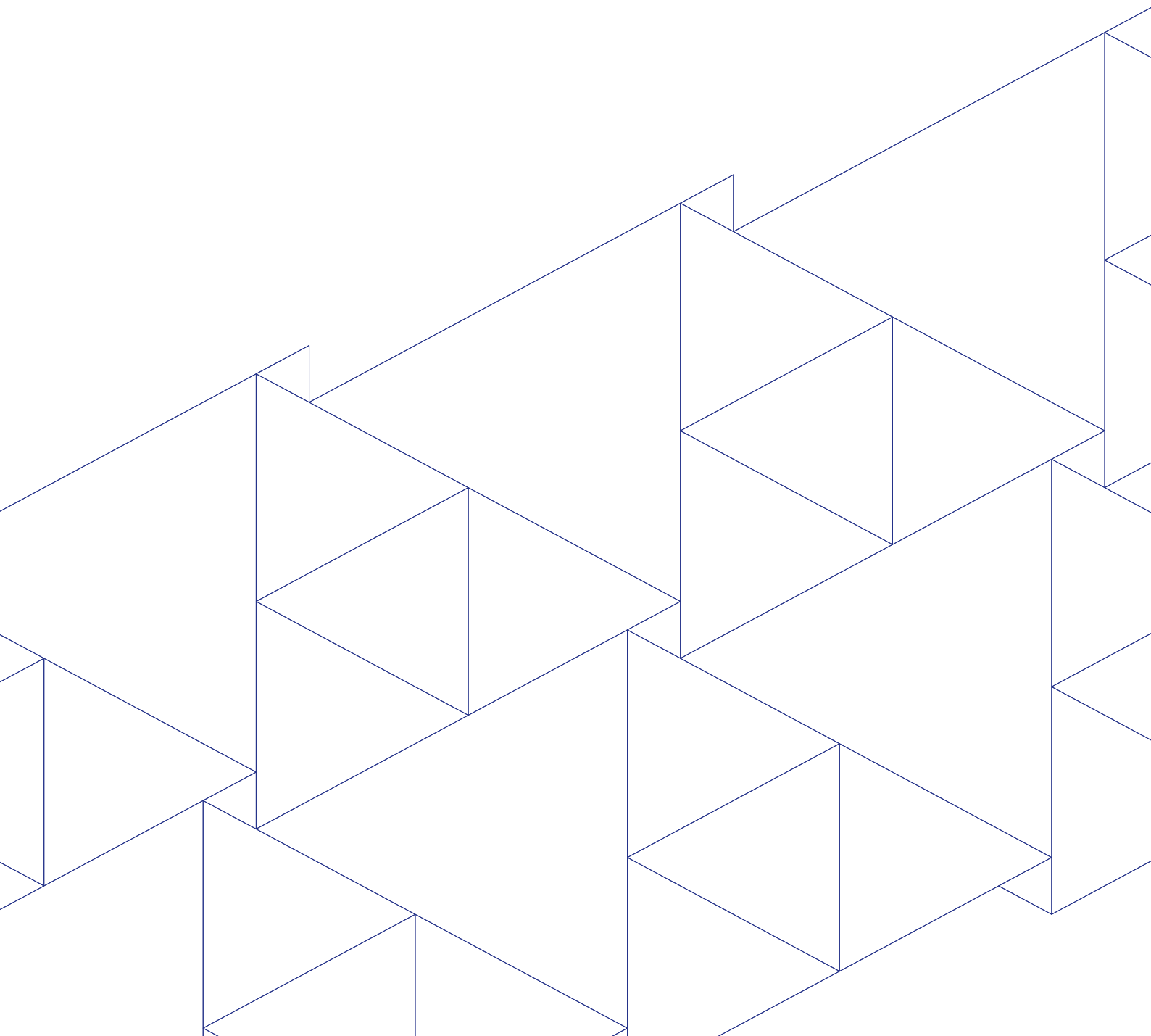




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► School-to-work transition of young women and men in Jordan



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The ILO Partnership with the RDPP II in Jordan aims to support the Government of Jordan (GoJ) and national constituents in responding to the youth employment challenge and supporting dialogue around policies and strategies for improving the livelihoods of young Syrians and Jordanians through evidence-based research and analysis.

Under the overall guidance of Tariq Haq, Senior Employment Policy Specialist at the ILO Regional Office for Arab States (ILO-ROAS), Aya Jaafar, Labour Economist at ILO-ROAS and Eman Alaraj, Project Officer at the ILO office in Jordan, coordinated the implementation of the project. Aya Jaafar and Nasser Badra, ILO consultant, prepared this report. The study builds on secondary data sources and desk research, as well as on the results and findings of the employers' school-to-work transition survey conducted by IPSOS Jordan and the focus group discussions and key informant interviews conducted by Edvise ME.

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Executive summary

The Jordanian economy has generally failed to create sufficient jobs, particularly for the young population. Even during periods of high economic growth, unemployment has remained high. As of 2021, some 22 per cent of the young population in Jordan was in employment, 12.8 per cent were unemployed and 65.2 per cent remained outside the labour force. Young women have been particularly disadvantaged – just 8.3 per cent were in employment and 7 per cent were unemployed, but the vast majority (84.7 per cent) remained outside the labour force.

Almost a third of youth aged 15–24 years were not in employment, education or training (NEET), and the youth unemployment rate stood at 36.8 per cent in 2021 (45.8 per cent of young women and 34.5 per cent of young men). This level persists, despite the very low labour force participation rate of young women (15.3 per cent compared with 51.2 per cent of young men). The employment-to-population ratios were also extremely low, standing at 8.3 per cent for young women and 35.5 per cent for young men.

As of 2021, 93.6 per cent of employed young people in Jordan were classified as “employees”, with a higher percentage for young women (98.4 per cent) compared with young men (92.6 per cent), suggesting there is little inclination among young people to engage in entrepreneurial activities.

Higher levels of education among young people were not necessarily associated with better employment outcomes. Young people with basic (or lower) levels of education constituted the largest share of the employed young population in Jordan, representing 60.9 per cent of total employment. On the contrary, young people with advanced educational levels exhibited the highest rates of unemployment, standing at 51 per cent in 2021. Highly educated young women experience particularly high unemployment rates – 59.5 per cent in 2021. This compares with the 43.9 per cent unemployment rate for highly educated young men.

Long-term unemployment is another challenge, with 47 per cent of all unemployed young individuals in 2021 having been unemployed for 12 months or longer. Such long spells of unemployment can be detrimental for young people and their future employment prospects.

Of those outside the labour force, the majority of young people were not even in the potential labour force, with no ties maintained with the labour market. Extended measures of youth labour underutilization were higher than the standard measure for

unemployment only.¹ LU4 stood at 41.8 per cent for young people in Jordan in 2021 with significant gaps between men (38.9 per cent) and women (52.5 per cent).

As of 2019, 60 per cent of all young people had not yet started their transition from school to work – 22.2 per cent were in transition, and only 17.8 per cent had found stable or satisfactory jobs. Young men were more likely to have completed their transition, compared with young women, whereas a large majority of young women (82.2 per cent) had not yet started their transition to employment.

Young males in transition were more likely than their female counterparts to be working in a temporary or unsatisfactory job, but women in transition were more likely than men to be in the potential labour force. This gender difference largely reflects current entrenched gender roles in Jordan, where men are seen as the main breadwinners and often accept any job, irrespective of whether the job is suitable. Women, on the other hand, are under less pressure to accept such jobs and can often afford to remain outside the labour force until a “suitable” job becomes available.

From an employer’s perspective, the school-to-work transition survey revealed that, for enterprises that employ young people, 50.3 per cent of the total workforce were between the ages of 15 and 29 years. Newer, smaller enterprises were relatively more likely to employ young people than both larger and older companies.

The limited number of job opportunities was reflected in the finding that 82.8 per cent of surveyed employers reported not having any available vacancies at the time of the interview. In terms of media used for recruitment, vacancies were generally advertised publicly. Informal recruitment methods, including through relatives and friends, as well as social media, were also common.

Half of all surveyed employers faced difficulty recruiting the kinds of workers needed for their businesses. The most common difficulty was “finding the right candidate”, followed by a “shortage of qualified candidates”. Some 61.8 per cent of the employers indicated that the most important aspect for attracting young people was the “financial aspect”, and 22.9 per cent rated it the second-most important aspect.

Primarily, though, employers seem to value work experience. Irrespective of the job category and the required skills and qualifications, work experience was cited as the most important criterion when hiring.

¹ Key statistical terms and concepts are defined in the appendix.

In terms of hiring preferences, the survey revealed that, for manual and production positions, 58.3 per cent of those involved in the hiring process preferred to hire workers aged 15–29 years. For administrative and professional positions and for supervisory and managerial positions, employers preferred candidates aged 30 years and above.

