36.4	40.2	45.6	50.7	55.3	60.1	63.5	66.3	71.8	74.7

²²³ WHO (2009), 'Country Cooperation Strategy for WHO and Jordan 2008–2013'. Available at: http://www.who.int/countryfocus/cooperation_strategy/ccs_jor_en.pdf

²²⁴ <http://www.unrwa.org/etemplate.php?id=98>

²²⁵ Source: Social Security Corporation

Figure 10.1 Share of economically active population covered by compulsory health insurance²²⁶



Total health expenditure (e.g. combined public and private expenditure) in Jordan is high compared with other countries in the region, at 8.4% of GDP in 2011 (although this marks a decrease of 1 percentage point since 2009).²²⁷ Moreover, the public financial impact of the expansion of health insurance is clear, with social security expenditure as a share of total government health expenditure increasing significantly in recent years, from 11.9% in 2002 to 28% in 2011.²²⁸ Health expenditure not financed out of pocket by households is used as a proxy indicator of the accessibility of affordable health care. The percentage of total healthcare expenditure which is not financed by out-of-pocket payments by private households is approximately equivalent to the percentage of total (public and private) healthcare expenditure in the country covered either by general government or by pre-paid private insurance, by private employers or NGOs.²²⁹ Health expenditure not financed out of pocket by private households has increased from 59.9% in 2004 to 75% in 2011, suggesting significant progress with regards to affordable healthcare (because the burden of paying for such services is falling less on household's private funds and more on the state and insurers), reflecting the expansion of those covered under health insurance as described above.

Table 10.4 Healthcare Expenditures Not Financed out-of-pocket (%)

Decent Work Indicator	
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²²⁶ Source: Social Security Corporation

²²⁷ For example, health expenditure as a share of GDP in 2011 for selected regional countries were: Egypt: 4.9%; Kuwait: 2.7%; Lebanon: 6.3%; Qatar 1.9%. WHO Global Health Observatory Data Repository, Middle Eastern Region: Jordan statistics summary (2002 - present). Available at: <http://apps.who.int/gho/data/view.country.11300>.

²²⁸ *ibid*

²²⁹ ILO (2012), 'Decent Work Indicators Concepts and definitions - ILO Manual'. Available at: http://www.ilo.org/wcmsp5/groups/public/---dgreports/---stat/documents/publication/wcms_183859.pdf

Healthcare Expenditures Not Financed out-of-pocket (%) ²³⁰	
2004	59.9
2005	59.5
2006	61.9
2007	58.4
2008	57.1
2009	66.6
2010	70.5
2011	75

Summary Assessment

Jordan has made significant progress with regards to the extension of social security in recent years. Progress has been made both in terms of the expansion of branches of social security available (notably the introduction of maternity benefits, as discussed in chapter 5) and in terms of widening the coverage of social security to compulsorily include all employers, regardless of the number of employees. Nevertheless, significant challenges remain with regards to enforcement, especially given the financial strain upon small businesses which inclusion in the Social Security Corporation entails (employers are required to contribute a total of 12.25% of the employee's wage on a monthly basis to cover the four social security schemes in operation)²³¹. Therefore a key challenge is to identify ways through which the compliance of small businesses with the Social Security Law can be ensured. In addition, social security remains beyond the reach of the majority of informally employed, which constitute a sizeable portion of work force and small businesses. Although health insurance has increased substantially over recent years, one-quarter of the Jordanian population remain without coverage as of 2012. The implementation of a universal health insurance system remains a fundamental aspect of the proposed Social Security Floor, which has been identified as a key objective in Jordan's Decent Work Country Programme 2012-2015. Such a floor would guarantee access to a minimum level of goods, services and social transfers, which currently only partially exists.

Sources

Global Extension of Social Security, 'Jordan'. Available at: <http://www.socialsecurityextension.org/gimi/gess/ShowCountryProfile.do?cid=113>

ILO (2012), 'Decent Work Indicators Concepts and definitions - ILO Manual'. Available at: http://www.ilo.org/wcmsp5/groups/public/---dgreports/---stat/documents/publication/wcms_183859.pdf

²³⁰ Source: World Health Organisation, Available at: <http://rho.emro.who.int/rhodata/?theme=country#>. This source provides data for "Out-of-pocket expenditure as % of total health expenditure. Healthcare expenditures not financed out of pocket (%), was obtained by subtracting from 100 'Out-of pocket expenditure as a % of total health expenditure'.

