

EMPLOYMENT POLICIES IN JORDAN



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PREFACE

Since 2011 the southern and eastern Mediterranean countries have experienced a succession of revolts and regime changes, the so-called Arab Spring. The revolts served to focus attention on the lack of employment in the region – one of the main causes of social instability – and highlighted the importance of European Union (EU) cooperation with its neighbours in the field of employment. To address this problem, a structured Euro-Mediterranean policy dialogue on employment was initiated in 2008¹ and the reform of the European Neighbourhood Policy in 2011 attributed greater importance to job creation and inclusive growth in the region.

Alongside this process of structured policy dialogue, the European Training Foundation (ETF) has provided periodic inputs to the European Commission (Directorate-General for Employment) through three employability reports, presented in 2007, 2009 and 2011 to the Euromed Employment and Labour High-Level Working Group tasked with preparing the ministerial conferences (Martin and Bardak, 2012). The aim of these reports was to contribute to the policy dialogue between the EU, the ETF and partner countries by providing reliable analyses of employment policy and employability in the region.

As part of this process, the ETF launched another round of analysis on employment policies in selected countries of the region. The focus of these country reports was not to analyse labour market trends and challenges, but rather to map existing employment policies and active labour market programmes and to assess the results and effectiveness of these instruments in addressing employment challenges. The reports also include a short description of the recent political context in the country, including topics such as the impact of the Arab Spring on the economy and employment, new players and actors, as well as the recent policy changes (government, donors, funding, etc.).

The present report was drafted by Thoraya El-Rayyes in July 2013 in Amman. Besides the desk review and statistical data analysis, more than 10 stakeholders – representatives of government departments, social partners (trade unions and employers' organisations), donors, and civil society – were interviewed between 2 and 7 June 2013 in Amman by the local team and ETF experts in order to gather information about their opinions on the country's employment policies. The final report reflects the findings of these interviews with representatives of the following key stakeholders: the Ministry of Labour (MoL), the Employment–Technical and Vocational Education and Training (E-TVET) Council, the National Employment Strategy team, local employment offices, the Civil Service Bureau (CSB), the Chambers of Industry and Commerce, employers, trade unions, non-governmental organisations (NGOs), research institutes, the Ministry of Industry and Trade, the EU-funded TVET project team, and the International Labour Organisation (ILO) project team.

The first chapter of the report provides background on the key challenges facing Jordan in employment issues, particularly the effect of recent economic and political developments. The second chapter provides an overview of the actors, their role in the policy environment, and institutional capacity. The report goes on to provide an overview of current employment policies and programmes in the country and an evaluation of their efficacy. The final chapter presents recommendations for the development of employment policies and programmes.

Ummuhan Bardak, ETF
September 2013

¹ A Framework of Actions on job creation, employability of human capital and decent employment was adopted at the first Euro-Mediterranean Conference of Ministers of Labour and Employment held in Marrakech in November 2008, and restated at the second Union for the Mediterranean (UfM) Labour and Employment Ministerial Conference held in Brussels in November 2010.

1. THE JORDANIAN LABOUR MARKET

1.1 LABOUR MARKET OVERVIEW

Jordan is a small, upper middle-income country with limited natural resources and a relatively open economy (World Bank, 2013a). High levels of unemployment and low economic activity rates have long been a major concern for the government and have figured prominently in policy documents and strategies over the past two decades. Despite this concern, over the past decade unemployment rates have remained relatively unchanged – only varying between 12% and 15% – and economic activity rates have remained between 37% and 40%. The highest unemployment rates are found among women and the highly skilled.

Against this backdrop, the economy faces the added challenge of a high population growth rate. Over 67% of the population is under 30 years of age and 21.6% is aged between 15 and 24 (Department of Statistics, 2013a). Consequently, a large number of young people enter the labour force every year and youth unemployment² is disproportionate. In 2012 it was as high as 31.9%, more than double the overall rate (Department of Statistics, 2013b).

Before taking a closer look at employment challenges in Jordan, a brief review of official employment statistics is in order. This paper uses two key sources of official statistics published by the Jordanian Department of Statistics: the *Employment and unemployment surveys 2012, 2011 and 2010*, a labour force survey based on a sample of households (excluding non-Jordanians), the source of all the unemployment and economic activity figures cited in this paper; and the *Employment survey 2011*, an enterprise-based survey including data on both Jordanian and non-Jordanian workers as well as detailed data on wages and working hours. The latter, which is the source of the wage data cited in this paper, is based on a census of public sector employees and the staff of private companies with 100 or more employees, and on a sample of private enterprises with under 100 employees.

Employment in Jordan faces several key challenges.

INSUFFICIENT NUMBER OF JOBS CREATED BY THE LABOUR MARKET

Over 60 000 people enter the labour market each year but only 10 000 new jobs are created annually in the public sector (ILO, 2012). Liberalisation of the economy in the 1990s resulted in more job destruction than job creation (Taghdisi-Rad, 2012). For example, export-oriented production in the Qualifying Industrial Zones (QIZs) primarily created unskilled jobs that have been filled by migrant workers. Furthermore, the number of jobs created by exports has not exceeded the number of jobs lost due to imports (Taghdisi-Rad, 2012).

HIGH LEVELS OF MIGRANT LABOUR INFLOWS

According to official records, the number of documented migrant workers (those with work permits) rose from 111 000 in 2000 to a high of 335 000 in 2009 – an annual growth rate of 14% (MoL, 2013a). By contrast, the growth rate for Jordanian workers was only 3.7% during the same period (National Employment Strategy, 2012). Due to the effects of the economic slowdown, the population of migrant workers has declined significantly from that peak, with the most recent government figures reporting 209 000 documented migrant workers in the country (MoL, 2013a). The number of undocumented foreign workers is estimated to be between 150 000 and 250 000 (National Employment Strategy, 2012), bringing the total number of migrant workers to between 359 000 and 459 000. Data from the government's latest employment and unemployment survey indicate that migrant workers constitute between 22% and 26% of Jordan's employed population (Department of Statistics, 2013a and 2013b; MoL, 2013a). The high proportion of low-skilled, low-paid migrant workers in the labour market has increased unemployment, pushed down wages, and made jobs less attractive to Jordanians.

² Defined as the unemployment rate among those aged 15-24.

MISMATCH BETWEEN THE SKILLS OF THE UNEMPLOYED AND THE TYPES OF JOBS AVAILABLE

Each year some 40 000 students graduate from Jordanian universities. However, only 30% of the new jobs created are occupied by university graduates, while the remainder are largely taken by workers with a high school education or lower, many of whom are migrant workers. Consequently, around 15 000 new university graduates enter the ranks of the unemployed or economically inactive every year. The improvement in educational attainment is leading to an increase in the proportion of unemployed persons with university degrees and a growing mismatch between the output of the educational system and labour market demand (National Employment Strategy, 2012).

MASS EMIGRATION OF THE MOST SKILLED JORDANIAN WORKERS

The lack of well-remunerated employment at home has led many highly skilled Jordanians to seek employment abroad, a phenomenon with long-term implications for the country's human capital. According to the latest estimates, there are currently around 310 000 Jordanians working in Gulf Cooperation Council (GCC) countries (MoL, 2013b), most of whom have a university education (Economic Research Forum, 2011). Although this migration of highly skilled workers eases some of the pressure on the local labour market, the long-term developmental implications for the country are problematic. Moreover, it is estimated that more than half of these emigrants work in Saudi Arabia (MoL, 2013b), another country with chronically high levels of unemployment among university-educated youth. Saudi Arabia has recently ramped up the process of 'Saudization' of its labour force (Al-Bluwai, 2013; Habib, 2013; Waqas, 2013) and the implementation of this policy is likely to further exacerbate the problem of unemployment among Jordanians with higher education.

SIZE OF THE INFORMAL ECONOMY

Recent government research estimates that informal employment represents 44% of total employment in the Jordanian economy (Ministry of Planning and International Cooperation, 2012). The World Bank has estimated the informality rate as a percentage of GDP to be 20.9%, although the share of the labour force not contributing to social security rises to 67.2% among employees (World Bank, 2011)³. Most informal workers in Jordan work in the private sector, in which 59% of the workforce falls into this category. Self-employed workers account for 39% of the informal labour force and unpaid household workers a further 2%.

LABOUR MARKET DISTORTIONS CAUSED BY PUBLIC SECTOR EMPLOYMENT

The public sector has traditionally been one of the largest employers in the Jordanian labour market, employing over half the Jordanian labour force until the late 1990s. Although its share has declined significantly, the public sector still employs 31% of the workforce today (Department of Statistics, 2013c). Moreover, the average wage is higher in the public sector than the private sector (Department of Statistics, 2013c), despite the fact that public sector employment offers better job security, shorter working hours and guaranteed medical insurance. All of these factors have made the public sector the preferred option for new entrants into the labour market, particularly women.

HIGH UNEMPLOYMENT IN CERTAIN REGIONS

Although the difference in unemployment rate between urban and rural areas is not particularly large (11.8% vs 14.2%), unemployment is much higher in certain rural and semi-urban regions. While the current national rate is 12.2%, significantly higher rates are found in the governorates of Madaba (17.0%), Karak (17.7%), Tafileh (19.6%), and Ma'an (19.0%) (Department of Statistics, 2013a).

GENDER ISSUE

Gender is also a factor in employment. Economic activity rates are low for both sexes by international standards, but the rate for women is very low compared to that for men (14.1% vs 61.3%) (Department of Statistics, 2013b). Indeed, Jordan has one of the lowest female economic activity rates in the world (ILO, 2012). Although the country boasts one of the highest rates of education among women of all the Arab states (National Employment Strategy, 2012), the activity rate among women is lower in Jordan than in any other Arab country except Iraq. The problem of low levels of economic activity is particularly acute among women with less education: 97% of women with a secondary education or lower are economically inactive compared to 42.9% of those with a university education (Department of Statistics, 2013b).

Moreover, the unemployment rate among women is currently 19.9%, almost double the rate for men (10.4%). By far the highest level of unemployment is found among women with post-secondary education (see **TABLE 1.1**). Detailed women's labour market indicators for the period 2010-12 are provided in the Annex.

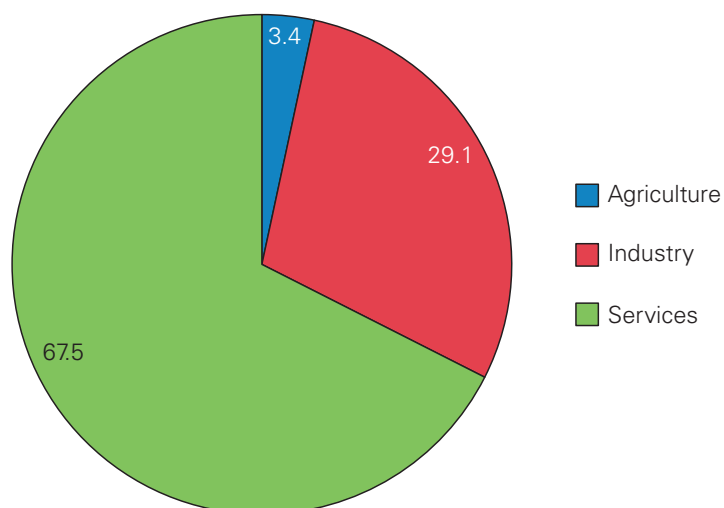
TABLE 1.1 GENDER DIFFERENCES IN ECONOMIC ACTIVITY AND UNEMPLOYMENT BY EDUCATIONAL ATTAINMENT, 2012 (JORDANIANS ONLY)

Educational attainment	Economic activity rate		Unemployment rate	
	Female	Male	Female	Male
Illiterate	1.3	21.9	2.1	10.4
Less than secondary	3.8	60.4	11.0	11.2
Secondary	5.6	45.2	11.0	8.3
Intermediate diploma	30.9	80.3	17.8	6.8
University	57.1	82.6	24.0	11.0
Overall	14.1	61.3	19.9	10.4

Source: Department of Statistics, 2013b (Employment and unemployment survey 2012)

Prospects for economic growth are affected by the dominance of the service sector and the negligible share of agriculture in the Jordanian economy (**FIGURE 1.1**). The National Employment Strategy (NES) identifies the pharmaceutical and information technology industries as the best opportunities for sustainable growth and job creation for an increasingly educated Jordanian workforce, noting that these sectors have made good use of the country's accession to the World Trade Organisation and the free trade agreement with the United States, which enable Jordan to participate in research and development, and licensing agreements.