Overall, the sectors and occupations that appear in high demand for workers include:

- the health and medical sector, specifically in nursing;
- the financial sector;
- tourism and hospitality;
- digital and tech-enabled jobs, including the ICT sector;
- vocational jobs such as car maintenance.

Lack of relevant skills required by the labour market is a main contributor to young people's unemployment and restricts them from decent and productive employment opportunities. Increased focus on transferable and life skills, English language, vocational education and digital skills is the key to easing young people's transition from school to work. Increased awareness of lifelong learning, upskilling and reskilling is also important in view of the rapidly changing world of work.

Recommendations

Based on the Labour Force Survey (LFS), the employers' survey and focus group discussions, this report concludes with the following recommendations:

- (1) elaborate a comprehensive policy framework for employment/youth employment;
- (2) promote pro-employment growth and decent job creation, including in promising sectors;
- (3) develop labour market policies and institutions to support disadvantaged groups, including young people and women;
- (4) promote better skills and education policies for improved youth employability;
- (5) support the improved collection and dissemination of labour market-related data and statistics.

List of abbreviations

ALMP	active labour market policy
DoS	Department of Statistics
Emp-to-pop	employment-to-population ratio
GDP	gross domestic product
JD	Jordanian dinar
LFS	labour force survey
LFPR	labour force participation rate
NEET	not in employment, education or training
SWT	school-to-work transition

1. Introduction

1.1. Overview

Jordan is an upper-middle-income country with a notably young population – 55.9 per cent are aged below 30 years. More than a quarter of the total population is aged 15–29 years.² While youth provide tremendous opportunities for growth and development, this blessing can turn into a curse if the proper socio-economic and labour market policies are not in place to support young people’s access to education and the labour market – especially decent and productive jobs.

Jordan has one of the highest rates of youth unemployment globally. According to the Department of Statistics (DoS), the youth unemployment rate (ages 15–24 years) stood at 43.7 per cent in 2021, averaging 36.8 per cent when including the broader age range of 15–29 years.³

While these figures are staggering, it is worth noting that the overall unemployment rate in Jordan is also high – 16.8 per cent in 2019 (prior to the COVID-19 pandemic). With the repercussions of the health crisis and its impact on businesses and workers, overall unemployment increased even further, registering 20.0 per cent in 2021.

Even during periods of high economic growth, the Jordanian economy has repeatedly failed to create enough jobs, suggesting fundamental distortions in the Jordanian labour market that warrant structural adjustments, rather than short-term interventions. Largely, Jordan has also created low-skilled employment, attracting migrant workers and less-educated Jordanians, while highly educated workers, including recent graduates, compete over a limited number of high-skill positions.⁴

The obvious disconnect between economic growth and decent and productive employment necessitates a rethinking of economic and employment policies. “Pro-employment” macroeconomic, sectoral, investment and trade policies need to be designed and implemented to help translate growth into more and better jobs, especially for youth.

² Jordanian DoS, LFS Q2 2022.

³ While “youth” is internationally defined as individuals aged 15–24 years, in school-to-work transition surveys it is useful to extend coverage to include those aged 25–29. In this report, unless otherwise stated, the young population refers to ages 15–29 years.

⁴ ILO, *The Jordanian Labour Market: Multiple Segmentations of Labour by Nationality, Gender, Education and Occupational Classes*, 2015.

If not properly addressed, the deficient demand for labour will continue to put young people at a great disadvantage. Among those who fail to secure decent and productive employment but do not opt to migrate or to start their own business, many may feel pressured to take any job available, including informal jobs with poor working conditions, low wages and long working hours. Others may prefer to remain unemployed, even long-term, while the rest may decide to leave the labour force altogether. These different paths can have lasting consequences for young people, impacting their employability, future employment and earning prospects, and can lead to an erosion of skills, poverty and, ultimately, general mental health and insecurity issues.

Facilitating young people as they transition into work and ensuring their access to decent employment has become an urgent task, meriting increased efforts and serious political commitment. This is a daunting challenge for a country that hosts the second-highest share of Syrian refugees per capita globally. The unprecedented spike in population put additional pressure on the Government of Jordan to provide decent work, not only for its national population, but also for a large number of Syrian refugees looking for employment.

Effective policies and measures to support young people's access to decent employment require a better understanding of the barriers that youth face in transitioning from learning to earning, from both supply-side and demand-side perspectives. This report aims, first, to understand the individual characteristics and circumstances of young people that hinder their access to the labour market and, second, identify demand-side challenges and other impediments to employment for young people.

1.2. Structure of the report

This report is structured around seven chapters and is based on primary and secondary data collection and analysis. Chapter 2 describes the Jordanian labour market, with a brief analysis of the socio-economic context surrounding youth employment. Chapter 3 describes the methodology used to assess young people's transition from school to work, from both the supply side and demand side. Chapters 4 and 5 present the characteristics of the young population, in terms of demography, educational attainment, labour market status and stages and forms of transition. Chapter 6 extends the analysis and provides an overview of employers' perspectives and their willingness or reluctance to employ young people, their main hiring preferences, criteria and other relevant factors impacting demand for young workers. Chapter 7 concludes with a set of

policy recommendations for relevant policymakers and stakeholders to improve the employment prospects of young people.

2. The socio-economic context and labour market

2.1. Socio-economic context

Jordan is characterized by diverse range of resident nationalities, including an Arab majority. Following the Syrian crisis, large numbers of Syrians sought refuge in the Kingdom, with 676,621 Syrian refugees registered with the United Nations High Commissioner for Refugees (UNHCR) as of October 2022.⁵ The distribution of the population by age group and nationality reveals that young people comprise 26.6 per cent of the total population (i.e. Jordanian and non-Jordanian), 27.6 per cent of the national population and 23.9 per cent of non-nationals (table 2.1).

Table 2.1. Total population by age group, sex and nationality, Q2 2022 (%)

Age	Total			Jordanian			Non-Jordanian		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
0-4	8.0	8.1	7.9	7.7	8.1	7.4	8.7	8.1	9.4
5-9	9.5	9.3	9.7	9.2	9.1	9.4	10.0	9.6	10.6
10-14	11.8	11.5	12.0	11.5	12.1	10.8	12.4	10.3	15.2
15-19	10.0	9.8	10.1	10.5	10.9	10.2	8.7	7.6	10.1
20-24	9.1	9.4	8.7	9.4	10.4	8.4	8.3	7.5	9.4
25-29	7.5	7.8	7.1	7.7	8.3	7.2	6.9	6.9	6.9
30-34	7.2	7.8	6.6	5.9	5.9	6.0	10.1	11.4	8.2
35-39	7.0	7.8	6.2	5.6	5.3	5.9	10.2	12.6	7.0
40-44	6.3	6.4	6.2	5.7	5.3	6.2	7.7	8.8	6.3
45-49	5.5	5.6	5.3	5.5	5.1	5.9	5.4	6.7	3.5
50-54	4.9	4.5	5.4	5.3	5.0	5.6	4.0	3.4	4.8
55-59	3.8	3.3	4.2	4.4	3.9	4.9	2.3	2.2	2.5
60-64	3.2	3.0	3.5	3.7	3.5	4.0	2.1	2.1	2.2
65+	6.3	5.6	7.0	7.6	7.1	8.1	3.2	2.6	4.0

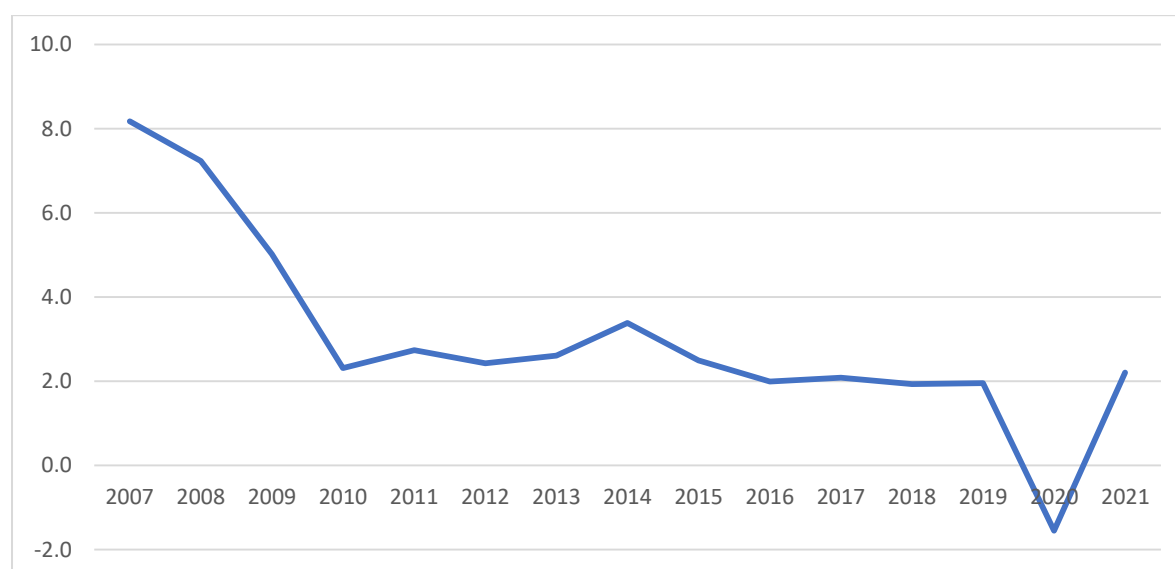
Source: LFS, Q2 2022.