²³¹ These are: Old Age, Death and Disability Pension (employer contribution of 9%); Work Injury benefit (employer contribution of 2%); Maternity benefit (employer contribution of 0.75%); and Unemployment insurance (employer contribution of 0.5%).

ILO, 'Jordan Decent Work Country Programme 2012-2015'. Available at: <http://www.ilo.org/public/english/bureau/program/dwcp/download/jordan.pdf>

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Social Security Corporation. Available at: http://www.ssc.gov.jo/english/pages.php?menu_id=&local_type=1&local_id=80&local_details=1&local_details1=&localsite_branchname=SSC

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UNDP (2013), 'Jordan Poverty Reduction Strategy'. Available at: <http://www.undp.org/content/dam/jordan/docs/Poverty/Jordanpovertyreductionstrategy.pdf>

UNRWA, 'Projects in Jordan'. Available at: <http://www.unrwa.org/etemplate.php?id=98>

WHO (2009), 'Country Cooperation Strategy for WHO and Jordan 2008–2013'. Available at: http://www.who.int/countryfocus/cooperation_strategy/ccs_jor_en.pdf.

WHO Global Health Observatory Data Repository, Middle Eastern Region: Jordan statistics summary (2002 - present). Available at: <http://apps.who.int/gho/data/view.country.11300>

11 Social dialogue, workers' and employers' representation

Social dialogue entails all types of negotiation, consultation and exchanges of information between representatives of governments, employers and workers regarding issues relating to economic and social policy.²³² Freedom of association and the effective recognition of the right to collective bargaining are enshrined in the ILO Conventions No. 87, 'Freedom of Association and Protection of the Right to Organize', 1948, and No. 154 'Collective Bargaining', 1981, neither of which Jordan has ratified, and No. 98, 'Right to Organise and Collective Bargaining Convention', 1949, which Jordan ratified in 1963. However, although Jordan has not ratified the first two of these conventions, freedom of association and the right to collective bargaining are deemed Fundamental Principles and Rights at Work by the ILO. Consequently, as a member state of the ILO, Jordan is obligated to uphold those principles.²³³

With regards to the right to organise, substantial legal restrictions to compliance of Convention No. 98 remain (see Legal Framework Indicator 19: Freedom of association and the right to organise). Despite the fact that the Labour Law (article 97) states that, 'the employees in any occupation may establish a trade union for them in accordance with the provisions of this law', this right is effectively removed by article 98 (b) which states awards the Tripartite Committee (prior to 2010 the right was invested in the Minister of Labour) the right to designate the 'occupations and industries whose employees may establish an association'. Moreover, the number of officially sanctioned trade unions is limited to 17, a number which has remained static since 1976 (see table 11.2).²³⁴ Therefore there is no legal mechanism for the establishment of new trade unions and large sections of the labour force are denied the right to organise themselves due to the limited occupational classifications in which trade unions are sanctioned. Moreover, trade union pluralism is prohibited, since only one trade union is permitted in each sector. Furthermore, each trade union is obligated to be under the authority of the General Federation of Jordanian Trade Unions (GFJTU), which is responsible for drafting unions' internal bylaws. There is reportedly widespread sentiment amongst activists and

²³² ILO, 'Social Dialogue Sector'. Available at: <http://www.ilo.org/public/english/dialogue/>

²³³ 'Freedom of association and the effective recognition of the right to collective bargaining' constitutes one of four areas of fundamental rights, as adopted in 1998 in the ILO Declaration on Fundamental Principles and Rights at Work.

ILO, 'ILO Declaration on Fundamental Principles and Rights at Work'. Available at: <http://www.ilo.org/declaration/lang--en/index.htm>

²³⁴ Labor-Watch Jordan (2011), 'Decent Work in Jordan 2011 – 'Gap between the international standards and the reality prevailing in Jordan'. Available at: http://www.phenixcenter.net/en/files/Decent_Work_in_Jordan_TRANSLATION.pdf

external observers that the GFJTU does not effectively represent workers' interest.²³⁵ According to the International Trade Union Confederation (ITUC), a global representative body of trade unions, the independence of the GFJTU is compromised by the fact that the government subsidises the wages of its staff.²³⁶ With regards to employers' right to organise, the Labour Law guarantees the rights and obligations of employers' associations, including the requirement of a minimum of 25 founding members.