However, Jordan has a long way to go to create such an export-oriented, knowledge-based economy. Today, most private sector employment is still in sectors predominantly employing low-skilled labour (**TABLE 1.2**).

FIGURE 1.1 ECONOMIC SECTORS BY VALUE ADDED (% OF GDP), 2012

Source: World Bank World Development Indicators

TABLE 1.2 PRIVATE SECTOR EMPLOYMENT IN KEY ECONOMIC ACTIVITIES, 2011 (INCLUDING JORDANIANS AND NON-JORDANIANS)

Economic activity	Employees (in thousands)
Wholesale and retail trade, repair of motor vehicles	212 497
Manufacturing	181 818
Construction	50 117
Education	47 393
Accommodation and food services	44 414
Financial and insurance activities	28 646
Healthcare and social work	27 812
Professional, scientific and technical activities	22 441
Information and communication	13 937

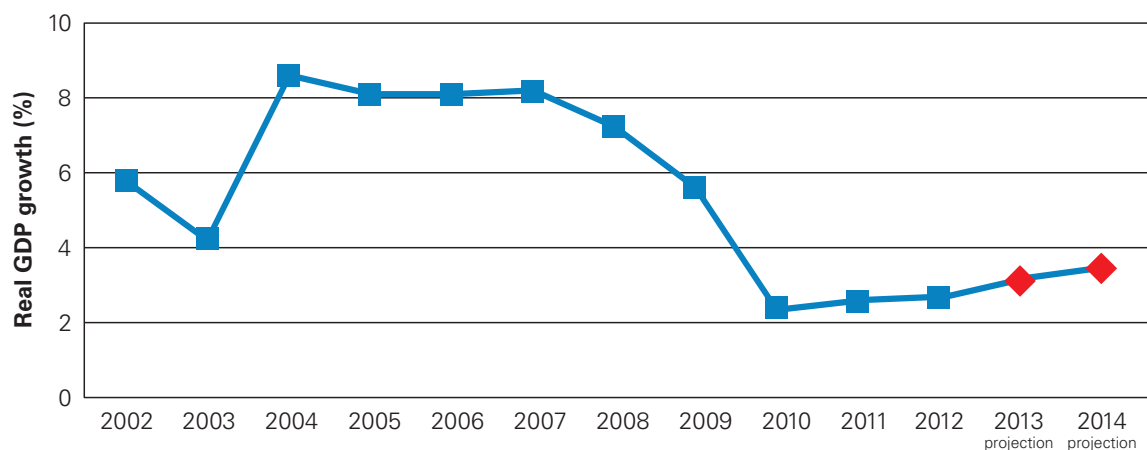
Source: Department of Statistics, 2013c (Employment survey 2011)

1.2 RECENT ECONOMIC DEVELOPMENTS AND THE ARAB SPRING

Although Jordan has proven to be more politically stable than many countries in the Arab world, it has not been unaffected by the Arab Spring. Since January 2011, the country has experienced large scale protests, with economic issues – particularly inflation, unemployment and corruption – featuring prominently in protestors' slogans (Brand, 2011; Yom, 2011, Yom and Al-Khatib, 2012).

GROWTH

The Jordanian economy has been performing particularly poorly over the past few years, having been significantly affected by the global economic crisis and the economic shocks that have beset the region in the wake of the Arab Spring. The period from 2004 to 2008 was marked by high levels of growth, with real GDP growth hovering between 7.2% and 8.6%. Since 2009, however, growth has slowed considerably and the International Monetary Fund (IMF) has predicted that this trend will continue through 2014 (FIGURE 1.2).

FIGURE 1.2 REAL GDP GROWTH RATES, 2002-14

Sources: Central Bank of Jordan; IMF, 2013c

INFLATION

Disruptions in the flow of natural gas from Egypt arising from damage to the Sinai Peninsula pipeline and high oil prices, have made it necessary to import expensive fuel products for electricity generation (IMF, 2013a). Although the government initially reduced the social impact of the increase in energy prices by protecting consumers, this strategy is not sustainable in the face of a high central government deficit and the terms of the government's Stand-by Arrangement with the IMF (2013b). Thus, further increases in energy prices are expected in 2013 and 2014. As shown in **FIGURE 1.3**, the Jordanian economy has experienced significant inflation since 2006, and this trend is expected to continue through 2014.

EMPLOYMENT

When evaluating the social impact of the economic conditions described above, the following trends over the past few years should be taken into account (**FIGURES 1.4** and **1.5**).

- Unemployment rates have remained relatively stable.
- Economic activity rates have remained relatively stable.
- Wages have kept pace with inflation in both the public and private sectors.

FIGURE 1.3 INFLATION RATES, 2002-14

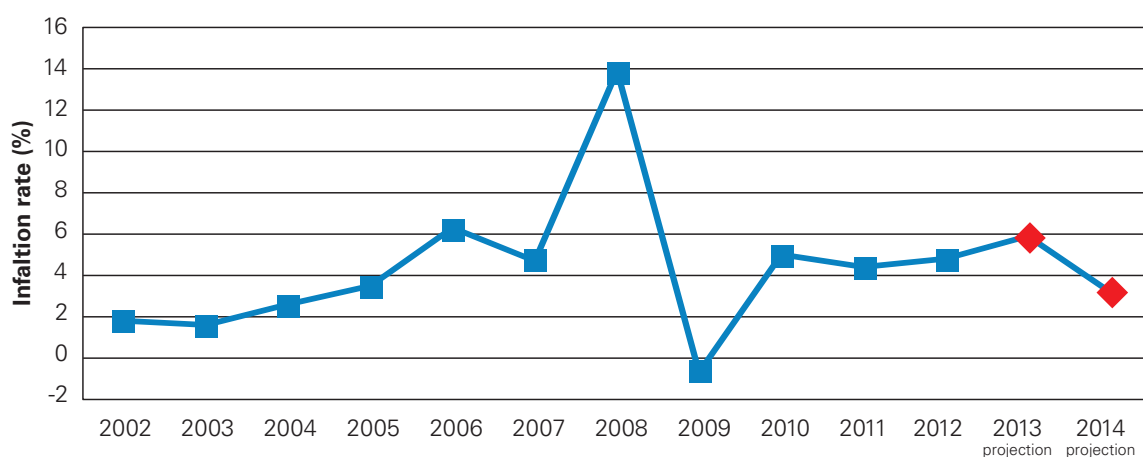


FIGURE 1.4 UNEMPLOYMENT AND ECONOMIC ACTIVITY RATES, 2000-12 (JORDANIANS ONLY)

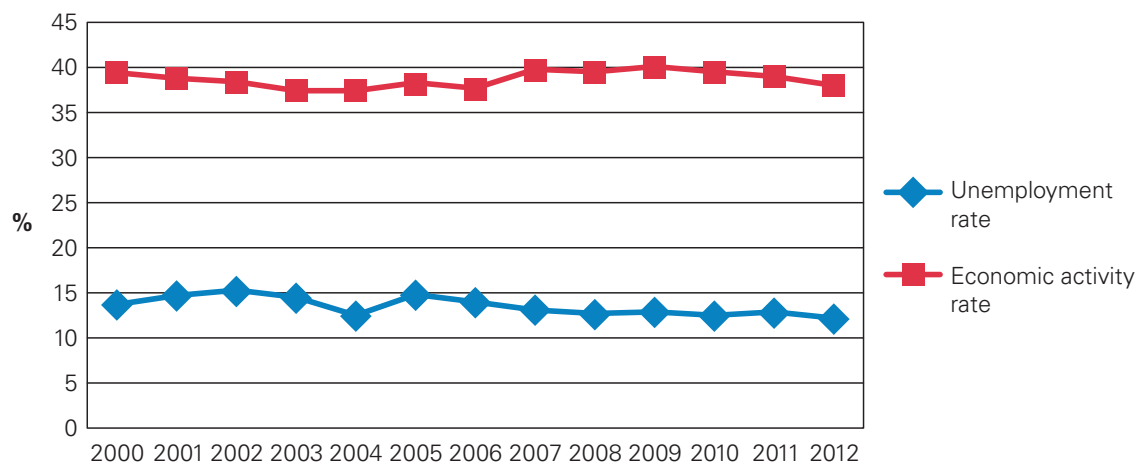
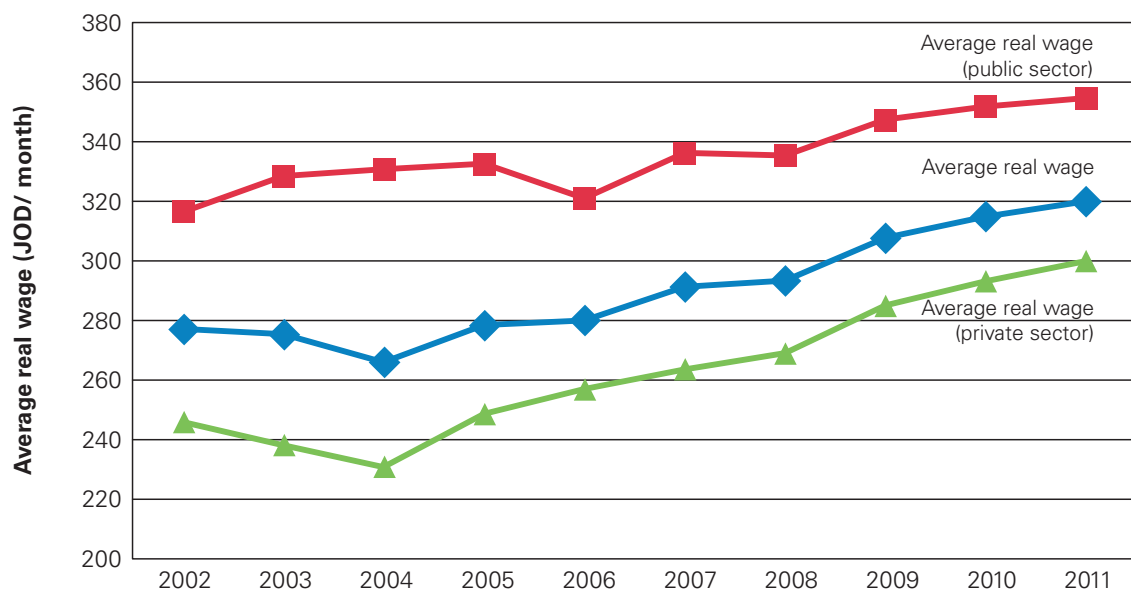


FIGURE 1.5 REAL WAGES, 2002-11 (JORDANIANS AND NON-JORDANIANS)

Consumer Price Index 2006 = 100

Sources: Central Bank of Jordan; Department of Statistics, Employment surveys

It may seem surprising that such a significant decrease in economic growth has not led to a comparable increase in rates of unemployment and economic activity. However, economic growth in Jordan between 2004 and 2008 created mainly low-skill, low-wage employment and between 52% and 63% of these jobs were filled by migrant workers who are not permanent residents (Al-Manar, 2010). As a result, the loss of these jobs had much less impact on unemployment and economic activity levels than might otherwise have been expected. Indeed, the data show that between 2009 and 2012, the number of documented migrant workers dropped by 126 000, a decline of 38% (MoL, 2013a).