After experiencing a period of accelerated growth in the early 2000s, ignited by investments from countries of the Cooperation Council for the Arab States of the Gulf (GCC) and Iraq, the Jordanian economy began deteriorating. Since the global financial crisis in 2008, Jordan has followed a low economic growth trajectory. The recent pandemic dealt a heavy blow to the already ailing country. Real GDP growth dropped

⁵ UNHCR database, accessed 31 October 2022, <https://data.unhcr.org/en/situations/syria/location/36>.

from an average of 8 per cent in the period 2000–2007 to 2 per cent in 2019. The pandemic pushed the country into a state of stagnation as the Government undertook rigorous measures to curtail the virus and protect the health of the population. Domestic lockdowns, compounded with global uncertainty, resulted in severe demand shocks to the Jordanian economy and an unprecedented drop in economic activity. GDP fell by 1.6 per cent in 2020 before recovering in 2021 with a positive growth rate of 2.2 per cent (figure 2.1).

Figure 2.1. Real GDP growth, 2007–2021 (%)



Source: World Bank Indicators – Jordan.

These relatively low growth rates coupled with persistently high (and often rising) unemployment, suggest that the country has experienced what is known as a “growth recession”, whereby the economy grows, though below its potential, but with limited ability to create sufficient employment.

Overall, the Jordanian economy remains largely driven by the services sector, which accounts for almost 70 per cent of GDP, followed by a relatively small industrial sector, led by mining, quarrying and manufacturing, and an agriculture sector, which contributes 3 per cent.⁶ Lacking high-valued-added activities, the economy has consisted of a large number of jobs in low-productivity/low-wage sectors, unattractive to the increasingly educated Jordanian labour force. Further, the structural dependency of the

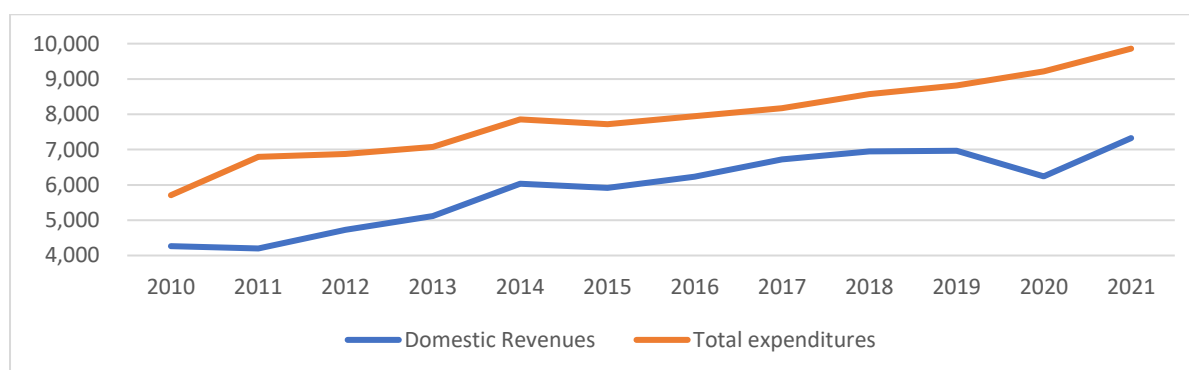
⁶ World Development Indicators database, accessed September 2022, <https://databank.worldbank.org/source/world-development-indicators>.

economy on remittances and foreign aid makes it particularly susceptible to external shocks, whether regional or global.⁷

Given these factors and fiscal constraints on public expenditure, increasing diversification becomes key. Although the Government had committed to implementing fiscal consolidation – curbing spending and raising levels of tax revenue – the central budget accounts remain untenable. The budget deficit (excluding grants) increased from 1,446 million Jordanian dinars (JD) in 2010 to 2,533 million dinars in 2021.⁸

On the expenditure side, the central budget has made provisions for spending levels that inhibit the ability to rein in the deficit. As an example, total public spending rose by 54 per cent between 2010 and 2019, reaching an annual amount of 8,813 million dinars, while revenue rose by 66 per cent to an annual figure of 6,966 million dinars (figure 2.2). Although some of this increase was driven by higher public debt service and higher commodity prices in the world markets, rising expenditures have not been solely associated with external events, but also practices of consecutive governments that have resorted to public employment to absorb Jordanians. Over the years, the burgeoning civil service absorbed the bulk of the Government’s current expenditure at the expense of capital spending, which has been maintained at meagre levels for a number of years.

Figure 2.2. Domestic revenue and total expenditure by year (JD millions)



Source: The Central Bank of Jordan.

Further, the Government’s fiscal space has also been affected by years of inadequate tax measures. A key pillar of reform arrangements under the International Monetary Fund’s standby arrangement and extended fund facility is directed towards efficiency and progressivity of the tax system. In 2018, the Government passed a new income tax law aimed at enhancing the progressivity of income tax, expanding the tax base and

⁷ ILO, *Decent Work Country Programme of the Hashemite Kingdom of Jordan 2018–2022*.

⁸ Central Bank database, accessed September 2022, <https://www.cbj.gov.jo/Pages/viewpage.aspx?pageID=40>.

criminalizing tax evasion. According to the latest data from the Ministry of Finance, revenue from income tax and company earnings increased by 29.9 per cent between January and August 2022, compared with the same period in 2021. Similarly, total tax revenue rose to 4,209.2 million dinars, reflecting a 10 per cent increase in the first 8 months of 2021. In view of the increase in both tax and non-tax revenue, total domestic revenue increased by 9 per cent in the first 8 months of 2022, reaching a total of 5,419.4 million dinars. From a structural standpoint, tax revenue accounted for 78 per cent of total domestic revenue, with taxes collected from income and profits comprising 30.6 per cent of all taxation revenue.⁹

Overall, the fiscal constraints faced by the Government, coupled with limited productive capacity and resources, and poor employment outcomes in the private sector, including low wages and high levels of informality, have led to rising levels of poverty and increased vulnerability in the country. The percentage of the population living below the national poverty line in 2018 stood at 15.7 per cent.¹⁰ The situation has further deteriorated since the COVID-19 pandemic, especially for vulnerable Jordanians and refugees who have been pushed further below the poverty line.

2.2. The labour market in Jordan

The economic downturn over the past decade stifled the Jordanian economy's ability to create new jobs for its growing population. The influx of Syrian refugees and the pandemic compounded the economic and labour market challenges, leading to detrimental outcomes for Jordanian and non-Jordanian households.

The significant increase in the resident population partly explains the country's inability to sustain the economic growth it requires to support job creation. The country currently hosts the second-highest number of refugees per capita globally, mostly from Syria but also from Iraq, Yemen, Somalia and Sudan.

Overall, the labour market is comprised of three distinct groups – Jordanians, migrant workers and refugees. Jordanians are generally less active in the labour market compared with non-Jordanians (33.5 per cent vs. 51.1 per cent).¹¹ Migrants are often employed within the agriculture, mining, manufacturing and construction sectors, often doing jobs considered undesirable by Jordanians.

⁹ Ministry of Finance, *General Government Finance Bulletin*, Vol.24, No. 8, September 2022.

¹⁰ World Bank Indicators, accessed October 2022, <https://databank.worldbank.org/source/world-development-indicators>.

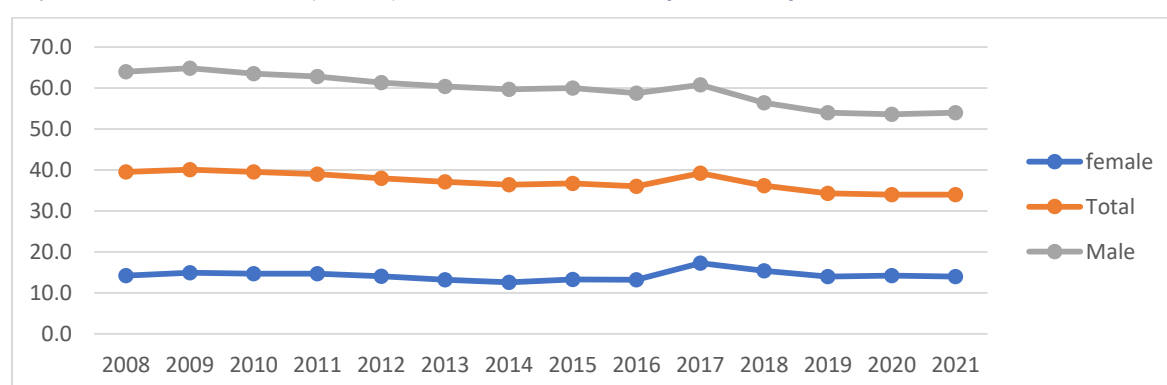
¹¹ DoS, *Employment and Unemployment Survey*, Q2 2022.