Legal Framework Indicator 19: Freedom of association and the right to organise

Law, policy or institutions: The Jordanian Constitution and its amendments (1952). Labour Law No. (8) (1996) and its amendments. Regulation Governing the Affairs of the General Federation of Trade Unions and Professional Associations No. (9)(2006)

The right to form trade unions and employers' associations within the limits of the law is guaranteed by Article 23(f) of the Constitution. Article 97 of the Labour Law permits workers in any trade to establish their own trade unions and prohibits employers from dismissing employees or discriminating against them in any way on the basis of trade union membership. Somewhat contradictorily, however, the following article states that the Tripartite Committee (formerly the Minister of Labour prior to 2010) has the responsibility to designate the sectors in which trade unions may be established. The most recent decision in this respect was made in 1999 and stipulates that trade unions may be established in 17 sectors. However, only one trade union may be established in any given sector, while the General Federation of Jordanian Trade Unions is responsible for drafting the internal bylaws (Article 100 of the Labour Law) of all trade unions. New trade unions and employers' associations must have a minimum of 50 and 25 founding members respectively and must gain authorization from the Minister of Labour. The Labour Law prohibits acts of interference by employers' and employees' organizations in each other's affairs.

Public sector workers and workers aged below 18 years are excluded from employers' associations and trade unions, while founding members must be aged at least 21 years and free of criminal convictions. As of Law No. 26 of 2010 which amended the Labour Law, non-Jordanians are no longer prohibited from joining a trade union. However, they may not be founding members nor run in union elections.

Evidence of implementation effectiveness: The Committee of Experts requested in 2011 that the government take measures to ensure the full rights to organize of migrant workers and of workers below the age of 18, as well as to clarify the status of domestic workers, cooks, gardeners and their dependents, agriculture workers with respect to the right to organize (no legal provision explicitly states as to whether the named categories are entitled to collective organisation). The Committee has further noted that the levels of sanctions used in cases of acts of interference (by workers' and employers' organizations in each others' affairs) are not sufficiently dissuasive and has requested the government to take measures in order to strengthen these sanctions. Information on CFA cases: There are no active cases before the

²³⁵ Adely, F., 'The Emergence of a New Labor Movement in Jordan', *Middle East Research and Information Project*. Available at: <http://www.merip.org/mer/mer264/emergence-new-labor-movement-jordan>

²³⁶ International Trade Union Confederation, 'Annual Survey of Violations of Trade Union Rights – Jordan 2012'. Available at: <http://survey.ituc-csi.org/Jordan.html?lang=en#>

Committee on Freedom of Association and 1 case (complaint date 22 May 2012) in which the Committee requests to be kept informed of developments. The allegations are related to the Government's refusal to register two independent trade unions.

Coverage of employees in law: Workers aged 18 and over subject to the Labour Law

Coverage of employees in practice: In 2012 there were 108,330 trade union members and the Union Density Rate was 12.6%

Ratification of ILO Conventions: The Freedom of Association and Protection of the Right to Organize Convention, 1948(No. 87); not ratified. The Right to Organize and Collective Bargaining Convention, 1949(No. 98); ratified in 1963.

Sources:

1. National legislation,
http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=JOR
2. CEACR 2011, Observation on the Right to Organise and Collective Bargaining Convention, 1949 (No. 98)
http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:2698984
3. Freedom of association cases,
<http://www.ilo.org/dyn/normlex/en/f?p=1000:20060:0:FIND:NO::>

A number of other aspects of the legal framework have been identified by the ILO Committee of Experts (in 2011) as being in contravention of Convention No. 98.²³⁷ These include the prohibition of public sector workers and workers under the age of 18 to establish or join trade unions. Moreover, the law that trade unions must have 50 founding member poses a further practical challenge to the establishment of new trade unions (employers' associations must have a minimum of 25 founding members). Positively, however, a 2010 amendment to the Labour Law means that non-Jordanians are now no longer prohibited from joining trade unions, although they are still prevented from being founding members. For this reason, the Committee of Experts has noted (in 2011) that the right to organise remains not fully guaranteed.²³⁸ In addition, while the Labour Law effectively prohibits acts of interference in the affairs of workers' and employers' organisations by each other (as stipulated by Article 2 of Convention No. 98), the