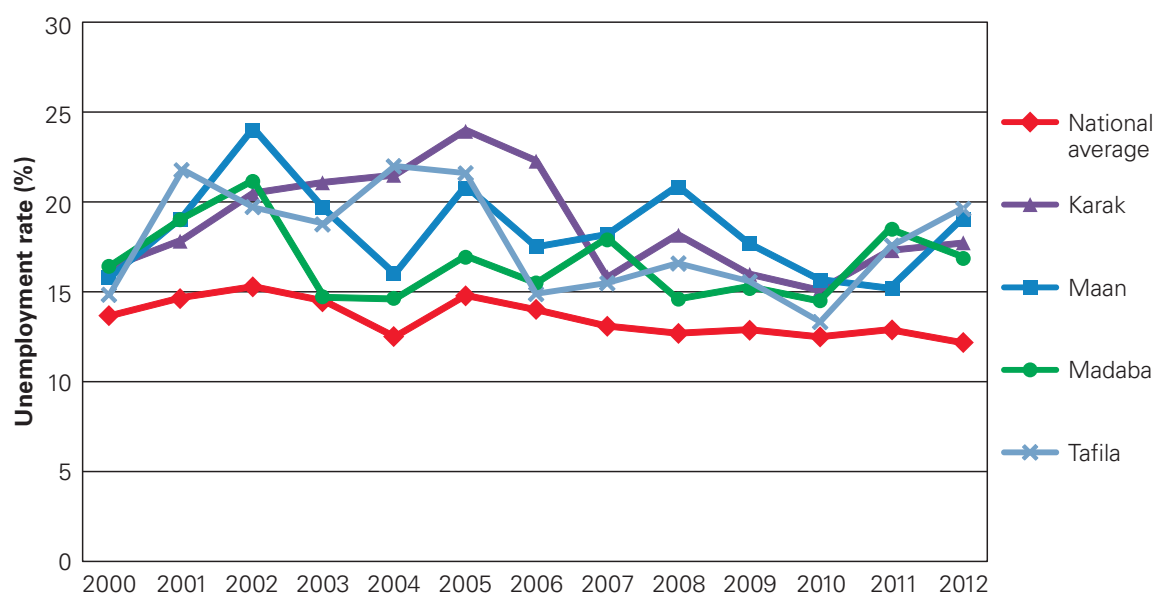
While it is true that wages have so far kept up with inflation, Figure 1.4 clearly shows that the increase in real wages in the public sector was very small in 2010-11. Moreover, the effect of price rises in 2012 and 2013 has not yet been reflected in official government wage statistics.

HOT-SPOTS OF DISCONTENT: A CHANGING SOCIAL CONTRACT?

Analysts of the political economy of Jordan's protest movements frequently highlight the important role of the tribalised⁴ regions, which have historically been seen as the bedrock of support for the monarchy (e.g. Sharp, 2013; Yom and Al-Khatib, 2012). It is often argued that deteriorating economic conditions in these regions were a catalyst for the protest movement (e.g. Manek, 2013; Yom and Al-Khatib, 2012). Indeed, it is certainly the case that the tribalised regions that have played an important role in the protest movement (Karak, Ma'an, Mabada, and Tafila) have much higher unemployment rates than the rest of the country (see Section 1.1 of this report). However, this is a longstanding phenomenon that can be traced back much further than 2011 (**FIGURE 1.6**).

Unemployment rates in these regions have long been higher than the national average and during the last 12 years the gap has often been greater than it is today. That said, the disparity did decrease in the late 2000's and only began to increase again after the recent economic slowdown.

⁴ In the Jordanian context, the term 'tribalised' is used rather than 'tribal' to indicate that the high level of politicisation of the tribal unit is a recent phenomenon closely linked to the electoral system introduced in 1993.

FIGURE 1.6 UNEMPLOYMENT RATES IN KARAK, MA'AN, MABADA, AND TAFILA, 2000-12 (JORDANIANS ONLY)

In light of the evidence, the link between the emergence of large scale protests and low economic growth coupled with high inflation should not be overstated. However, economic changes have played a significant role in the country's changing political economy. In particular, there appears to be significant resistance to changes in the social contract between the state and its citizens as Jordan moves away from the model of a clientelist, semi-rentier economy that guarantees its clients well-paid and secure employment.

- The share of public sector employment fell from 57.8% in 1995 to 31% in 2011 (Department of Statistics, 1997; 2013c).
- The annual number of labour protests reached a record of 901 in 2012, compared to 829 in 2011 and 139 in 2010. Significantly, 49.8% of the labour protests that took place in 2012 were by workers in public sector institutions, compared to 42.7% in private sector institutions, and 7.5% among the unemployed (Phenix Centre for Economics and Informatics Studies, 2013).

REMITTANCES

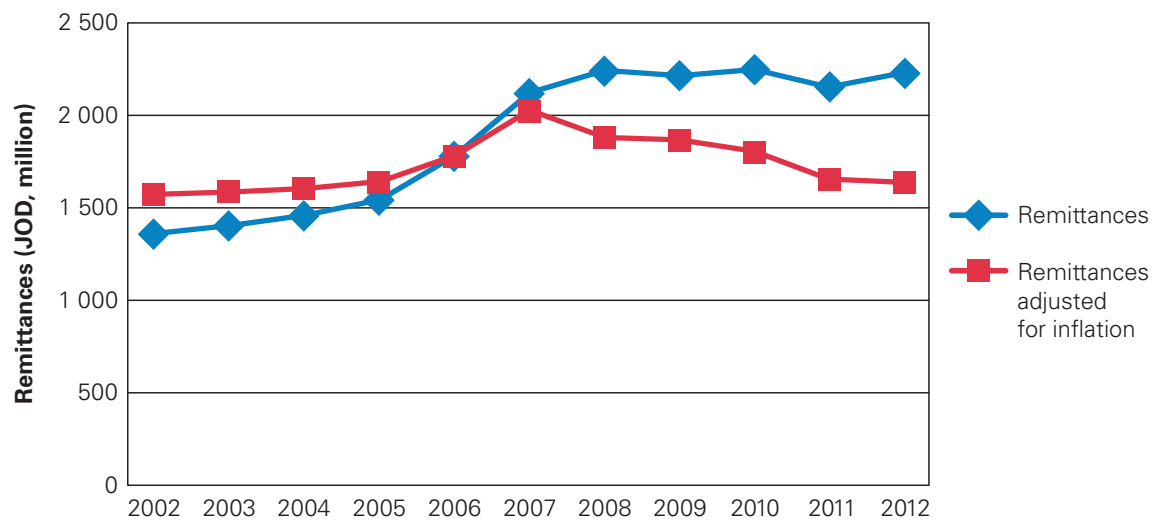
Despite assertions to the contrary (for example, IMF, 2013a), the official data does not support the hypothesis that inward remittances to Jordan from Jordanians working abroad have declined as a result of the economic crisis. In absolute terms, inward remittances (which comprise 10% of the GDP) have stagnated during this period but they have not significantly declined. The picture changes slightly when inflation is taken into account. When inward remittances are adjusted for inflation, a decline of 13% over the past five years is observed. However, this amounts to an average annual decrease of just 2.6% (**FIGURE 1.7**).

Careful review reveals that the data do not support the theory that the large scale protests since 2011 can be attributed to the economic slowdown that has affected the country in the last five years, notwithstanding the focus on economic issues in protestors' slogans. However, the facts do support the following conclusions about the relationship between recent economic developments and the manifestations of the Arab Spring in Jordan.

- Despite a major slowdown in economic growth since 2008, unemployment and economic activity rates have remained relatively unchanged. Low rates of economic activity (38% in 2012) and high unemployment (12.2% in 2012) are a chronic feature of the economy that can be traced back several decades. They cannot be considered a direct catalyst for current and recent protests.
- The combination of high inflation and low economic growth over the past five years has definitely had social repercussions, but wage increases have exceeded consumer price increases during this period. In the past five years the government has increased public sector wages and the minimum wage and has reduced the social impact of rising energy prices through fuel subsidies, albeit at the cost of a high and increasing central government deficit.

- The decline in inward remittances since the beginning of the global economic crisis has probably contributed to the economic dissatisfaction of the Jordanian people, but the actual decrease has been moderate and its impact should not be overstated.
- A significant economic development during the past five years has been the collapse of a bubble in financial and property markets in the country. However, this has only affected owners of commercial properties (not residential property owners or agricultural smallholders in rural areas) and stock market investors.
- On the macro level, there has been little change in the economic factors that affect the general population (e.g. employment, inflation, wages). There is, therefore, little evidence that the economic challenges of the past five years have been the primary trigger for the mass protest movements. However, one cannot discount the importance of sociological factors, such as resistance to the change in the social contract between citizens and the state, perceived increases in economic inequality, popular reaction to scandals that have exposed widespread corruption among economic and political elites, the influence of regional uprisings in Egypt and Tunisia, and possibly the opportunist use of the 'revolutionary' regional environment by Jordanian political actors seeking political and economic gains.

FIGURE 1.7 INWARD REMITTANCES, 2002-12



Consumer Price Index 2006 = 100
Source: Central Bank of Jordan

2. KEY ACTORS IN THE POLICY ENVIRONMENT

This paper will consider three categories of key political actors that are relevant to employment policy in Jordan: state actors, non-state actors, and donors or multilateral organisations.