While gaps in working conditions certainly persist between nationals and non-nationals, it is noteworthy that Jordan has, over the years, made several efforts to ease Syrian refugees' access to formal employment, issuing thousands of work permits within specific sectors. The work permit regulations introduced since 2016 have led to a clear, though insufficient, improvement in working conditions for Syrians.¹²

For Jordanians, the public sector remains their preferred employer because of higher benefits, shorter working hours and job security, compared with the private sector. Over the past decade, an inflated civil service took up much of the Government's budget, and government policies turned to promote the private sector as the main engine of job creation. However, despite private-sector development efforts, a weak private sector paired with high levels of informality continue to characterize the Jordanian labour market, leaving a large segment of the workforce completely unprotected. As of 2021, 51.6 per cent of all employment in Jordan was informal, employing a higher share of men (55.1 per cent) than women (32.4 per cent).¹³

Labour force participation rates in Jordan are also worrisome. The latest DoS figures from Q2 2022, show that labour force participation stands at 38.8 per cent, with substantial differences between social groups. Women are especially inactive in the labour market (14.1 per cent) compared with men (60.9 per cent). This gap in economic participation between women and men persists despite the country's notable achievements in educating women. In Jordan, women outnumber men in tertiary education. However, paradoxically, women's inclusion in the labour market fails to reflect this reality and has remained relatively unchanged since 2008 (figure 2.3).

Figure 2.3. Labour force participation of Jordanians by sex and year (%)



Source: LFSs, 2008–2021.

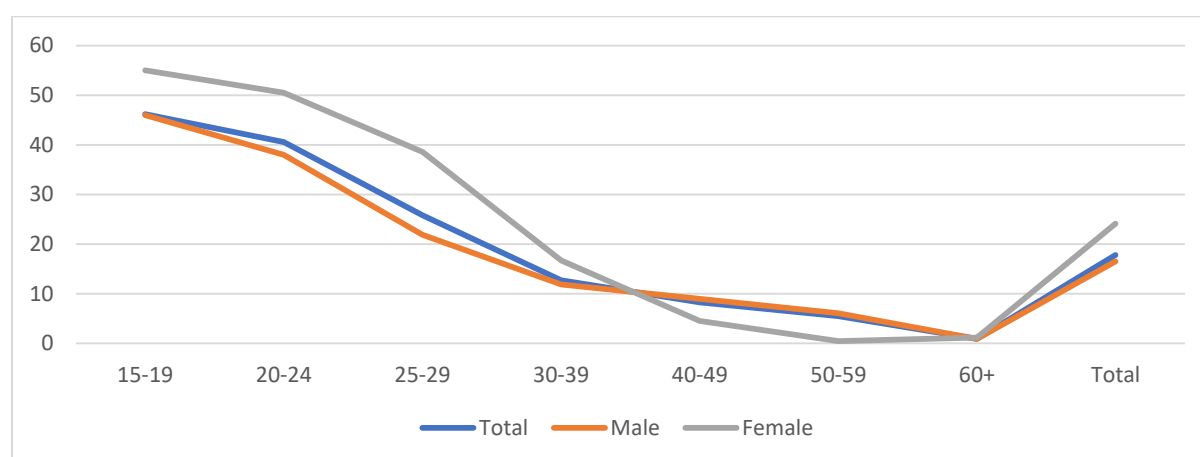
¹² ILO and Fafo, *Impact of Work Permits on Decent Work for Syrians in Jordan*, 2021.

¹³ ILO, “Informal Employment Rate by Sex (%)”, Labour Force Statistics, ILOSTAT database, accessed 15 December 2022.

These low levels of labour force participation are coupled with low rates of job generation and increasing unemployment. In Q2 2022, the country's average unemployment rate stood at 17.8 per cent. Women were more prone to be unemployed (24.1 per cent compared with 16.5 per cent for men), despite their lower level of economic participation. Unemployment was also twice as high among Jordanians (22.6 per cent) compared with non-Jordanians (10.6 per cent).

Especially significant was the difference in unemployment between young and adult workers (figure 2.4). For instance, unemployment among those aged 20–24 years was more than three times higher than that of those aged 30–39 years (40.6 per cent versus 12.7 per cent). Given the long-term effects of unemployment on youth, such unemployment levels present a real threat to the future social and economic fabric of the country.

Figure 2.4. Unemployment rate by sex and age group, Q2 2022 (%)



Source: LFS, Q2 2022.

Long-term unemployment is becoming increasingly problematic. As of Q2 of 2022, 44.9 per cent of unemployed persons had been looking for employment for 12 months or more, with women and youth suffering disproportionately from long-term unemployment.

Although investments in education are hoped to increase the employability of individuals, this does not seem to be necessarily the case in Jordan. In fact, 35.4 per cent of all unemployed individuals in the second quarter of 2022 had a bachelor's degree or higher, with a monumental disparity between men and women. Three quarters of unemployed women were university graduates, compared with 23 per cent of men. These figures clearly point to a failure of the Jordanian economy and labour market to provide sufficient decent jobs for the most educated segment of the labour force, who compete for a limited number of high-skill jobs.

3. Objectives and methodology

School-to-work transition surveys collect data on the employment and labour market situation of young people in order to better understand the ease or difficulty of their transition from school to work. The standard approach of the International Labour Organization (ILO) to school-to-work transition analysis calls for two surveys to be run in parallel, namely a household-based survey targeting young people aged 15–29, and an employers' survey targeting formal and informal enterprises. By running these two surveys in parallel, information is obtained on the supply and demand characteristics of young labour, allowing possible mismatches to be assessed and, ultimately, addressed through relevant policy responses.¹⁴

In view of the difficulty of undertaking a fully fledged household-based school-to-work transition survey in 2022, the ILO, in agreement with the Jordanian DoS, opted for a different approach. The conventional LFS conducted by the DoS was utilized to obtain data and key estimates of employment and the status of school-to-work transition of young persons in the country and provided supply-side data.

For the demand-side analysis, data were collected using the standard employers' survey on school-to-work transition. The following subsections provide further details on the methodologies used to analyse data from prior labour force surveys and collect demand-side data on employers' perspectives and their demand for young workers.

3.1. LFS data analysis

DoS staff were trained by the ILO between 27 September and 5 October 2022. The ILO then calculated a dataset of employment and school-to-work transition indicators on the basis of microdata extracted from recent LFSs.

Because of the COVID-19 pandemic, the LFS questionnaire was shortened in 2020 and several questions, including key questions needed for indicators related to the stages and forms of transition, were omitted. Therefore, while standard demographic and employment and labour market data and indicators were available for the year 2021, specific school-to-work transition indicators, namely the forms and stages of transition, could only be computed up to the year 2019.

It is also noteworthy that the school-to-work transition analysis did not include the length of transition, given that the LFS questionnaire, including that of 2019, did not include all the questions needed to calculate the relevant length-of-transition indicators.

¹⁴ ILO, *School-to-Work Transition Survey: A Methodological Guide*, 2009.

In addition to the standard indicators, eight forms of school-to-work transition were derived from the LFS. From these eight categories, three indicators related to stages of transition were computed, explained further in Chapter 5.

3.2. Employers' perspectives

To analyse employers' perspectives and their demand for young labour, a two-pronged approach was followed, including: (a) a quantitative survey targeting 430 employers in different economic sectors; and (b) a number of focus group discussions targeting employers, NGOs, training providers and relevant policymakers. Details about the two methods are described below.

3.2.1. School-to-work transition employers' survey

The ILO commissioned Ipsos, Jordan, to conduct a school-to-work transition employers' survey. The questionnaire built on the generic questionnaire developed by the ILO and was adapted to the Jordanian context and subsequently translated into Arabic. The questionnaire was structured around the following sections:

- (1) respondent screening;
- (2) characteristics of the enterprise;
- (3) recruitment and employment of young people;
- (4) education and training of workers.

Between 24 October and 23 November 2022, 430 computer-assisted personal interviews were conducted with individuals involved in hiring new workers. The sample was based on the 2018 census of economic establishments of the DoS. The size and distribution of the sample by sector and governorate is detailed in table 3.1.