²³⁷ CEACR 2011, Observation on the Right to Organise and Collective Bargaining Convention, 1949 (No. 98)
http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:2698984

²³⁸ *ibid*

Committee of Experts suggested in 2011 that sanctions against such infringements are not sufficiently severe (between JD 50 and JD 100 (USD 70–141) as to have a dissuasive effect.²³⁹

It is in this relatively restricted and static context that the union density rate – used as a proxy measure of workers’ representation and the influence of trade unions²⁴⁰ – must be interpreted. In 2012, trade union density stood at 12.6% (see table 11.1). Unfortunately, data for this indicator is not available for other years, preventing an analysis of trends over time. Reflecting the aforementioned legal stipulations, large occupational sectors are devoid of union representation, including public sector workers. Nevertheless, in recent years several independent trade unions have been established, including in the phosphate and electricity sectors, which are not affiliated with the GFJTU and are not officially recognised.²⁴¹ The founding congress of the representative organisation of such unions, the Federation of Independent Trade Unions of Jordan (FITU-J) was held in spring 2013.²⁴²

Table 11.1 Union Density Rate

Decent Work Indicator ²⁴³	2012
Union Density Rate (%)	12.6
Total Number of Trade Union Members	108,330

Table 11.2 Official Trade Unions

Trade Union ²⁴⁴	Establishment Date	Number of Members	Election Period	Last Election
General Trade Union of Railway Employees	1946	1000	5	2010

²³⁹ Ibid

²⁴⁰ ILO (2012) ‘Manual – Decent Work Indicators: Concepts and Definitions’. Available at: http://www.ilo.org/stat/Publications/WCMS_183859/lang--en/index.htm

²⁴¹ Labor Watch (2012), ‘Freedom of association in Jordan - The new trade unions, controversy of legitimacy’. Available at: http://www.phenixcenter.net/en/files/docs/Freedom_of_association_in_Jordan_english_report_final_copy_copy.pdf

²⁴² The founding conference was organised by nine independent organisations and reportedly represented more than 7,000 workers, including those in the phosphates and pharmaceutical industries, electrical workers, land transport drivers, printing press operators, day labourers, agricultural workers, engineers’ assistants and Department of Statistics employees. Source: Solidarity Center (2013), *Jordanian Unions Establish Independent Federation*. Available at: <http://www.solidaritycenter.org/content.asp?contentid=1653>.

²⁴³ Note: The Union Density Rate is the number of employees who are trade union members as a share of total employees in the labour force. Source: *Civil Society Organisations in Jordan*. Available at <http://www.civilsociety-jo.net/en/>

²⁴⁴ Source: *Civil Society Organisations in Jordan*. Available at <http://www.civilsociety-jo.net/en/>

General Trade Union of Land Transport Employees and Mechanics	1954	50000	5	2011
Trade Union of Workers in Banks, Accounting and Insurance	1954	5000	5	2011
General Trade Union for Public Services and Free Vocations	1954	2000	5	2011
Trade Union of Workers in Typing and Photocopying	1954	3000	5	2011
General Trade Union of Workers in Textile, Garment and Clothing	1954	5000	5	2011
Trade Union of Workers in Municipalities	1954	450	5	2011
General Trade Union of Workers in Air Transportation and Tourism	1955	5800	5	2011
General Trade Union of Workers in Seaports	1956	1000	5	2010
General Trade Union of Workers in Electricity	1960	9000	5	2010
General Trade Union of Workers in Health Services	1962	850	5	2010
General Trade Union of Workers in Petrochemicals	1963	7200	5	2010
General Trade Union of Workers in Private Education	1969	1500	5	2010
General Trade Union of Workers in Mining and Metal Industries	1970	8500	5	2010
General Trade Union of Workers in Construction	1953	4000	5	2010
General Trade Union of Workers in Food Industries	1976	3180	5	2011
Trade Union of Workers in Commercial Stores	1976	850	5	2011

The right to collective bargaining has traditionally been ambiguous in Jordanian Labour Law, although it was guaranteed for the first time in 2010, under a law amending the Labour Law (see Legal Framework Indicator 20, Collective bargaining right'). However, certain labour advocacy organisations have argued that the amendments have a detrimental impact upon workers who are not affiliated to a trade union as the amended law limits collective bargaining to official trade unions (thus excluding independent trade unions).²⁴⁵ Moreover, public sector workers continue to be denied the right to bargain collectively.