2.1 KEY STATE ACTORS

	Relevant objectives	Official role	Institutional capacity ⁵
Ministry of Labour	<ul style="list-style-type: none"> ■ Reduce unemployment ■ Reduce poverty ■ Regulate the supply of migrant labour 	<ul style="list-style-type: none"> ■ Providing technical advice to the Council of Ministers ■ Designing policy interventions ■ Implementing policies and procedures 	<ul style="list-style-type: none"> ■ Annual budget (2013): JOD 17.8 million ■ Staff (2013): 494 ■ 14 labour offices and seven employment offices across the country; 80-85 MoL employees working on employment issues, including six employment counsellors ■ Has set up a one-stop-shop employment service in the northern city of Irbid and plans to open three more by the end of 2013 (two in Amman, and one in Zarqa). Plans to train more employment counsellors for these offices.
E-TVET Council and Fund	<ul style="list-style-type: none"> ■ Improve the efficiency and quality of demand-driven technical skills training in collaboration with the private sector so as to create new or expanded employment opportunities ■ Address the skills needs of priority economic sectors and other sectors with shortages of skilled labour 	<ul style="list-style-type: none"> ■ Providing financial support to employers and training providers ■ Screening, reviewing and approving proposals from organisations that apply for funding to provide such services 	<ul style="list-style-type: none"> ■ E-TVET Fund's annual budget (2013): JOD 10 million ■ E-TVET Council: composed of 16 members, including six representatives of the private sector and one workers' representative ■ E-TVET Secretariat: currently employs six people who support the work of the E-TVET Fund and Council.
Vocational Training Corporation	<ul style="list-style-type: none"> ■ Train a qualified, competitive workforce in various professional disciplines to meet labour market needs through the design, implementation and evaluation of quality training programmes in partnership with employers and civil society institutions 	<ul style="list-style-type: none"> ■ Improving the skills of the Jordanian workforce, promoting lifelong learning, and supporting the development of SMEs 	<ul style="list-style-type: none"> ■ Annual budget: JOD 12.6 million (of which JOD 11 million from the MoL)

⁵ The data on the staff and budgets of these departments were obtained from the General Budget Department, with the exception of those for the E-TVET Council/Fund, which were supplied directly. Other information about institutional capacity was obtained directly from each government body.

	Relevant objectives	Official role	Institutional capacity
	<ul style="list-style-type: none"> ■ Classify professional practitioners and enterprises according to certified national professional standards ■ Foster the creation and development of small and medium-sized enterprises (SMEs) 		
Civil Service Bureau	<ul style="list-style-type: none"> ■ Manage the human resources employed by the public sector (excluding the armed forces, universities and local government employees) effectively and with transparency ■ Enhance the capacity of civil servants through training ■ Assist those seeking civil service employment to find alternative opportunities in the private sector 	<ul style="list-style-type: none"> ■ Recruiting university-educated civil servants into the public sector (excluding the armed forces, universities and local government) ■ Manpower planning for the public sector (excluding the armed forces, universities and local government) ■ Managing courses for civil servants that last one month or more as well as scholarships and advertising training opportunities targeting civil servants 	<ul style="list-style-type: none"> ■ Annual budget (2013): JOD 3 million ■ Staff (2013): 275 ■ Has a team of seven human resources specialists who design competence-based recruitment tests for civil service applicants.
Social Security Corporation	<ul style="list-style-type: none"> ■ Provide Jordanian workers and their families with social protection through pensions, unemployment insurance, maternity benefits, and workers' compensation ■ Enhance social security programmes and extend the social security umbrella ■ Promote fair income distribution within and across generations 	<ul style="list-style-type: none"> ■ Administering social security contributions and making payments to contributors ■ Conducting actuarial analysis of the Social Security Corporation's finances ■ Making policy recommendations on social protection policies and programmes to the Council of Ministers ■ Investing social security contributions 	<ul style="list-style-type: none"> ■ Number of offices: 24 branches (21 in Jordan, 3 in GCC countries) ■ Has offices accessible to people throughout the country. Has branches in all Jordanian governorates and a strong presence in Amman (seven branches).
Economic and Social Council	<ul style="list-style-type: none"> ■ Support government decision makers in evidence-based policy making that promotes sustainable economic and social development ■ Promote tripartite dialogue between labour, employers and the government on economic and social policies ■ Assess the impact of existing and proposed economic and social legislation 	<ul style="list-style-type: none"> ■ Making policy recommendations on macroeconomic issues, unemployment, poverty, industrial relations, export promotion, education and human resource development ■ Providing feedback on draft legislation related to economic policies and assessing the outcome and impact of such new legislation ■ Providing a high-level forum for tripartite dialogue between labour, employers, and the government 	<ul style="list-style-type: none"> ■ Annual budget (2013): JOD 700 000 ■ Staff (2011): 20 ■ Meets at least once every two months in plenary session to discuss and finalise its advisory reports, which are presented to the Council of Ministers. Before this stage, reports are prepared and discussed by the relevant committees. ■ Since 2013, the council has prepared an annual report for presentation to the Council of Ministers. The report analyses economic and social issues in Jordan and makes relevant policy recommendations.

	Relevant objectives	Official role	Institutional capacity
Council of Ministers	<ul style="list-style-type: none"> ■ Reduce unemployment ■ Reduce poverty ■ Expand the middle class ■ Manage the budget deficit ■ Improve economic performance, especially outside the governorate of Amman ■ Attract investment that will create jobs for Jordanians ■ Improve education and vocational training, bringing them in line with labour market needs 	<ul style="list-style-type: none"> ■ Initiating legislation (including the annual budget law) by presenting draft laws to Parliament for consideration ■ Approving national strategies 	<ul style="list-style-type: none"> ■ Annual budget, including Prime Minister's office (2013): JOD 35.5 million ■ Staff, including Prime Minister's office (2013): 734 ■ Composition: 19 ministers, including the ministers of Labour and Transport
Parliament	<ul style="list-style-type: none"> ■ Reduce unemployment ■ Reduce poverty 	<ul style="list-style-type: none"> ■ Enacting, amending and rejecting draft bills presented by the Council of Ministers ■ Proposing legislation to the Council of Ministers for endorsement and drafting 	<ul style="list-style-type: none"> ■ Annual budget (2013): JOD 18.9 million ■ Staff (2013): 623 ■ Composition: 150 Members of Parliament (elected) and 60 Senators (appointed)

2.2 KEY NON-STATE ACTORS

	Relevant objectives	Capacity
Official trade unions (quasi-governmental)	<ul style="list-style-type: none"> ■ Secure a better life for workers and raise their standard of living ■ Promote social and economic development ■ Increase economic productivity 	<ul style="list-style-type: none"> ■ There are 17 official trade unions, each one of which has exclusive legal authority to represent private sector workers in a particular economic sector. Together they make up the General Federation of Jordanian Trade Unions (GFJTU). ■ The Phenix Centre for Economic and Informatics Studies estimates the membership of these unions to be around 50 000 members while the GFJTU reports a membership of 120 000-125 000. ■ Total annual budget of all official trade unions and the GFJTU (2013): JOD 200 000
Independent trade unions	<ul style="list-style-type: none"> ■ Increase wages and benefits ■ Formalise informal municipality workers 	<ul style="list-style-type: none"> ■ There are 11 independent trade unions, which are not legally recognised. In addition, seven committees have been set up to consider the formation of further unions. ■ The largest of these unions are the Independent Union for Workers in the Phosphate Mining Sector (estimated members: 1 500-2 000), the Independent Union for Workers in the Electricity Sector (estimated members: 1 500-2 000), the Independent National Union for Workers in Municipalities (estimated members: under 1 000), the Independent Union for Workers in the Amman municipality (estimated members: under 1 000)⁶.
Chamber of Commerce (quasi-governmental)	<ul style="list-style-type: none"> ■ Collaborate with government in drawing up policies, strategies and action plans related to trade and service sectors ■ Participate in efforts to promote development and the trade and service sectors, including SMEs 	<ul style="list-style-type: none"> ■ No data available

	Relevant objectives	Capacity
Chamber of Industry (quasi-governmental)	<ul style="list-style-type: none"> ■ Collaborate with government in drawing up policies, strategies and action plans related to industry ■ Participate in efforts to promote development and the industrial sector ■ Represent the interests of industrial and craft enterprises 	<ul style="list-style-type: none"> ■ Staff (2013): 25 ■ Estimated staff of Amman Chamber of Industry (provided by Jordan Chamber of Industry): 60-65 ■ Estimated staff of Irbid Chamber of Industry (provided by Jordan Chamber of Industry): 30-35 ■ Estimated staff of Zarqa Chamber of Industry (provided by Jordan Chamber of Industry): 30-35 ■ The Amman Chamber of Industry also has offices in the Karak and Aqaba governorates, and the Zarqa Chamber of Industry has an office in the Mafraq governorate.

2.3 KEY DONORS AND MULTILATERAL ORGANISATIONS

	Relevant objectives	Institutional capacity (in Jordan)
World Bank	<p>Help Jordan lay a foundation for inclusive growth and job creation through:</p> <ul style="list-style-type: none"> ■ Strengthening fiscal management and increasing fiscal accountability within the government ■ Strengthening capacity for sustainable growth, with a focus on competitiveness (improving the quality of education, developing skills, and addressing labour market constraints) ■ Enhancing inclusiveness through social protection and local development 	<ul style="list-style-type: none"> ■ As of 30 November 2011, Jordan's total <i>active</i> World Bank's portfolio was 19 projects, valued at USD 279.1 million; 20% of the value of this portfolio (USD 55.8 million) being in projects in the education sector. In addition, the World Bank has given Jordan two guarantees valued at USD 60 million. ■ Projects relevant to employability in this portfolio are Employer-driven Skills Development (total budget: USD 7.5 million), Second Education Reform for the Knowledge Economy (total budget: USD 60 million), Employment for Young College Graduates in Jordan (total budget: USD 1 million), Regional Network for Education Research (total budget: USD 488 000), Education for Employment (a regional International Finance Corporation project (disaggregated budget data for Jordan not publicly available)). A World Bank report published in 2012 classified the Employer-driven Skills Development and the Second Education Reform for the Knowledge Economy projects as problem projects. The implementation issues were mainly related to the complex design of the project, lack of ownership, interruptions in counterpart financing, and the low capacity of implementing agencies. Frequent changes of leadership within ministries also affected project performance. ■ The World Bank has no country office in Jordan. Its presence in the country is managed through the office in Beirut (Lebanon).
European Union	<p>Contribute to:</p> <ul style="list-style-type: none"> ■ Developing institutional administrative capacity to improve the performance of public services and promote good governance ■ Addressing the obstacles to increasing exports to the EU, investment, and private sector development ■ Reducing the high rate of unemployment and the mismatch between the skills and qualifications of school-leavers and graduates and the needs of the labour market 	<ul style="list-style-type: none"> ■ The EU is providing Jordan with sector budget support and technical assistance related to employment and E-TVET reforms under the Programme in Support to the Employment and TVET Reforms. This is a four-year programme (2010-14) with a total budget of EUR 35 million, going to both budget support (EUR 29 million) and a technical assistance programme (EUR 5 million). A further EUR 1 million is budgeted for contingencies, audit, evaluation, and visibility. ■ The current focus of ETF activities in Jordan is building the capacity of national stakeholders and institutions in the monitoring of E-TVET reforms, paying particular attention to gender issues. The main activities are workshops on monitoring the sector involving the principal national stakeholders and the promotion of evidence-based policy making. Other activities in 2013 include the Regional Governance for Employability Project, the Regional Euro-Mediterranean Charter for Enterprise Assessment and the Regional Qualifications Project.