Table 3.1. Sample by governorate and economic sector

Region	Governorate	<i>n</i>
Central	Amman	102
	Balqa	31
	Zarqa	56
	Madba	22
North	Irbid	54
	Mafraq	20
	Jarash	21
	Ajloun	20
South	Karak	25
	Tafeleh	21
	Maan	21
	Aqaba	37
Economic sector		<i>n</i>
Manufacturing		94
Wholesale and retail trade; repair of motor vehicles and motorcycles		119
Transportation and storage		11
Accommodation and food service activities		49
Professional, scientific and technical activities		19
Administrative and support service activities		24
Education		52
Human health and social work activities		22
Other*		40
Total		430

* Includes: mining and quarrying; electricity, gas, steam and air conditioning supply; water supply, sewerage, waste management and remediation activities; construction; information and communication; financial and insurance activities; real estate activities; arts, entertainment and recreation; other service activities; and activities of extraterritorial organizations and bodies.

A systematic sampling approach was used to select respondents. The Kinz database contains accurate and up-to-date comprehensive business information of companies in Jordan and was used for this purpose. An overview of the fieldwork and attempts made to complete the sample are summarized in table 3.2.

Table 3.2. Fieldwork overview

Status of enterprises approached	Count	Percentage
Not available after visit	98	6
Phone number was disconnected or not found	87	5
The establishment was closed	28	2
Busy at the time of interview	168	10
Refused	441	27
No qualified person available	397	24
Completed	430	26
Total	1 649	100

3.2.2. Focus group discussions

Further to the quantitative survey, qualitative focus group discussions and key informant interviews included 54 employers, education and training providers, youth-serving organizations and policymakers. Discussions aimed to better understand the challenges facing young people in accessing the labour market from a demand-side perspective. These discussions also explored policy measures and interventions needed to increase demand for young labour while trying to identify sectors and occupations with decent employment potential for youth.

The qualitative data obtained from the focus groups helped generate a range of insights and perspectives, permitting triangulation, or confirmation, of findings from the surveys. A total of seven focus group discussions (FGDs) were conducted along with three key informant interviews. A blended approach, combining face-to-face meetings with online sessions was used to accommodate the needs of the various participants and ensure active engagement. Table 3.3 summarizes the profiles of participants.

Table 3.3. Number of discussions and interviews

Participants	Focus group discussions	Key informant interviews
Employers	3	0
Youth-serving organizations	2	2
Education providers	1	1
Policymakers/regulators	1	2

4. Characteristics of young people

4.1. Individual characteristics and educational attainment of young people in Jordan

As of 2021, young people represented 26.3 per cent of the total population. Of these, 38.7 per cent were aged 15–19, 33.2 per cent were in the age group 20–24 and 28.2 per cent were aged 25–29 years. Young women and men had similar distributions across the three cohorts, as shown in table 4.1.

Table 4.1. Young population by sex and age group

Age group	Total		Male		Female	
	'000	%	'000	%	'000	%
15–19	1 114.5	38.7	603.6	38.6	510.9	38.8
20–24	955.7	33.2	527.2	33.7	428.5	32.5
25–29	811.6	28.2	434.0	27.7	377.6	28.7
Total 15–29	2 881.8	100	1 564.8	100	1 317.0	100

Source: ILO calculations based on the 2021 LFS.

Irrespective of their age and sex, young people are very important assets for the present and the future. Ensuring young people's access to adequate education and employment opportunities is critical as nations strive to develop and grow.

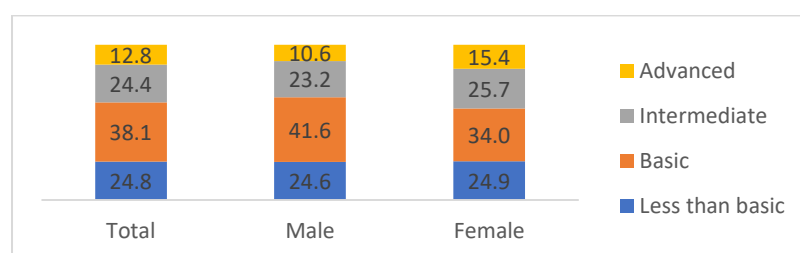
With regard to education, Jordanian policymakers have increased efforts to promote better quality and higher levels of education among the population, both as a means of increasing productivity and to improve individual livelihoods, including access to decent employment.

Education levels presented here follow the UNESCO International Standard Classification of Education of 2011 (ISCED-11), whereby (1) *less than basic education* refers to early childhood education or no school; (2) *basic education* refers to primary or lower secondary education; (3) *intermediate education* refers to upper secondary education or post-secondary non-tertiary education; and (4) *advanced education* refers to short tertiary, bachelor, master or doctoral courses.

Figure 4.1 presents the distribution of the young population by sex and educational attainment. As of 2021, 62.9 per cent of the young population, both males and females, had basic education or less, 24.4 per cent had intermediate education, and 12.8 per cent had an advanced level of education. Young women were more likely than young men to

have higher levels of education; 15.4 per cent of young women had an advanced education, compared with only 10.6 per cent of young men.

Figure 4.1. Young population by sex and educational attainment (%)



Source: ILO calculations based on the 2021 LFS.

Table 4.2 presents young people's school attendance status by sex and age group. As of 2021, 40.0 per cent of young people years were attending school or training. Expectedly, school attendance was highest for the age group 15–19 (75.0 per cent) but decreased considerably for older groups, with school attendance dropping to 29.5 per cent and 4.3 per cent, respectively, for those aged 20–24 and 25–29 years.

Table 4.2. Current school attendance by sex and age group (%)

	Age group	Attending	Not attending
Total	15–29	40.0	60.0
	15–19	75.0	25.0
	20–24	29.5	70.5
	25–29	4.3	95.7
Male	15–29	37.9	62.1
	15–19	72.1	27.9
	20–24	26.1	73.9
	25–29	4.6	95.4
Female	15–29	42.5	57.5
	15–19	78.5	21.5
	20–24	33.7	66.3
	25–29	3.8	96.2

Source: ILO calculations based on the 2021 LFS.

From a gender perspective, young women were more likely to be attending school than their male counterparts; 42.5 per cent of young women were attending school in 2021 compared with 37.9 per cent of young men. Only 3.8 per cent of women aged 25–29 were in education compared with a relatively higher share of 4.6 per cent of men. For men, the lower share of school attendance among those aged 25–29 is likely to be primarily driven by their desire or need to work, while women may choose not to pursue higher education in order to get married. The associated household responsibilities culturally

assigned to women are likely to keep them away not only from education, but also from the labour market.

4.2. Economic activity status

Table 4.3 presents the distribution of the young population by economic activity status and sex for the period 2017–2021. As of 2021, 22.0 per cent of the young population in Jordan were in employment, 12.8 per cent were unemployed and the majority (65.2 per cent) were outside the labour force. The share of young people in employment declined in 2021 compared with previous years. This was largely, though not exclusively, a result of the COVID-19 pandemic.

Table 4.3. Labour market status, ages 15–29, by sex and year (%)

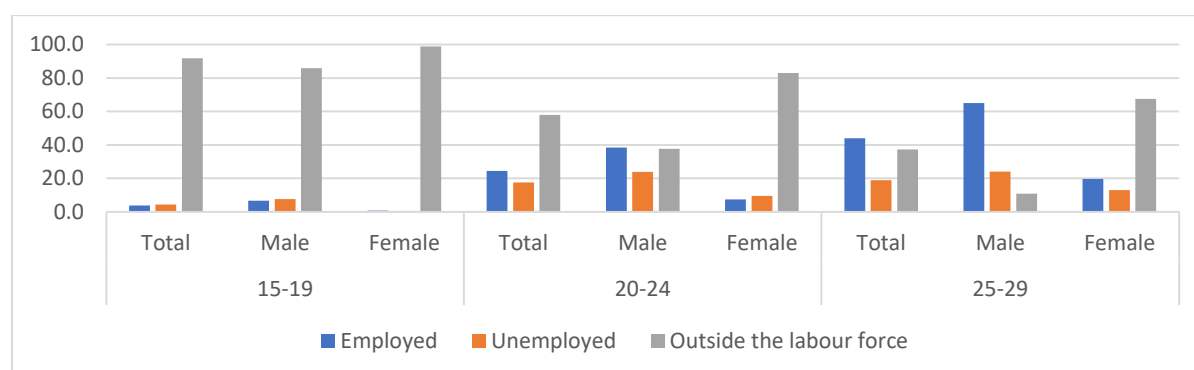
	2017	2018	2019	2020	2021
Total					
Employed	26.7	25.1	25.2	23.3	22.0
Unemployed	11.2	11.2	11.0	12.5	12.8
Outside the labour force	62.1	63.7	63.7	64.2	65.2
Male					
Employed	41.8	39.1	39.0	35.5	33.5
Unemployed	14.2	15.2	14.7	16.9	17.7
Outside the labour force	44.0	45.6	46.2	47.6	48.8
Female					
Employed	10.3	8.8	8.6	8.9	8.3
Unemployed	7.8	6.4	6.5	7.2	7.0
Outside the labour force	81.9	84.8	84.9	83.9	84.7

Source: ILO calculations based on the 2017–2021 LFSs.