The collective bargaining coverage rate is the percentage of employed workers subject to collective bargaining agreements and provides an indication of the industrial relations system in a given country.²⁴⁶ In Jordan, coverage of collective bargaining is limited, with just 489 agreements reached between 2002 and 2011, and an annual average of 5.8% of the total employed population covered by collective agreements (see table 11.3). However, the number of agreements and of those covered under them has varied considerably between years, from a low of 1.2% (2009) to a high of 8.8% (2008). Notably, in 2011 the collective bargaining rate increased to 20.8%, an increase of 17 percentage points from the previous year. It is likely that this sharp increase is associated with the large number of labour protests which occurred during

²⁴⁵ Labor Watch (2012), 'Freedom of association in Jordan - The new trade unions, controversy of legitimacy'. Available at: http://www.phenixcenter.net/en/files/docs/Freedom_of_association_in_Jordan_english_report_final_copy_copy.pdf

²⁴⁶ ILO (2012) 'Manual – Decent Work Indicators: Concepts and Definitions'. Available at: http://www.ilo.org/stat/Publications/WCMS_183859/lang-en/index.htm

that year (see below). Nevertheless, the increase in the collective bargaining rate here was mainly due to an increase in the average number of workers covered under each collective agreement, rather than in a large increase in the number of agreements concluded (the latter witnessed a modest increase from 68 in 2010 to 79 in 2011).

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Table 11.3 Collective bargaining coverage rate

Decent Work Indicator	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Collective bargaining coverage rate (%)²⁴⁷										
Number of collective agreements	39	25	39	45	57	68	46	23	68	79
Number of benefitted workers	1952 8	3199 6	1952 8	3088 1	3881 8	5064 4	8025 0	1205 2	3684 5	21055 8
Total number of employed in labour force	6920 70	7609 62	8518 93	8661 18	8725 56	8709 41	9164 04	9622 73	9777 15	10120 96
Collective bargaining coverage rate (%)	2.8	4.2	2.3	3.6	4.4	5.8	8.8	1.3	3.8	20.8

It is worth noting that a factor which serves to increase coverage rates in Jordan is that collective agreements apply to all workers in any establishment covered by such agreements, regardless of whether they are trade union members. In addition, a degree of caution is required when analysing the collective bargaining rate since the statistics do not themselves indicate the extent to which agreements have been comprehensive or whether they have addressed only single-issues (it is worth noting that, from the perspective of decent work, the most effective agreements are typically those which cover multiple issues, such as pay and working conditions). A related point is that collective bargaining has been mainly limited to the enterprise level, with the ILO noting in 2012 that less than 1% of collective agreements were enacted at the sectoral level²⁴⁸ (whilst sectoral agreements are often harder to reach, they are usually more comprehensive in scope and more sustainable than enterprise-level agreements). A recent exception to this can be found in the apparel sector, however, which in May 2013 passed a collective agreement (supported by the ILO-IFC Better Work Jordan programme) which covered 40,000 workers.²⁴⁹

²⁴⁷ Source: Data regarding collective agreements and the number of benefitted workers obtained from Ministry of Labour. Data regarding the total number of employed obtained from Department of Statistics Employment Survey. The collective bargaining rate is the share of employed persons benefitting from collective agreements as a percentage of the total number of employed.

Notes: To obtain the collective bargaining rate, the number of persons benefitting from collective agreements is divided by the total number of employed.