Relevant objectives	Institutional capacity (in Jordan)
<ul style="list-style-type: none"> ■ Increasing the participation of women in the labour market ■ Developing a coherent strategy for reducing poverty and inequality 	
<p>US Agency for International Development (USAID)</p> <p>Support macroeconomic reform by:</p> <ul style="list-style-type: none"> ■ Providing technical assistance and training to help the government develop and implement policy in addition to legal and regulatory reforms aimed at creating an enabling environment for trade, investment, business development and a competitive private sector ■ Improving budgeting, financial management and procurement within government <p>Promote trade and investment by:</p> <ul style="list-style-type: none"> ■ Helping Jordan to comply with and benefit from international and bilateral trade agreements ■ Promoting socially responsible corporate policies and investment ■ Creating new investment opportunities ■ Supporting niche sectors with growth potential, such as IT and medical tourism <p>Enhance competitiveness and expanding the private sector by:</p> <ul style="list-style-type: none"> ■ Facilitating business links and supporting business organisations ■ Developing public-private-university partnerships ■ Enhancing visitor experiences, protecting and developing cultural and natural heritage resources and promoting awareness of Jordan as an international tourist destination ■ Identifying and supporting other sectors where Jordan has unique competitive advantages ■ Preparing Aqaba entrepreneurs and the general population to benefit from major investments in their city 	<ul style="list-style-type: none"> ■ There are currently 18 active USAID-funded projects in Jordan related to economic growth and education. The projects relevant to employability are Achieving E-Quality in the IT Sector Project, Eco-Tourism and Ranger Academy Project, Maharat Employment and Training Programme for Recent Graduates, Project Partnership for the National Centre for Human Resources Development (total budget: USD 4 million), Jordan Tourism Development Project II (total budget: USD 28 million), Aqaba Economic and Community Development Project (total budget: USD 23 million), Monitoring and Evaluation Partnership for the National Centre for Human Resources Development (total budget: USD 4 million), Education Reform Support Programme (total budget: USD 50 million).

	Relevant objectives	Institutional capacity (in Jordan)
	<p>Develop the workforce by:</p> <ul style="list-style-type: none"> ■ Introducing school and university students and graduates to a variety of career planning and internship opportunities ■ Promoting entrepreneurship and leadership skills ■ Building bridges between employers and youth ■ Providing training in specialised skills for employment in growth sectors 	
ILO	<ul style="list-style-type: none"> ■ Create more decent employment for young people by fomenting better working conditions, non-discrimination and equal rights at work ■ Ensure a minimum level of social security to the most vulnerable groups of society by establishing a social protection floor as part of a more comprehensive social security system ■ Enhance employment opportunities, with a particular focus on youth employment ■ Mainstream social dialogue, international labour standards and gender equality in the three priority areas cited above 	<ul style="list-style-type: none"> ■ There are currently 12 ILO projects active in Jordan, four of which are regional or global projects with some activities in Jordan. The projects relevant to employability are Youth Employment Project, Monitoring and Evaluation for E-TVET Council Project, Skills for Trade and Economic Diversification Project, and the School-to-Work Transition Survey for Young People in Jordan. In addition, the ILO has provided technical assistance to the MoL to support implementation of the NES. ■ The ILO currently has a staff of 25 based in Jordan (16 of whom work for the Better Work Jordan project, which conducts labour audits of garment factories). In addition, there are two members of staff based in the Regional Office for Arab States in Beirut, who are responsible for administering projects in Jordan. ■ The ILO has no country office in Jordan. Its presence in the country is managed through the ILO's Regional Office for Arab States based in Beirut (Lebanon).

3. EMPLOYMENT POLICY FRAMEWORK

In 2011, the Jordanian government developed the country's first comprehensive national employment strategy to bring all policies related to employment into a strategic framework in line with the government's vision for future socioeconomic development. This chapter provides an overview of the content of this strategy and the progress made to date in its implementation. Other employment policies and their relationship to the NES are also discussed.

3.1 NATIONAL EMPLOYMENT STRATEGY (2011-20)

The NES, which was officially launched in June 2012, has defined its mission as follows: 'improving standards of living for Jordanians, through increased employment, wages, and benefits, and productivity improvements'.

The NES uses an integrated approach that examines investment policies, fiscal and monetary policies, education and higher education, vocational training, and social welfare through the lens of employment. **BOX 3.1** shows the short, medium and long-term goals of the strategy.

BOX 3.1 NATIONAL EMPLOYMENT STRATEGY 2011-20: THREE HORIZONS AND 10 ACTIONS

Short-term goal (2014): Start absorbing the unemployed

1. Commit to predictable foreign labour and management policies
2. Expand access to credit for micro and SME enterprises
3. Evaluate and scale up active labour market programmes with proven track records
4. Curtail public sector employment and align wage structures

Medium-term goal (2017): Better skills matching and micro/SME growth

1. Scale up school-to-work transition programmes
2. Reform the E-TVET sector
3. Introduce health insurance benefits and expand social security coverage to SMEs

Long-term goal (2020): Increased productivity through human capital development and economic restructuring

1. Invest in the future through early childhood education
2. Pursue sustainable fiscal and monetary policies for economic growth with job creation
3. Develop industrial and investment policies aimed at economic growth with job creation

The action plan for implementing the NES comprises 69 actions⁷, 16 of which are the responsibility of the MoL. A tripartite steering committee composed of six members was created to drive the strategy at the policy level⁸. There is also a National Executive Council for the NES, chaired by the Minister of Labour and composed of representatives of the government agencies involved in implementing the strategy. The National Executive Council meets monthly to follow up on the progress made in implementing the action plan. Both of these bodies report directly to the Jordanian Council of Ministers.

In addition, an NES implementation unit was created within the MoL (with technical assistance from the ILO) to monitor the implementation of the strategy and evaluate the impact of the actions undertaken. However, owing to lack of capacity at the ministry a decision was taken to transfer this unit to either the E-TVET Council or the King Abdullah Fund for Development and to expand the unit from three to twelve staff members, six of whom will be

⁷ An 'action' in this context is any intervention that requires mobilisation of financial or human resources, requires a decision within the public sector, and has a direct or indirect impact on the strategic goals identified by the NES. Thus, an action could involve the creation or modification of legislation, regulations, procedures, public agencies or bodies, programmes or activities, analytical tools, physical projects, etc.

⁸ The members of this committee are the Chair of the NES (who also chairs this committee), the Minister of Labour, the Minister of Planning and International Cooperation, and three representatives of workers and employers.

based outside of Amman and responsible for monitoring activities in the field. This is a significant change since the current three-person team is based in Amman.

The NES has been widely praised for its analysis of Jordan's labour market challenges and for creating a roadmap indicating how these challenges should be addressed. However, implementation of the strategy has proved problematic for several reasons.

- No resources were allocated for some components of the action plan.
- The commitment of the ministry representatives on the National Executive Council to following up on implementation has been weak. Key informants interviewed for this study cited several reasons for this failure.
 - Government departments responsible for implementation lack a sense of ownership.
 - Government officials lack experience in implementing cross-sectoral programmes requiring close coordination and collaboration between several ministries, and have not been able to effectively adapt to this kind of work.
 - Constant changes in government and reshuffles of the Council of Ministers have had a negative impact on the operation of the National Executive Council, with new ministers often changing their representative on the council when they assume office. This has obviously had a detriment effect on the continuity and effectiveness of the council. However, since the current government, formed in March 2013, is expected to endure, it is possible that continuity will cease to be an issue for the next few years.
- Constant changes in government and reshuffles of the Council of Ministers have had a negative impact on the implementation of the NES in general. While this issue may have been resolved for the next few years, no definite conclusions can be drawn at this time.
- The initiatives in the action plan were not selected according to strategic criteria. Projects were proposed mainly by public sector stakeholders, and were often initiatives that had been running in their institutions for some time. Moreover, some of the proposed initiatives and projects merely replicated existing efforts.
- The NES was drawn up before the onset of the Syrian refugee crisis in Jordan. It is believed that the arrival of between 420 000 and 490 000 Syrians in the country⁹ (a group that currently comprises between 7% and 8% of Jordan's population) has increased pressure on the labour market. According to anecdotal evidence, many of these refugees have taken up informal employment, although to date, no methodical research has been conducted on the presence of Syrian refugees working in the informal sector.

It is currently difficult to evaluate the progress made towards implementing the NES. Due to the problems discussed earlier with the creation of an effective NES implementation unit, very little data are available on what has been achieved so far. While some data are available on progress towards the implementation of individual project activities, this provides no insight into the outcome or impact of these initiatives.

3.2 LABOUR LEGISLATION

Jordan's employment environment is shaped by three key pieces of labour legislation:

- Labour Law No 8 of 1996 and its amendments;
- Social Security Law No 7 of 2010 (temporary law);
- Civil Service Regulations No 30 of 2007.

According to a World Bank enterprise survey, only 14% of companies in Jordan consider labour regulations to be a major constraint to doing business in the country (Angel-Urdinola et al., 2010). This view is supported by a comparison of Jordan's scores on employment issues in the World Bank's Doing Business Index with those of countries in other developing regions, such as Latin America and South Asia. Compared to these other developing regions, Jordan's score:

- on the Employing Workers index is similar;
- on the Difficulty of Hiring index is lower, with relatively flexible regulations and long maximum duration limits for fixed term contracts;
- on the Rigidity of Hours index is low;
- on the Redundancy Costs index is low.

By contrast, on the Difficulty of Redundancy index Jordan has a high score that reflects the relatively high level of regulation imposed on companies seeking to make workers redundant.

⁹ The latest UNHCR records indicate that there are around 417 000 registered Syrian refugees in Jordan, and around 494 000 people of concern related to the Syrian crisis.

There have been two recent legal initiatives on employment and labour issues.

- **July 2013** – Employers' contributions to the Social Security Corporation are to be increased by 2% to ensure the financial sustainability of the Social Security Corporation. This increase will be implemented over four years (0.5% annually).
- **In progress** – The Labour Committee of the Jordanian Parliament is discussing several potential amendments to the Labour Law. At the time of writing, the Legislation and Opinion Bureau had not yet published a draft proposal.

3.3 WAGE POLICY

The key institution involved in regulating wages in the Jordanian private sector is the National Tripartite Wage Committee, the body that fixes the private sector minimum wage. Wages in the public sector are set by the Civil Service Bureau (CSB), the Ministry of Municipal Affairs and the Jordanian Armed Forces.

As already discussed, aligning the wage structures of the public and private sectors is a key objective of the NES. A comprehensive empirical comparison of private and public sector wages in Jordan commissioned by the ILO in 2010 (Dougherty, 2010) found that:

- for individuals of both sexes with secondary education or lower, the public sector pays more on average than the private sector even though it is also more attractive in terms of job security and medical insurance coverage and offers shorter working hours;
- for male university graduates, the private sector pays more on average than the public sector.

Thus the labour market is skewed in two ways. Firstly, the current situation discourages low-skilled workers from seeking employment in the private sector and leads them to join the queue for public sector jobs. This is especially problematic because the public sector is currently unable to absorb this labour. In this way, the wage structure is contributing to high unemployment and low rates of economic participation. In the second place, the higher wages offered to male graduates in the private sector make it difficult for the public sector to attract talented male employees.

Strong political will is needed to correct these labour market distortions, especially in a country where a large segment of the population considers itself entitled to a job in the public sector that will satisfy its basic needs. Against the background of the Arab uprisings and escalating energy prices in Jordan, the political cost of rationalising public sector wages would be very high. It is therefore very likely that public sector wages will continue to rise in the short-to-medium term despite the current budgetary crisis, especially since budget support from the United States, the EU and GCC countries is still forthcoming.

Recent trends in wage policy tend to confirm the hypothesis that public sector wages are unlikely to stagnate or decrease. The latest data available shows a 5% increase in public sector wages between 2010 and 2011.