Young women are particularly disadvantaged in the labour market with only 8.3 per cent of them employed in 2021, compared with 33.5 per cent of young men. Some 17.7 per cent of young men were unemployed, compared with 7 per cent of young women. Young women register higher shares of inactivity than young men, with 84.7 per cent remaining outside the labour force. These gender discrepancies are driven, in part, by the perceived lack of a conducive working environment for women in general, entrenched gender roles and social norms, and common discriminatory practices in the labour market, together with poor family-friendly policies.

Looking at different age groups within the young population, figure 4.2 shows that 91.8 per cent of those aged 15–19 were outside the labour force, with a higher share of women (98.9 per cent) than men (85.8 per cent). This was not unexpected, given that the majority of those aged 15–19 were attending school.¹⁵ Less than 4 per cent of youth aged 15–19 were employed. Shares of employment were relatively higher for those aged 20–24 (24.5 per cent) and those aged 25–29 (43.9 per cent). Across all sub-groups, young women were most likely to remain outside the labour force.

Figure 4.2. Young population by economic activity status, age group and sex (%)



Source: ILO calculations based on the 2021 LFS.

Overall, young women and men in Jordan seem to face serious challenges entering the labour market. Their unemployment rate stood at 36.8 per cent in 2021 (45.8 per cent for young women and 34.5 per cent for young men), with a very low labour force participation rate (LFPR) of young women (15.3 per cent, compared with 51.2 per cent among young men). The employment-to-population (emp-to-pop) ratios were also extremely low, standing at 8.3 per cent for young women and 35.5 per cent for young men (table 4.4).

¹⁵ Note that not all of those who attend school are outside the labour force; some students study and work concurrently.

Table 4.4. Key labour market indicators by sex and age group (%)

Age	Indicator	Total	Male	Female
15–29	LFPR	34.8	51.2	15.3
	Emp-to-pop	22.0	33.5	8.3
	Unemployment	36.8	34.5	45.8
15–19	LFPR	8.2	14.2	1.1
	Emp-to-pop	3.8	6.6	0.6
	Unemployment	53.0	53.7	41.3
20–24	LFPR	42.0	62.4	17.0
	Emp-to-pop	24.5	38.5	7.4
	Unemployment	41.6	38.4	56.4
25–29	LFPR	62.7	89.1	32.5
	Emp-to-pop	43.9	65.1	19.6
	Unemployment	30.0	26.9	39.6

Source: ILO calculations based on the 2021 LFS.

These indicators worsened over the period 2017–2021, when unemployment increased for both young women and men and LFPRs and employment-to-population ratios for both groups decreased.

Table 4.5. Key labour market indicators, ages 15–29, by sex and year (%)

Year	Unemployment		LFPR		Emp-to-pop	
	Male	Female	Male	Female	Male	Female
2017	25.4	43.2	56.0	18.1	41.8	10.3
2018	28.0	42.1	54.4	15.2	39.1	8.8
2019	27.4	43.0	53.8	15.1	39.0	8.6
2020	32.2	44.9	52.4	16.1	35.5	8.9
2021	34.5	45.8	51.2	15.3	33.5	8.3

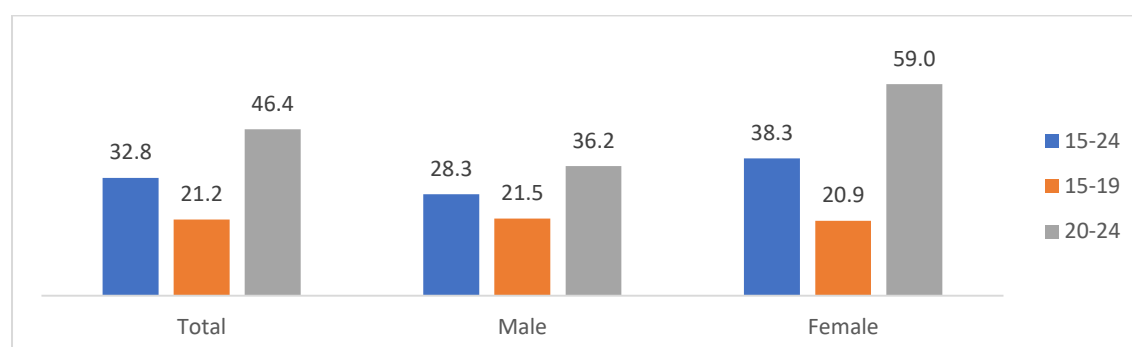
Source: ILO calculations based on LFSs 2017–2021.

Youth not in employment, education or training

Using the data from the 2021 LFS, results show that 32.8 per cent of youth aged 15–24 were NEET, neither investing in their skills through training or education nor gaining experience through employment. Youth NEET rates were higher among those aged 20–24 (46.4 per cent), compared with those aged 15–19 years (21.2 per cent). NEET rates

were also higher among young women compared with young men, though not for those aged 15–19 (see figure 4.3).

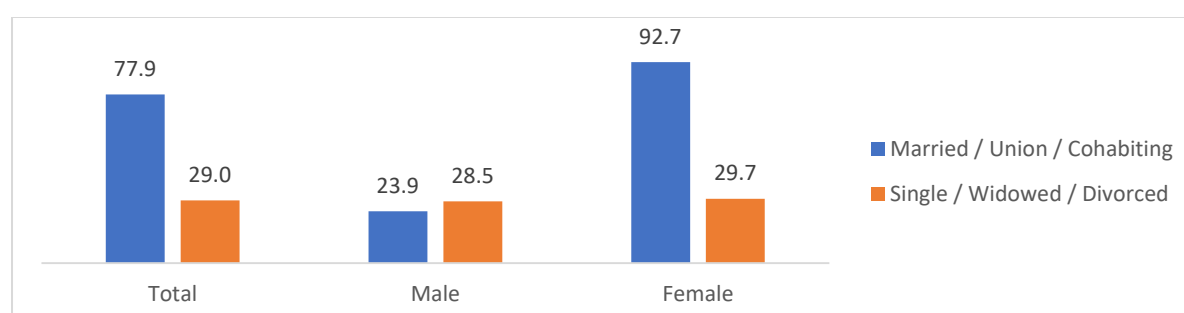
Figure 4.3. Youth NEET by age group and sex (%)



Source: ILO calculations based on the 2021 LFS.

Gender entrenched roles, patriarchal norms and care responsibilities seem to hugely influence young women’s access to education, training and employment. Figure 4.4 shows that 92.7 per cent of married women aged 15-24 (or those in cohabiting/union relationships) were NEET, compared with 29.7 per cent of women with no partner (single, divorced or widowed). In contrast, the marital status of men did not seem to affect their employment or education status, with single young men aged 15-24 having slightly higher NEET rates compared with their married counterparts.

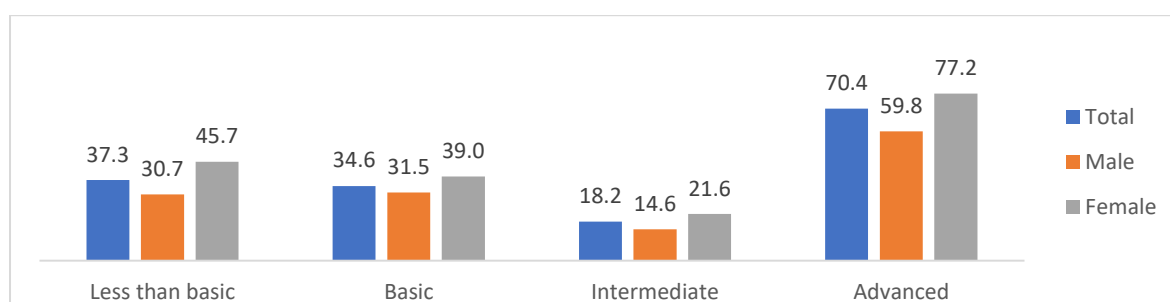
Figure 4.4. Youth NEET by sex and marital status (%)



Source: ILO calculations based on the 2021 LFS.

NEET rates among youth aged 15-24 also differed according to educational attainment. As of 2021, 70.4 per cent of youth with advanced education were NEET, reiterating the severity and depth of the skills mismatch problem in the Jordanian labour market. Youth NEET rates were highest among highly educated young women, standing at 77.2 per cent in 2021, compared with a 59.8 per cent among highly educated young men (figure 4.5). For women, high NEET rates may be largely influenced by gender considerations. The high NEET rates among young men are very concerning, and likely to reflect a skills mismatch.