²⁴⁸ ILO, 'Jordan Decent Work Country Programme 2012-2015'. Available at: <http://www.ilo.org/public/english/bureau/program/dwcp/download/jordan.pdf>

²⁴⁹ ILO (27th May 2013), 'Collective Bargaining Agreement signed for Jordanian Apparel Sector'. Available at: http://www.ilo.org/beirut/media-centre/news/WCMS_214426/lang-en/index.htm

Legal Framework Indicator 20: Collective bargaining right

Law, policy or institutions: The Labour Law No. (8) (1996) regulates collective agreements and matters related thereto. The right to collective bargaining is explicitly guaranteed by virtue of the 2010 amendment to the Labour Law. Collective agreements can be for a specified period (maximum two years) or for an indefinite duration (after two years either party has the right to terminate the agreement providing one month's notice is given to the other party and to the Ministry). The expiry of a collective agreement does not entitle the employer to undermine the rights acquired by employees who had been covered by the agreement.

Collective bargaining agreements are binding on employers or their successors; workers covered under the terms of the collective agreement; workers in any establishment covered by such agreements, including those who are not trade union members; and workers in any establishment covered by such agreements, and that are employed under individual employment contracts which are less favourable to them than the collective contract.

Strikes and lock outs are permitted under certain conditions. According to the Labour Law, no employee may go on strike and no employer may proceed to a lock-out while proceedings concerning a dispute are pending before a conciliation officer or board or an industrial tribunal, and during a period in which a settlement or award is in force and where the strike or lock-out is in connection with any matters covered by such settlement or award.

Employees must give 14 days' written notice of going on strike. Where work is related to public service (not to be confused with public sector workers), the notice period is 28 days (as defined in Regulation No. 8 (1998) Governing Strikes and Lock-outs.). The same policy applied to lock-outs. Strikes in violation of the Labour Law are liable to fines of at least JD 50 (USD 70.40) the first day and JD 5 (USD 7.04) for every subsequent day of strike, in addition to deprivation of remuneration during the strike. An illegal lock-out is liable to a fine of JD 500 (USD 704) the first day and JD 50 for every subsequent day of the lock-out, while the employer is additionally bound to pay employees their remuneration for days during which the lock-out is maintained.

Dispute resolution: The Minister may appoint one or more Ministry officials as conciliation officers to carry out mediation in the settlement of collective labour disputes. To this end, the officer initiates mediation proceedings between the two parties to settle the dispute via collective or other agreement. However, if negotiations are unsuccessful, within 21 days from the day the dispute is referred to him/her, the conciliation officer submits a report to the Minister describing the reasons of the dispute, negotiations that have taken place between the two parties and his/her own conclusions. In this respect, if the Minister also fails to reach a settlement of the dispute, he/she must then refer the case to a conciliation board.

If the conciliation board fails to bring about a settlement to a collective labour dispute, the case will then be referred (also by the minister) to an industrial tribunal consisting of three ordinary judges commissioned by the judicial council, which issues a decision to the Minister within 30 days. Decisions of this body are final: no appeal may be lodged against such a decision before any judicial or administrative body. Decisions are binding on present and subsequent employers and employees of the establishment concerned.

Evidence of implementation effectiveness: In response to comments made by the International Trade Union Confederation (ITUC) in a communication with the ILO Committee of Experts dated 4 August 2011, the latter in 2011 requested the government to provide information on the legal provisions concerning

the right to collective bargaining in the public sector.

Coverage of employees in law: Employees subject to the Labour Law

Coverage of employees in practice: In 2010, the average Collective Bargaining Coverage Rate (the proportion of the number of employed workers who have benefitted from collective bargaining agreements) was 3.8%. In 2011, the rate was 20.8%.

Ratification of ILO Conventions: The Freedom of Association and Protection of the Right to Organize Convention, 1948(No. 87); not ratified. The Right to Organize and Collective Bargaining Convention, 1949 (No. 98); ratified in 1963. Promotion of Collective Bargaining Convention, 1981 (No. 154); not ratified.