At the same time, the government is also using policy to ensure a significant rise in private sector wages. In early 2012, the National Tripartite Wage Committee (in which the government plays the role of kingmaker) increased the monthly minimum wage from JOD 150 to 190, an increase of over 26%. While most Jordanian workers already earn significantly more than the minimum wage, with only 12.3% earning a monthly salary under JOD 200 (Department of Statistics, 2013a), this increase will undoubtedly have a knock-on inflationary effect on the wages of all private sector workers, although 2012 wage data are not yet available. However, the government can only continue to pursue such an inflationary wage policy to a limited extent. For higher wages to be sustainable, productivity must also increase. Indeed, this is one of the aims of the NES.

The overall result of government wage regulation has been a slight decrease in the gap between public and private sector wages (Figure 1.4), but the change achieved does not constitute the major realignment of wage structures called for by the NES.

3.4 PUBLIC SECTOR EMPLOYMENT POLICY

Due to budgetary constraints, the Council of Ministers issued a decision in October 2012 to freeze civil service employment although this hiring freeze was partially rescinded in 2013 to allow for limited recruitment of employees in the Ministries of Education and Health.

The CSB is responsible for around 67% of public sector employees. These 209 000 employees work in 107 public bodies: ministries, public institutions and agencies. Of these, 142 000 are employed by the Ministries of Education and Health. The CSB's mandate excludes the armed forces, public municipality workers and university personnel.

The CSB is responsible for recruitment only when the candidates for the post must be university or community college graduates. Employees for positions requiring lower educational levels (secondary, vocational or VET) are recruited directly by each public institution. Although there are currently around 272 000 applicants registered in the CSB database, CSB recruited only 6 430 employees in 2012. This statistic indicates the extent to which queuing for public sector employment is a major concern in Jordan (**TABLE 3.1**). In 2012 alone, 30 413 new applicants registered with the CSB. Significantly, 75% of the applicants registered in the CSB database are women.

TABLE 3.1 CSB APPLICANTS AND RECRUITS

	2005	2006	2007	2008	2009	2010	2011	2012
Applicants in CSB database	150 272	170 387	178 059	191 475	203 476	218 884	264 303	276 468
Civil servants hired	12 188	11 341	11 105	10 024	10 666	8 965	10 670	6 430

CSB has launched several initiatives to deal with this issue.

CSB encourages applicants who have registered in their database to seek employment in the private sector. The primary tool used for this purpose is an electronic system for marketing employment applications, which gives selected private sector enterprises and recruitment agencies access to a database of the CSB applicants who have authorised CSB to share their information for this purpose. This database, which provides the educational and demographic profile of CSB applicants and their contact information, is then used for recruitment purposes by the private sector clients. For example, a company seeking employees for a particular occupation can search the database for candidates with the desired profile (educational level, age, sex, and region), obtain their phone numbers and contact them for job interviews. The database has been operational since 2008, and according to the latest available figures has facilitated the recruitment of 5 100 CSB applicants to the private sector since that time (**TABLE 3.2**).

TABLE 3.2 RECRUITMENT VIA THE CSB ELECTRONIC SYSTEM FOR MARKETING EMPLOYMENT APPLICATIONS

	2008	2009	2010	2011
Applicants recruited to the private sector (approximate number)	900	1 300	1 600	1 300

Source: CSB website

CSB holds events in universities and publishes informative materials to give students and the general public a more realistic picture of the job prospects afforded by different academic qualifications and to raise awareness about the types of specialisations most in demand. The aim of these efforts is to manage the expectations of current and potential applicants to the civil service.

CSB also organises courses and cooperates with other training institutions and NGOs to help applicants acquire skills in fields where there is demand. For instance, one initiative of this type trains individuals with university degrees in Arabic (who have little chance of being hired in their field of study) to become nurses.

3.5 LABOUR MIGRATION POLICY

According to the NES (2012), 'the ultimate objective of foreign labour policy should not be to decree mechanically a reduction in foreign workers or an increase of nationals. Rather, the objective should be to create a labour market environment in which foreign workers complement the Jordanian workforce rather than substitute for it. This requires managing migration as well as changing the incentives of Jordanian employers to invest more in training Jordanians on the job and motivating Jordanian workers to build their technical and employability skills to meet needs, while the structure of the economy evolves towards higher wages, higher skills, and higher productivity'.

The NES has proposed that a by-law on Foreign Labour Regulation should be prepared, approved by the Council of Ministers, and enforced. According to the proposal, this by-law should provide for the following measures:

- a campaign to emphasise the right of all economic sectors to use foreign labour to complement but not replace Jordanian workers with similar skills and profile;
- classification of sectors and vocations or skills as follows: (i) differentiate between sectors that produce tradable goods and are subject to competition (and therefore price sensitive) from those that produce non-tradable goods and services and are not subject to external competition; and (ii) differentiate between vocations and skills that Jordanians are currently able (skill) or willing (attitude) to acquire from those they are not;
- develop a matrix of policies tailored to specific sectors and vocations that will (i) allow employers to employ foreign workers but with the same wages and conditions of employment as Jordanian workers; and (ii) increase the cost of foreign labour permits gradually over a nine year period. The increase in permit pricing would start with employment in non-tradable sectors for which little training is required, which Jordanians would be willing to take if they were more aware of the true situation and social protection were improved (gas stations, restaurants, hotels, trade in the short term). In a later stage, the price increase would also affect sectors producing tradable goods in which the substitution of foreign workers with Jordanians is possible;
- produce a binding timetable for changing permit pricing over the medium to long term to induce training providers and employers to invest in training Jordanian workers to replace foreign workers in the sectors and occupations with prospects for growth and wage improvement;
- lay down enforcement procedures (including use of electronic ID cards for foreign workers specifying the sectors and vocations where they are allowed to work, and penalties for employers who hire undocumented foreign workers), and coordinate enforcement between the various agencies involved.

Although this by-law has not yet been passed, the MoL has, since 2012, been running an intensive inspection campaign to identify and deport undocumented migrant workers and penalise their employers. As a result, 122 enterprises have been closed for employing undocumented migrant workers, 800 enterprises have been blacklisted and are prohibited from hiring foreign labour, and a further 2 500 enterprises have received warnings for violations of regulations related to the employment of foreign labour.

4. EMPLOYMENT SERVICES: AN OVERVIEW

The Jordanian government did not provide employment services in the past, and until recently its role in this area has been limited to the basic regulation of work conditions (e.g. establishing minimum wages and occupational health and safety regulations) and providing public sector employment. In the last 25 years, the population has grown significantly, opportunities for emigration to GCC countries have declined, and budgetary constraints have precluded any major expansion of public sector employment. These changes have obliged the government to become involved in the provision of employment services to facilitate private sector employment. The first serious work began in the early 2000s and efforts have been ramped up over the past five years. This chapter looks at what has been done, the design and implementation of the measures undertaken and – where data are available – the outcomes and impact of this activity.

4.1 E-TVET COUNCIL AND FUND

OVERVIEW

The TVET Council and Fund were set up in 2001. Seven years later the two bodies were restructured to support the reform of the employment and TVET sector. Between 2005 and 2012, the Fund disbursed over JOD 139 million in grants to training providers and employers to finance training for different segments of the labour force.

When the TVET Council was restructured in 2008, it ceased to be an inter-ministerial body, a change that subsequently hampered its capacity to implement the comprehensive TVET strategies envisaged by Jordan's National Agenda 2006-15. The Employment–Technical and Vocational Education and Training Council Law (Law No 46, 2008) added Employment to the name of the Council (which became the E-TVET Council) and only provided for the membership of one Minister – the Minister of Labour – who has chaired the Council since then. These changes made the E-TVET Council a de-facto oversight committee for MoL training strategies and programmes while strategies for vocational education at school and community college level continued to be set by the Council for Education and the Council for Higher Education respectively. It is now hoped that the future Higher Council for Human Resources Development will coordinate vocational education and training strategies across the different councils.

The E-TVET Council and Fund have recently implemented various reforms to address structural and technical problems. The board of the E-TVET Fund was dismantled and the fund is now directly overseen by a Financial Committee under the E-TVET Council. The committee members can no longer be recipients of the fund. In addition, the Centre for Accreditation and Quality Assurance, and the Monitoring and Evaluation Unit have been created.

EFFECTIVENESS

The vast majority of the E-TVET funds spent to date have gone to the National Employment and Training (NET) Company run by the Jordanian Armed Forces (**TABLE 4.1**).

A recent ILO evaluation of active labour market programmes funded by the E-TVET Fund found that the NET programme has the highest cost per trainee and cost per graduate of all E-TVET programmes. The average cost of a semi-skilled technician graduate in the NET programme is JOD 7 647, which is 2.3 times that of a Vocational Training Company trainee of comparable level. This is due to the high cost of the incentives that NET offers to trainees: lodging for six months, meals, transportation, wages, social security and health insurance for the duration of the one-year course.

This high expenditure per graduate seems difficult to justify. Firstly, there is no evidence that NET targets poorer Jordanians; and secondly, the low satisfaction of employers with this programme does not reflect positively on its capacity to contribute to poverty reduction. Focus groups have revealed that employers who have hired NET graduates found the trainees' work ethic to be very poor. Employers believe that the NET trainees are not interested in finding private sector employment, and therefore most of those who graduate from the programme do not get jobs in their area of training. Some employers admitted to recruiting on-the-job trainees from NET solely to facilitate their relationship with the Labour Directorates and to obtain permits for foreign workers (Mryyan, 2012).

TABLE 4.1 E-TVET EXPENDITURE BY BENEFICIARY ORGANISATION, 2005-12

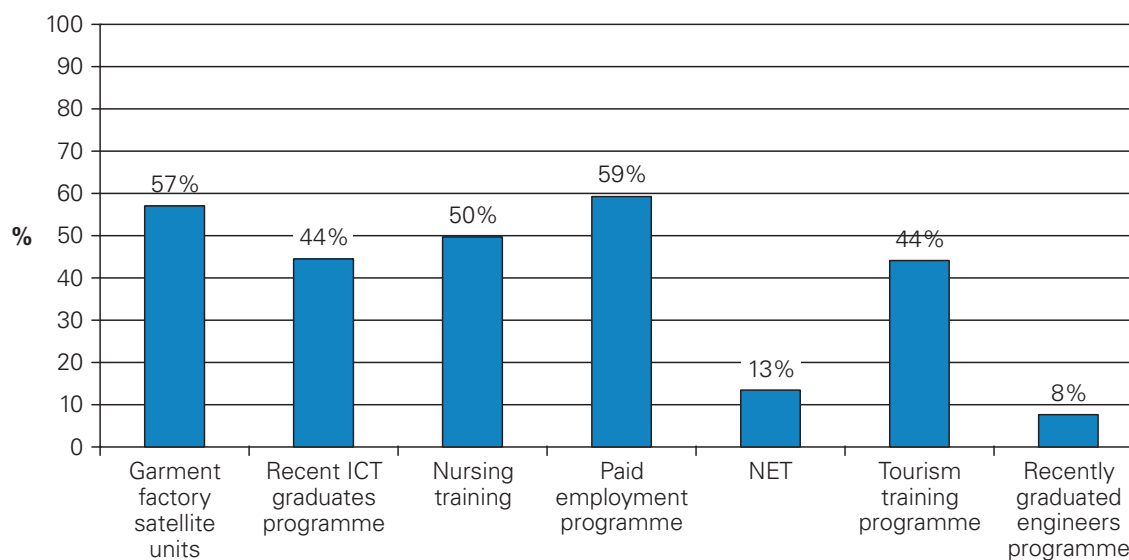
Beneficiary	Total expenditure financed by E-TVET Fund (JOD)	% of total E-TVET expenditure
National Employment and Training Company	99 778 498	71
Vocational Training Corporation	16 861 500	12
National Training and Employment Programme	8 931 096	6
Ministry of Labour	8 008 464	6
Jordan German University	1 000 000	1
Other	4 980 255	4

Despite the ineffectiveness and high cost of the NET programme, there are no plans to abolish it owing to the political power of the Jordanian Armed Forces, which runs the programme, and a perception that NET acts as a source of welfare support to youth in disadvantaged and politically volatile governorates.