Figure 4.5. Youth NEET by sex and educational attainment (%)



Source: ILO calculations based on the 2021 LFS.

4.3. Characteristics of young people in employment

In this section, we examine the employment characteristics of young individuals, including their employment status, employment by sector and occupation, employment by educational attainment and hours of work.

Status in employment

As of 2021, most employed young people were classified as employees, with a higher share among young women (98.4 per cent) than young men (92.6 per cent). Employers represented a very small share of the young workforce – less than 1 per cent for both women and men. “Own-account workers” also represented a small proportion of 15–29-year-olds in employment – 5.3 per cent of men compared with 1.2 per cent of women. This preference for waged employment and the reluctance of young individuals to start their own business reflects the poor entrepreneurship culture, not only in Jordan but across the Arab region more generally. There is also an element of risk aversion among young people, who are often hesitant to invest in their own business and prefer instead to work for someone else. Many also lack the needed capital and skills and are constrained by their limited financial and technical abilities. In general, entrepreneurship in Jordan, as in many other countries, is borne out of necessity, when no other suitable job is available.

Table 4.6. Employment of young people by status in employment and sex (%)

	Total	Male	Female
Employees	93.6	92.6	98.4
Employers	0.8	0.9	0.4
Own-account workers	4.6	5.3	1.2
Contributing family workers	0.9	1.0	0.0
Workers not classifiable by status	0.2	0.2	0.0

Source: ILO calculations based on the 2021 LFS.

Employment by economic activity and occupation

Table 4.7 presents the distribution of young people's employment by economic activity and sex in 2021. Young employed individuals were mostly concentrated in five sectors, namely "Public administration and defence; compulsory social security" (17.9 per cent), "wholesale and retail trade; repair of motor vehicles and motorcycles" (15.3 per cent), "manufacturing" (12.2 per cent), "activities of households as employers; undifferentiated goods- and services-producing activities of households for own use" (11.4 per cent), and "construction" (7.4 per cent). These five economic sectors collectively absorbed more than 60 per cent of young workers.

Table 4.7. Employment of young people by branch of economic activity and sex (%)

	Total	Male	Female
Agriculture, forestry and fishing	2.8	3.3	0.7
Mining and quarrying	0.4	0.4	0.0
Manufacturing	12.2	12.8	9.3
Electricity; gas, steam and air conditioning supply	0.3	0.4	0.0
Water supply, sewerage, waste management and remediation activities	0.2	0.3	0.1
Construction	7.4	8.8	0.6
Wholesale and retail trade, repair of motor vehicles and motorcycles	15.3	17.0	6.8
Transportation and storage	3.3	3.7	1.1
Accommodation and food service activities	6.2	7.4	0.5
Information and communication	1.9	1.5	3.8
Financial and insurance activities	1.5	1.2	3.3
Real estate activities	0.2	0.3	0.0
Professional, scientific and technical activities	2.1	1.5	4.8
Administrative and support service activities	3.0	3.2	1.9
Public administration and defence; compulsory social security	17.9	20.7	4.5
Education	3.7	2.1	11.5
Human health and social work activities	4.1	1.7	15.2
Arts, entertainment and recreation	0.4	0.4	0.4
Other service activities	4.1	4.2	4.1
Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use	11.4	7.7	28.8
Activities of extraterritorial organizations and bodies	1.4	1.2	2.5
Not elsewhere classified	0.2	0.2	0.0
Total	100	100	100

Source: ILO calculations based on the 2021 LFS.

From a gender perspective, young employed women were concentrated in the following four sectors: (1) activities of households as employers and undifferentiated goods- and services-producing activities of households for own use (28.8 per cent); (2) human health and social work activities sector (15.2 per cent); (3) education (11.5 per cent); and (4) manufacturing (9.3 per cent). This reflects, on the one hand, the large share of young migrant women working in household activities and, on the other, young Jordanian women's preference for work in culturally normative sectors, such as healthcare and education.

The sectoral distribution of young men was quite different, and largely concentrated in: public administration and defence (20.7 per cent); wholesale and retail trade, repair of motor vehicles and motorcycles (17 per cent); manufacturing (12.8 per cent); and construction (8.8 per cent). This reflects a preference for the public sector among nationals and the concentration of non-nationals in low-skilled sectors, including construction and wholesale and retail trade.

In addition to the sectoral distribution, the occupational distribution of young workers is shown in table 4.8. As of 2021, none were classified as managers. The vast majority were service and sales workers (39.1 per cent), followed by professionals (16.5 per cent) and craft and related trades workers (16.4 per cent). Young men were mostly service and sales workers (44.9 per cent) and craft and related trades workers (19.1 per cent); young women were mostly in professional occupations (40.8 per cent), followed by elementary occupations (34.2 per cent).

Table 4.8. Employment of young people by occupation and sex (%)

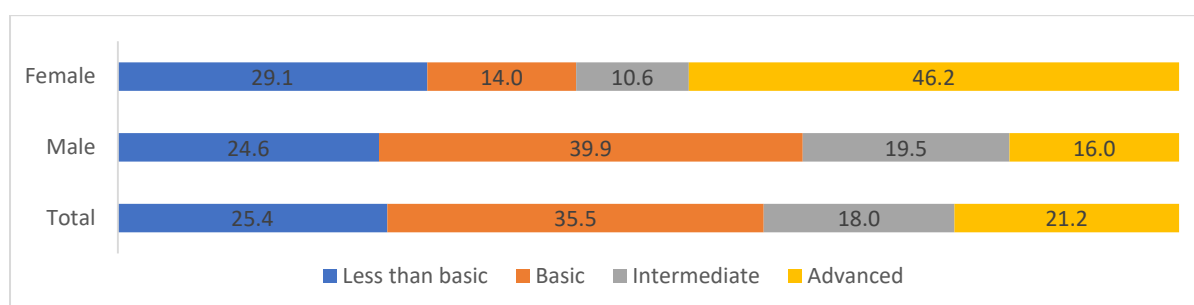
Occupation	Total	Male	Female
Managers	0.0	0.0	0.0
Professionals	16.5	11.5	40.8
Technicians and associate professionals	3.5	3.1	5.6
Clerical support workers	2.7	2.4	4.1
Service and sales workers	39.1	44.9	11.3
Skilled agricultural, forestry and fishery workers	2.1	2.4	0.6
Craft and related trades workers	16.4	19.1	3.4
Plant and machine operators, and assemblers	4.9	6.0	0.0
Elementary occupations	14.6	10.5	34.2
Not elsewhere classified	0.2	0.2	0.0
Total	100	100	100

Source: ILO calculations based on the 2021 LFS.

Employment by educational attainment

Figure 4.6 presents the employment distribution of young men and women by level of education. Those with basic education or less constituted the largest share of all employed young people (60.9 per cent), followed by those with intermediate education (18.0 per cent). Some 19.8 per cent of employed young people had an advanced education. Young women and men exhibited different employment outcomes by educational attainment – 46.2 per cent of young employed women had an advanced education, but only 16.0 per cent of young employed men were highly educated.

Figure 4.6. Employment of young people by educational attainment and sex (%)



Source: ILO calculations based on the 2021 LFS.

As expected, employed young people were almost invariably not in education. Only a few were actually attending school while working. Women and men were similar in this regard, with less than 2 per cent of those employed reporting school attendance (table 4.9).

Table 4.9. Employed young people by school attendance and sex (%)

	Total	Male	Female
Attending	1.4	1.4	1.2
Not attending	98.6	98.6	98.8

Source: ILO calculations based on the 2021 LFS.

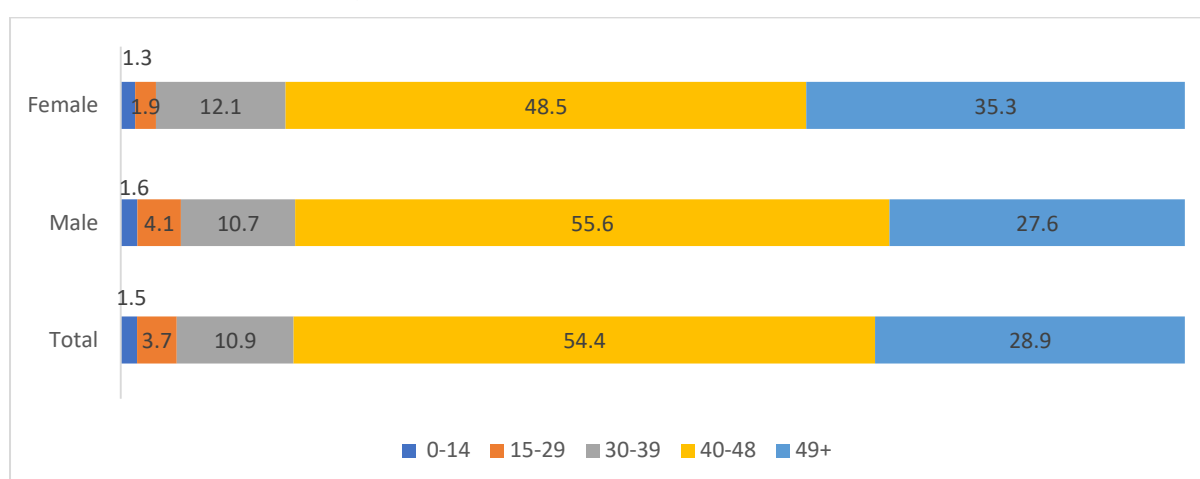
Hours of work and time-related underemployment

Hours of work represent a key determinant of job quality. Long working hours can impose high costs on workers' mental and physical health and affect their ability to ensure a work-life balance. Workers need protection against excessive working hours and access to adequate periods of rest and leave. At the same time, workers also need a certain amount of work to secure a decent income. Unless voluntary, insufficient or low levels of working hours can impact workers' welfare and wellbeing.