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1. National legislation,
http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=JOR
2. CEACR 2011, Observation on the Right to Organise and Collective Bargaining Convention, 1949 (No. 98)
http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:2698984

The right to strike and hold lock-outs, though permitted in the Labour Law, remains highly restricted: organisers must give 14 days' written notice of going on strike or holding a lock-out, while the (or 28 days where work is related to services of public interest). In addition, strikes and lock-outs are prohibited while dispute proceedings are pending, and are proscribed from addressing issues that are covered in a valid dispute settlement of reward. Despite the strict regulations, in recent years labour protests have become increasingly common. Due to the fact that 2010 and 2011 are the only years in which data is available regarding strikes, it is not possible to authoritatively ascertain the long-term trends over time regarding the nature and duration of industrial action. Nevertheless, it has been reported that the recent rise in labour protests can be traced back to 2006 when protests were carried out by day labourers,²⁵⁰ followed in 2009 by protests organised by workers of Aqaba Ports Corporation.²⁵¹ In 2011, dynamics associated with the 'Arab Spring' entailed a further sharp increase in the prevalence of striking and labour protests, albeit largely illegal. In particular, 2011 witnessed a high point of protests, with a reported total of 829 labour protests, compared with 140 the previous year (see table 11.5). More than half of the 2011 protests lasted for a single day, while 16% lasted for longer than 20 days (see table 11.4).

In general, the 2011 protests were driven by actors other than the official trade unions, with 98% of the protests in 2011 reportedly organised by non-official trade unions and workers' groups. Moreover, despite the prohibition on striking in the public sector, more than half of the strikes in 2011 took place in the public sector.²⁵² This reflected a significant shift from 2010, during which 75%

²⁵⁰ Day labourers are defined by Labor Watch as 'workers in the public sector and independent enterprises who's wages are calculated on daily basis'. Labor Watch (2012), 'Freedom of association in Jordan - The new trade unions, controversy of legitimacy'. Available at: http://www.phenixcenter.net/en/files/docs/Freedome_of_association_in_Jordan_english_report_final_copy_copy.pdf

²⁵¹ ibid

²⁵² Labor Watch (2012), 'Labor Protests in 2011 - Analytical Report'. Available at: http://www.labor-watch.net/en/files/2010/labor_protests_English_final.pdf

of labour protests had occurred in the private sector. Although the increase in public sector striking doubtless had numerous causes, it has been suggested that the increase in the phenomenon of ‘day labourers’ in the public sector (see chapter 7) – was an important contributory factor.²⁵³

Table 11.4 Days not worked due to strikes and lockouts

Decent Work Indicator		
Days not worked due to strikes and lockouts (2011) ²⁵⁴		
Duration (in days)	Number of Protests	Percentage
One day	477	57.5
From 2 to 3 days	122	14.7
From 4 to 5 days	38	4.6
From 6 to 10 days	42	5.1
From 11 to 15 days	25	3
From 16 to 20 days	7	0.8
More than 20 days	17	2.1
Threats	101	12.2
Total	829	100

Table 11.5 Number of labour protests

Number of labour protests ²⁵⁵	2010	2011
Total number of labour protests	140	829
<i>Public Sector</i>	35	485
<i>Private Sector</i>	105	309
<i>Unemployed</i>	0	35

Mechanisms for social dialogue have been strengthened in recent years with the establishment of the Economic and Social Council (ECOSOC) in 2009 to facilitate

dialogue on economic and social policies.²⁵⁶ The ECOSOC consists of members of government ministries, employers’ representatives, workers’ representatives and members of civil society, and is divided into four committees: economic policies, social policies, employment policies and educational policies.²⁵⁷ In 2010 the Tripartite Committee for Labour Affairs was created, chaired by

²⁵³ Adely, F., ‘The Emergence of a New Labor Movement in Jordan’, *Middle East Research and Information Project*. Available at: <http://www.merip.org/mer/mer264/emergence-new-labor-movement-jordan>

²⁵⁴ Labor Watch (2012), ‘Labor Protests in 2011 - Analytical Report’. Available at: http://www.labor-watch.net/en/files/2010/labor_protests_English_final.pdf. Labor Watch (2011, ‘Labor Protests in Jordan 2010’. Available at: http://www.labor-watch.net/en/files/2010/pdf/Labor_protests_in_Jordan_2010.pdf

²⁵⁵ Labor Watch (2012), ‘Labor Protests in 2011 - Analytical Report’. Available at: http://www.labor-watch.net/en/files/2010/labor_protests_English_final.pdf. Labor Watch (2011, ‘Labor Protests in Jordan 2010’. Available at: http://www.labor-watch.net/en/files/2010/pdf/Labor_protests_in_Jordan_2010.pdf

²⁵⁶ ILO, ‘Jordan Decent Work Country Programme 2012-2015’. Available at: <http://www.ilo.org/public/english/bureau/program/dwcp/download/jordan.pdf>