A review of the seven principal employment programmes funded by the E-TVET Fund found that just over 34 000 trainees enrolled in these programmes between 2005 and 2011, 21 000 of whom eventually graduated (Mryyan, 2012). This averages out to a modest 3 000 graduates per year (in contrast with the more than 60 000 new entrants into the Jordanian labour market each year).

Although the average dropout rate for NET programmes is 38%, this rate is significantly higher in most other programmes (**FIGURE 4.1**). Focus groups with employers participating in E-TVET programmes found that many trainees join these programmes for the subsidy and leave before completing the first three months, having no real desire to obtain paid employment in their field of training (Mryyan, 2012).

The two programmes with low dropout rates either build up a meaningful relationship with employers or use disciplinary measures to force the trainees to stay in the programme. The low dropout rate of 8% for the Jordanian Engineer Association's Recently Graduated Engineers Programme can be attributed to the fact that employers are actively involved in recruiting and screening trainees and demonstrate a positive sense of ownership of the programme. In fact, many trainees graduated before the end of the six-month course and took up permanent jobs in the companies where they trained. Trainees in the NET programme are treated as military recruits and hence the relationship between trainees and management is governed by military rules for the duration of the training.

FIGURE 4.1 DROPOUT RATES IN MAIN PROGRAMMES FINANCED BY E-TVET FUND

Stringent requirements oblige trainees to complete the course. Once trainees enter the programme, NET does not give them clearance until they have graduated or returned the full sum of the training cost. A dropout who does not return the required sum faces a prison sentence. As a result, many dropouts return to complete the programme in order to get clearance and avoid the sentence.

PROGRAMME DESIGN

There is considerable room for improvement in the design of E-TVET funded programmes. Some of the key issues that have been identified are discussed below.

- *Role of employers.* Most employers are not involved at the design stage of the programmes. Moreover, the role of employers is often restricted to delivering on-the-job training that merely consists of exposing trainees who they have not selected to real work experience in their establishments (Mryyan, 2012).
- *Evaluation of the skills acquired.* Successful completion of all these programmes is officially determined only by the trainees' attendance rather than by the skills they acquire. Indeed, the employer's evaluation of trainees is primarily geared towards identifying possible recruits rather than towards certifying the acquisition of skills. Garment factories, for instance, stated that they assess the competencies of the trainees on the production line and recruit graduates accordingly. Hospitals and engineering firms stated they evaluate trainees periodically (on average every three months) and offer jobs to graduates who demonstrate improvement and competence (Mryyan, 2012).
- *Extensive subsidisation of wages.* The extensive provision of wage-subsidies in E-TVET funded training programmes has also been criticised for distorting the training process and attracting companies that are primarily seeking subsidised labour and trainees seeking temporary welfare support (Mryyan, 2012). The problematic issues that arise from such a system are reflected in the extremely high dropout rates in most E-TVET funded programmes. Indeed, a recent quantitative study conducted by the World Bank found a similar distortion effect in a job voucher pilot scheme in Jordan, finding that 'the job voucher led to a 40-percentage point increase in employment in the short-run, but that most of this employment is not formal, and that the average effect is much smaller and no longer statistically significant four months after the voucher period has ended' (Groh et al., 2012).
- *Targeting.* E-TVET funded programmes do not use criteria or procedures that target the poor or those at higher risk of poverty, such as beneficiaries of the National Aid Fund, residents of poverty pockets, the unemployed, school dropouts, persons with disabilities, or others. However, the fact some of these programmes lead to low-paid jobs that are not socially valued may be considered an indirect form of such targeting. Services and subsidies are available to facilitate the participation of poor families, but no data are available on the impact of these programmes on poverty and inclusiveness (Mryyan, 2012).

MONITORING AND EVALUATION

E-TVET programmes do not have fully integrated systems for monitoring and evaluation and do not collect the type of data on trainees, graduates and programme design that would be required to assess impact. No reliable data are available to draw meaningful conclusions on the employment outcomes of E-TVET Fund programmes. None of the programmes have kept reliable records on what happened to trainees after they completed the programme. Trainees' employment information can be collected from Social Security Corporation records; however, this method excludes the informal economy from the scope of the data and provides no information on whether an individual's current employment (if any) is in the same sector as the training field. Moreover, none of the programmes conduct systematic tracer studies or are in a position to adapt their curricula in response to feedback from former trainees. As a result, it is only possible to evaluate training outputs.

4.2 TECHNICAL AND VOCATIONAL EDUCATION AND TRAINING

The NES described the TVET sector in Jordan as a sector that is 'weak and fragmented... [and] has yet to be viewed by the private sector as responsive to its needs' (NES, 2012). Public sector provision largely consists of four segments, which are discussed below.

COMMUNITY COLLEGES

Community colleges serve a body of around 26 000 students. Although initially set up to provide a technically skilled workforce, these colleges have drifted into offering courses in academic and humanities subjects and bridging programmes that allow students who have failed to qualify directly for university entrance to gain access to a university programme. According to the NES, this shift has led to 'an inverted pyramid such that Jordan graduates too many engineers and not enough engineering assistants/surveyors; too many dentists and not enough dental assistants; and too many pharmacists and not enough pharmacist assistants'.

SECONDARY VOCATIONAL EDUCATION

Secondary vocational education (grades 11 and 12) is provided by the Ministry of Education through 233 centres in 191 public schools. In the 2009/10 academic year, some 24 000 students were enrolled in the national high school vocational training programme, around 14% of high school students. Students can specialise in four main training fields (industry, agriculture, home economics, or hotel management and tourism). The vocational stream faces a number of challenges: (i) the stigma of 'academic failure' associated with the stream; (ii) inadequate facilities, outdated equipment, and unmotivated instructors; (iii) insufficient emphasis on applied training and hands-on practice; and (iv) little or no involvement of the private sector.

VOCATIONAL TRAINING CORPORATION (VTC)

VTC is the smallest sector, with 44 vocational centres and a student population of around 9 400 in 2010 (some 5 500 of whom eventually graduated). The VTC student population encompasses those who have failed in the public vocational schooling system, trainees in various short term programmes (health and safety, training of trainers), and other trainees. The VTC has certain strengths – such as good infrastructure and geographical coverage – but also weaknesses, such as a poor responsiveness to labour market demand and a constraining human resources system that prevents it from attracting and retaining the best trainers. A survey of perceptions of VTC found that employer assessment of VTC graduates was average at best, with weak ratings for graduates' skill-sets. The study concluded that the findings indicated 'a problem related to the ability of graduates to effectively use operating manuals, as well as the technical and practical skills related to their areas of study'. In the view of the employers, the vocational training certificates obtained by VTC graduates are not particularly relevant to businesses or market needs (IPSOS Loyalty, 2010). The NES has argued that VTC performs best in partnership with the private sector. It has engaged in several such collaborations, notably, a partnership with the hotel sector and USAID, in which 11 VTC branches trained over 4 000 trainees, with direct involvement of the private sector in curriculum design and on-the-job training.

The World Bank currently supports the five-year Employer-driven Skills Development Project in Jordan, which has a budget of USD 7.5 million and is expected to terminate at the end of 2013. One of the aims of this project is to restructure the VTC (component budget: USD 6.14 million) and create a new financial and managerial governance structure that will enable the restructured or new independent organisation to operate in response to the needs of the market. The specific activities envisioned are the following: to establish the mandate, governance structure, and regulatory framework of the new skills development agency; restructure the organisation; develop staff capacities; reorient the training delivery model to reflect employer-defined competencies; and develop a rigorous monitoring and evaluation system to track VTC-related interventions. However, progress to date on this project has been described as moderately unsatisfactory because of extensive implementation delays (World Bank, 2013b). After several years of such delays, the piloting of new business, governance, and training models has now started with institutional business planning training in three selected vocational training institutes.

NATIONAL EMPLOYMENT AND TRAINING COMPANY

See Section 4.1 for an extensive discussion on NET.

4.3 THE MINISTRY OF LABOUR'S EMPLOYMENT DIRECTORATE AND LABOUR OFFICES

The principal activity of the MoL's Employment Directorate is the provision of employment services through its fourteen labour offices and seven specialised employment offices across the country. MoL has also set up a one-stop-shop employment office in the northern Jordanian city of Irbid and plans to open three others by the end of 2013 (two in Amman and one in the city of Zarqa). The vision for these one-stop-shops is that they will offer a range of services: (i) advisory and placement services related to vocational training; (ii) information on locally available job opportunities collected by a local marketing specialist responsible for liaising with the private sector and maintaining a database of locally available vacancies and for organising events aimed at linking job seekers and employers; (iii) employment counselling services; and (iv) referral to microfinance providers or NET.

There are currently between 80 and 85 MoL employees working on employment issues across the country, including six employment counsellors. The MoL intends to employ and train more counsellors, who will be based in the one-stop-shop employment offices. The current MoL employment counsellors have benefited from several donor-provided courses, most notably those provided by the Canadian International Development Agency and the ILO's training centre in Turin, Italy.

At the beginning of 2013, the MoL also launched the ongoing National Campaign for Employment. This initiative has registered over 30 000 unemployed people in a MoL's database and 12 000 of these job seekers have found employment. The campaign includes the following components:

- memoranda of understanding with private sector enterprises that undertake to consider candidates from MoL's database of unemployed people when hiring;
- job fairs – ten large job fairs have been organised in Amman by this campaign and more are planned in other governorates;
- a special initiative in Aqaba in partnership with the Aqaba authority – field teams surveyed 77 enterprises and identified 900 job vacancies; the MoL then created a database of vacancies and organised a campaign and a series of job fairs to advertise these employment opportunities.

Good practices are emerging in some employment offices and, in some cases, are being replicated in other areas. Examples of this include the Zarqa employment office's development of strong relationships with local employers and proactive engagement with them. Perhaps more significantly, the Zarqa employment office organised a fair for low-skilled women running home-based microenterprises (mostly related to food preparation and processing and handicraft production) to help them market their goods. This initiative was deemed to be successful and will be replicated by the MoL at the national level. However, as is the case with other employment programmes and services, decisions to implement such programmes nationally are not based on rigorous impact assessment.

According to MoL statistics, the Employment Directorate facilitated the recruitment of 12 571 job seekers in 2012. During the first four months of 2013, the directorate facilitated the recruitment of 12 597 job seekers. This significant year-on-year increase is attributed by the MoL to the launch of the National Campaign for Employment. However, it is important to note that the ministry relies on recruitment data to evaluate the impact of its services and does not follow up with the clients of employment offices to determine whether or how long they remain in these jobs.