²⁵⁷ ILO (2011), ‘Global Jobs Pact Country Scan’. Available at: http://www.ilo.org/wcmsp5/groups/public/---dgreports/---integration/documents/publication/wcms_151885.pdf

the Minister of Labour and represented by the tripartite social partners. The Tripartite Committee has responsibility for ensuring consultations with respect to the matters related to international labour standards and evaluating the applicable laws and regulations, employment, wages, employment disputes (see Legal Framework 21, 'Tripartite consultations'). However, it is not clear the extent to which the Tripartite Committee is active as an effective consultative body. To this end, the ILO Committee of Experts has (in 2012) requested that the government provide detailed information on the operation of the consultation mechanism; the government's response is expected in 2013.²⁵⁸

DRAFT

²⁵⁸ CEACR , Observation on Tripartite Consultation Convention, 1976 (No. 144). Available at: http://www.ilo.org/dyn/normlex/en/f?p=1000:13101:0::NO:13101:P13101_COMMENT_ID:3075172

Legal Framework Indicator 21: Tripartite consultations

Law, policy or institutions: Labour law No. (8) for the Year 1996 and its amendments. Regulation No. 21 of 2010 governing the Tripartite Committee for Labour Affairs.

The statutes of a Tripartite Committee for Labour Affairs was approved by a decision of the Council of Ministers of 18 September 2007. The 2008 amendment to article 43 of the Labour Law further clarified the manner in which the Tripartite Committee would be constituted, its composition and competences. Following this, the Tripartite Committee was established under Regulation No. (21)(2010)Governing the Tripartite Committee for Labour Affairs, and was included in the 2010 amendment to the Labour Law. The Labour Law states that the Tripartite Committee 'is chaired by the Minister, and its members are representatives from the Ministry and from employers and workers in equal numbers'.

The Tripartite Committee is responsible for ensuring consultations with respect to the matters related to international labour standards. Further, the Tripartite Committee's 2007 statutes stipulate that the committee has responsibility for consultations on matters relating to employment, in particular with a view to assessing the extent to which employment policy and legislation are in line with economic and social development and to plan the follow-up to the conditions of work. Additionally, the Labour Law states that the Tripartite Committee has responsibility for ensuring consultations with respect to the matters related to international labour standards and evaluating the applicable laws and regulations, employment, wages, employment disputes.

The tripartite committee also undertakes minimum wage setting (see Legal Framework Indicator 3), taking into consideration living cost indicators issued by the relevant competent authorities. The Committee also classifies professions or vocations and industries to which employees are permitted to establish a union, and other matters related to trade unions and employers' associations.

Evidence of implementation effectiveness: N/A

Coverage of workers in law: Employees subject to the Labour Law

Coverage of workers in practice: N/A

Ratification of ILO Conventions: The Tripartite Consultation (International Labour Standards) Convention, 1976(No. 144); ratified in 2003.

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http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=JOR
2. CEACR 2011, Observation on the Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144)
http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:2700112
3. . CEACR 2009, Direct Request on the Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144)
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Summary Assessment

Overall, despite making certain progress with regard to its commitment to strengthening social dialogue mechanisms, Jordan's legal and policy frameworks require further development in several respects in order for it to comply with international labour obligations, and hence ensure that its laws act as an enabler (rather than a hindrance) to the objectives of decent work. A particular area of concern is Jordan's failure to ratify the core ILO Convention No. 87, 'Freedom of Association and Protection of the Right to Organize', 1948. Although tangible progress has been made regarding this right, including the extension of the right to join unions to migrant workers, substantial restrictions remain, including limits on the number of official trade unions, the requirement that unions have 50 founding members, the inability of migrants to establish unions, and continued curbs on the right to strike.

Despite certain good examples, notably the sectoral agreement recently reached in the garment sector, collective bargaining in the country remains weak, with related coverage rates (i.e. the numbers covered by collective bargaining agreements) spiking only recently amid an upturn in labour unrest. From an institutional perspective, one of the most positive developments in recent years towards social dialogue has been the creation of the Economic and Social Council and the Tripartite Committee. However, a key challenge remains the political commitment to the effective activation of these platforms.

DRAFT

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DRAFT