NEES.JO

Nees.jo is an electronic labour exchange system run by the MoL. Currently, there are 97 700 job seekers and 16 849 job vacancies on the system. The jobs advertised include vacancies in both Jordan and GCC countries. The website also provides guidelines on creating a curriculum vitae and advice on how to perform well in job interviews. The MoL coordinates with the Jordanian government's labour attachés in six Arabian Gulf countries and Libya to obtain the details of job vacancies in those countries for inclusion on the website.

The EU Programme in Support to the Employment and TVET Reforms will be providing assistance for the further development of Nees.jo. According to the programme's labour market expert, the website currently suffers from:

- a lack of active users,
- insufficient career guidance information,
- a lack of ability to determine impact.

In addition to addressing these issues, the EU programme will also assist the MoL in:

- developing the site's capacity to find jobs for people in GCC countries;
- making the site more user-friendly;
- incorporating online training modules into the website;
- building a customised job recommendation engine into the website to direct users to certain positions based on their profile information;
- providing job seekers with information about how to obtain the necessary qualifications for certain jobs, the wages for those jobs and employability in the sector.

Where employability in a certain position is low, the website will also recommend alternatives. For occupations with long training periods, data on employability will be based on labour market projections.

SATELLITE UNITS PROGRAMME

The Satellite Units Programme is another interesting initiative financed by the E-TVET Fund, the Royal Hashemite Court, King Abdullah Fund for Development, and the Ministry of Municipal Affairs. Participating companies sign a memorandum of agreement with the MoL under which they agree to establish satellite units of their factories in areas with high poverty and unemployment rates. There are currently six satellite units in the country, five in the garment industry and one that manufactures concrete products.

Manufacturers agree to provide on-the-job training and to hire women who complete the training for a subsequent period of between 12 and 24 months, paying them at least minimum wage with social security coverage and other benefits. In return, the employer receives the following during the 18-month training period:

- 30-50% wage subsidy;
- monthly transportation allowance of JOD 25-50 per trainee;
- social security subsidy (6.5% on the trainee's behalf);
- one subsidised meal a day or JOD 35 monthly for meals per trainee;
- premises for the satellite unit rent-free for the first five years of operation.

Although employer feedback on the training outcomes of this initiative is positive, it has been argued that employers see the programme as an opportunity to subsidise production rather than develop the skills of the workforce (Mryyan, 2012). An evaluation of the programme found it to be loosely structured, targeting only a narrow range of skills. On-the-job training is based primarily on informal 'learning by doing' under the supervision of a senior worker, and the programme does not involve skills tracking, testing or certification. Although the dropout rate is high, the increase in the minimum wage in 2012 is said to have contributed significantly to increasing trainees' commitment (Mryyan, 2012).

The MoL is currently looking for ways to expand the number of satellite units in this programme. However, due to current budgetary constraints, fewer incentives are being offered to companies interested in setting up new satellite units. The government will no longer subsidise wages or provide rent-free premises, but it will streamline all the procedures related to opening a factory. Recruitment for these new factories will be undertaken with the participation of local community-based organisations. To date, the MoL has reached agreement with two garment manufacturing companies to set up new satellite units.

4.4 DONORS, INTERNATIONAL ORGANISATIONS AND EMPLOYABILITY

As Jordan is a country notable for the high levels of per capita development aid it receives, no discussion of its employment policies and programmes would be complete without a look at the role of donors and international organisations (including the World Bank, United Nations agencies, and international NGOs). In the field of employability, this largesse is reflected in the large amount of resources available for employment projects and the many actors and projects. For example, there are 45 NGOs working on youth employment issues in the country.

The key informants interviewed for this study repeatedly raised the issue of poor or non-existent coordination between different initiatives and commented that even where coordination exists it tends to be done on an ad hoc basis. One expert went so far as to say that the resources currently being spent on employment-related initiatives exceed Jordan's needs in this field and that the mismanagement of resources has led to the implementation of a large number of initiatives with negligible effect. Indeed, the World Bank's two flagship employability projects in Jordan (the Employer-driven Skills Development Project and the Second Education Reform for the Knowledge Economy Project) have both been classified as problem projects.

The lack of results-based monitoring and evaluation was also raised as a major challenge to the effectiveness of donor-funded employability initiatives. However, the World Bank and ILO's recent focus on strengthening the monitoring and evaluation units of the NES, the E-TVET Council and the VTC should produce significant improvements in this area, although assessment of these initiatives is premature at this stage.

5. CONCLUSIONS AND RECOMMENDATIONS

Any evaluation of Jordan's employment policies and programmes must begin with an acknowledgement of the importance of the country's first comprehensive NES. With this plan, for the first time, Jordan has taken a strategic approach to employment policy, bringing the country's many disparate employment initiatives under a single umbrella and attempting to align them with the country's economic development goals. This is an important and necessary first step towards implementing effective employment policies and programmes.

That said, it is also important to mention the significant obstacles that have impeded progress towards the goals defined by the NES. The lack of resources, planning and institutional capacity of the MoL have been the key barriers to successful implementation of the strategy. However, it is reassuring that these deficiencies in planning and capacity have not gone unrecognised by the government, which is taking significant steps to remedy the situation. The expansion of the NES monitoring and evaluation unit from three to twelve people is promising, as is the decision to decentralise this team.

With regard to the other areas of employment policy discussed in this paper, it is notable that these policies are broadly in line with the vision defined by the NES. However employment – particularly public sector employment – is a highly politicised and sensitive issue in Jordan. Consequently, political constraints complicate and essentially block any attempt to deal with the country's distorted wage/benefits structure (the imbalance between the public and private sectors), which is a key issue.

The other main area of government intervention discussed in this paper is the provision of employment services. Jordan has scant experience in this field and is still at the stage of creating employment institutions. However, it is clear from the slow pace of reform of the E-TVET Council and Fund and of the VTC that a great deal must happen before these institutions can make a real impact on employment. The key challenge in the case of the E-TVET Council and Fund is to address the ineffectiveness and high cost of the NET programme. Political considerations make the abolishment of NET highly unlikely and it is therefore important to explore options for restructuring and reforming this programme.

This analysis shows that the MoL Employment Directorate has been playing an increasingly significant role in the provision of employment services over the past 18 months. Of particular interest is the MoL's plan to set up several new one-stop-shops in 2013 – an indication that the directorate's role will continue to grow in importance in the medium term. The work of this directorate is currently hampered by a lack of sufficient skilled staff in employment offices, and the failure to properly monitor and evaluate their activities makes it difficult to determine the impact of their services.

The need to deal with the country's high unemployment has long been stated as a key priority for the government, yet it is only since the beginning of the Arab Spring and the current economic crisis that the government has taken serious steps towards formulating a comprehensive approach to this issue. This short overview indicates an increasing emphasis on employment services and less emphasis on policies on job creation, the education system and social security. Longer-term solutions may require more far-reaching labour market reforms; such as improving the business environment, economic restructuring, changing the legislative framework and institutions, closer alignment of the working conditions in the public and private sectors, promoting SME growth and strong private sector development, and improving the conditions in the informal sector. There is a need for greater focus on improving the quality of the education and lifelong learning systems (Martín and Bardak, 2012). Much remains to be done before the government's vision in this area will become a reality.

The following recommendations for improving employment policy and services in Jordan are based on this analysis of the current situation.

- There is a window of opportunity for donors to work closely with the MoL to set up and build the capacity of one-stop-shops for employment. This new type of office has the potential to change the nature of the MoL employment services, moving away from a model in which interventions are not based on a current analysis of the labour market and are implemented in a relatively ad hoc fashion. The new model should be market-responsive, professional, and results-oriented. At this early stage, it would be relatively easy to influence the mode of operation of these new offices. Moreover, such an initiative could benefit from synergies with the EU's Programme in Support to the Employment and TVET Reforms by promoting evidence-based design of

employment services through building the MoL's capacity to use the comprehensive labour market information system being developed by that EU programme.

- The MoL Employment Directorate should develop a more sophisticated monitoring and evaluation system to better assess the impact of its services and to more easily identify best practices and areas requiring improvement. The directorate currently relies on recruitment data as a key performance indicator, although this data provides no information on whether the recruitment of a job seeker results in long-term employment.
- The NET programme should be reformed with a view to decreasing per trainee cost and increasing the employability of graduates by exploring options such as implementing a more rigorous recruitment process, providing training in various sectors, and complementing training with employment counselling.
- The E-TVET Fund should look to build on the success of the Jordanian Engineer Association's Recently Graduated Engineers Programme. The engagement of employers in the screening and selection of trainees, and the mandatory hiring quota have been key factors in the success of this programme. The E-TVET Fund should replicate this programme in other sectors and should scale up the existing initiative in the engineering sector.
- Skills forecasting must play a more important role in the development of employment policies and programmes. The forecasting model currently being refined by the EU's Programme in Support to the Employment and TVET Reforms represents an important step in this direction. However, measures should be taken to ensure that this model is continually updated and a mechanism developed to ensure that these predictions feed into educational and training curricula and are reflected in the number of educational and training places offered in each field.
- The CSB has demonstrated a willingness to help applicants for public sector employment to find jobs in the private sector. CSB's efforts in this field, while limited, have met with some success. There is considerable potential to build on this work.
- The importance of effectively implementing the NES has clearly been recognised by the government. Ongoing efforts to improve implementation must be monitored and should be modified if they prove to be insufficient.

ANNEX: WOMEN'S LABOUR MARKET INDICATORS (2010-12)

FEMALE ECONOMIC ACTIVITY AND UNEMPLOYMENT BY EDUCATIONAL ATTAINMENT (JORDANIANS ONLY)

Educational attainment	Economic activity rate	Unemployment rate	Estimated labour force size*
2012			
Illiterate	1.3	2.1	4 024
Less than secondary	3.8	11.0	57 394
Secondary	5.6	11.0	30 504
Intermediate diploma	30.9	17.8	93 723
University	57.1	24.0	250 949
Overall	14.1	19.9	436 395
2011			
Illiterate	0.9	1.0	2 698
Less than secondary	4.3	13.5	63 147
Secondary	6.3	16.0	34 336
Intermediate diploma	30.8	20.7	92 327
University	60.6	24.3	251 382
Overall	14.7	21.2	445 101
2010			
Illiterate	1.5	1.2	4 576
Less than secondary	4.4	14.8	63 600
Secondary	6.8	13.0	36 657
Intermediate diploma	32.1	22.7	97 932
University	61.8	24.9	232 475
Overall	14.7	21.7	435 414

(*) Rounding may give rise to minor discrepancies in the total.

Sources: Department of Statistics, 2013b (Employment and unemployment surveys 2012, 2011 and 2010); Department of Statistics, 2013d (Population estimates 2012, 2011 and 2010)

ACRONYMS

CSB	Civil Service Bureau
ETF	European Training Foundation
E-TVET	Employment–technical and vocational education and training
EU	European Union
EUR	Euro
GCC	Gulf Cooperation Council
GDP	Gross domestic product
GFJTU	General Federation of Jordanian Trade Unions
ID	Identity document
ILO	International Labour Organisation
IMF	International Monetary Fund
IT	Information technology
JOD	Jordanian dinar
MoL	Ministry of Labour
NES	National Employment Strategy
NET	National Employment and Training Company
NGOs	Non-governmental organisations
SMEs	Small and medium-sized enterprises
TVET	Technical and vocational education and training
USAID	US Agency for International Development
USD	US dollar
VTC	Vocational Training Corporation

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