Figure 4.7 shows that 28.9 per cent of the young employed population worked excessive hours (i.e. 49 hours or more per week), with a higher share among young women (35.3 per cent) than young men (27.6 per cent). A considerable share of the young female employed population, including a majority of migrant workers, worked in household activities, known for their very long hours.

More than half of those employed worked between 40 and 48 hours per week, considered the standard/normal hours of work, and 16.2 per cent worked fewer than 40 hours per week. Young women (15.4 per cent) were slightly less likely than young men (16.3 per cent) to work fewer than 40 hours per week.

Figure 4.7. Hours of work per week by sex (%)



Source: ILO calculations based on the 2021 LFS.

A negligible share of the young employed population (0.6 per cent) is found in time-related underemployment, with a relatively higher share among young men (0.7 per cent) than young women (0.1 per cent). Individuals in time-related underemployment are employed, work insufficient hours of work below the national threshold and are willing and available to work additional hours.

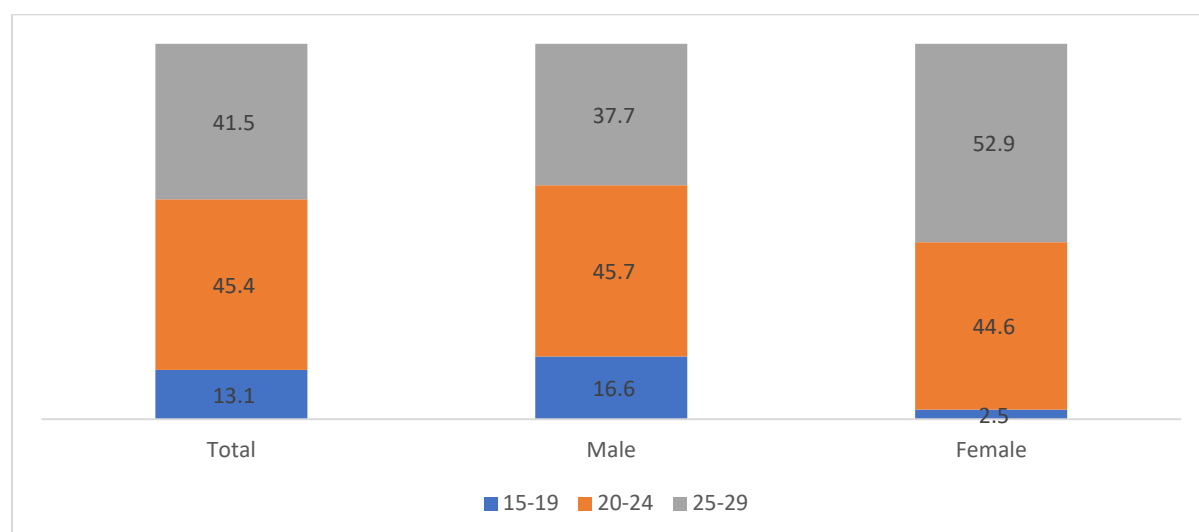
4.4. Characteristics of unemployed young people

Unemployed young people are defined as those individuals aged 15–29 who do not have a job but are available and actively looking for work. Unemployment rates differ across groups and are affected by a range of factors, such as education, age and sex. This section aims to better understand the drivers and determinants of unemployment, at least from a supply-side perspective.

Three quarters of young unemployed individuals were male. In terms of age, figure 4.8 shows that the majority of young unemployed individuals were in the age group 20–24.

For young unemployed women, though, most were aged 25–29. This is not surprising, as women aged 15–19 were generally outside of the labour force, and a high share of inactivity was also registered among women aged 20–24.

Figure 4.8. Unemployed young people by sex and age group (%)

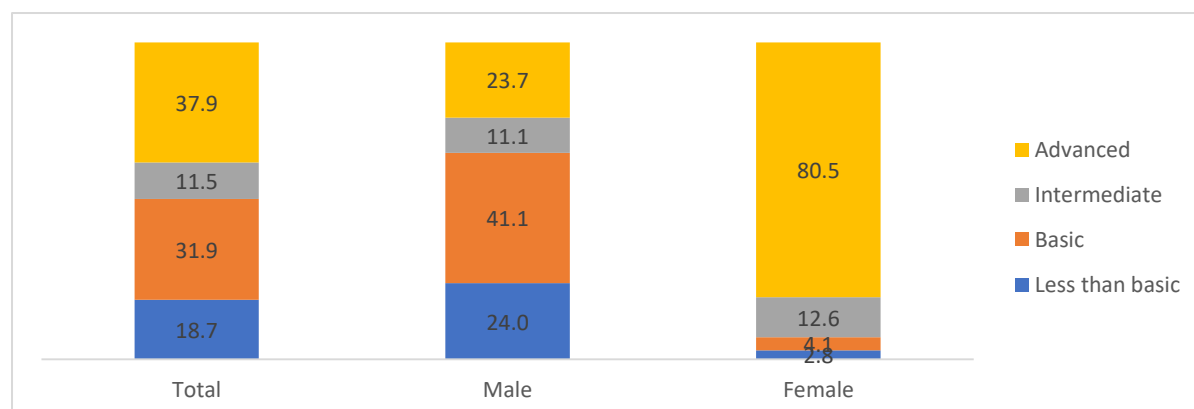


Source: ILO calculations based on the 2021 LFS.

Unemployment by educational attainment

Figure 4.9 depicts unemployment by educational attainment and sex. While many young people pursue higher education with the hope of a decent job, this is not always the case. Young people with advanced levels of education constituted the largest proportion of unemployed in this cohort (37.9 per cent), whereas those with less than basic education represented only 18.7 per cent. For women, the figures are staggering, with 80.5 per cent of all unemployed young women having an advanced education, compared with 23.7 per cent for their male counterparts.

Figure 4.9. Unemployed young people by sex and educational attainment (%)

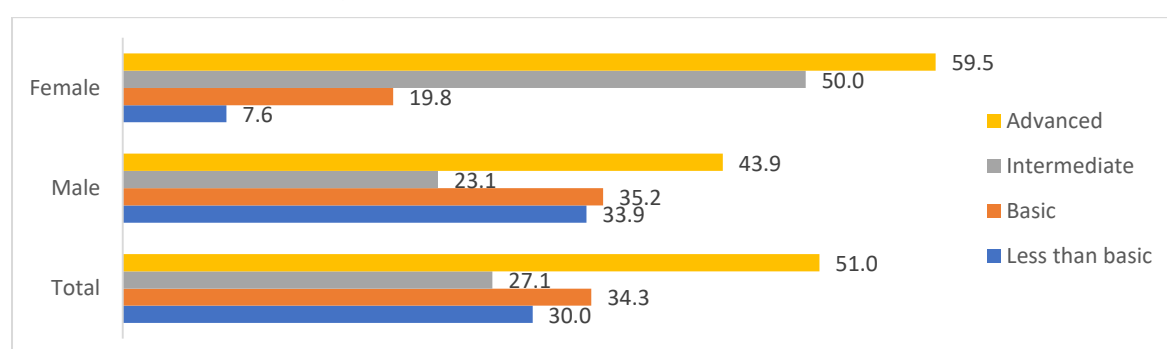


Source: ILO calculations based on the 2021 LFS.

Unemployment rates by educational attainment can better assess the ability of education to shield young people against unemployment, when taking into account the size of the labour force of those with different levels of education. As shown in figure 4.10, unemployment rates were highest among those with advanced educational levels – more than half of young people in the labour force with an advanced education were unemployed, compared with 30 per cent of those with less than basic education. The data show that young people with advanced levels of education struggle the most to find suitable jobs. Highly educated young women experience particularly high unemployment rates (59.5 per cent in 2021, compared with 43.9 per cent among highly educated young men).

Interestingly, however, among young men, unemployment rates were also very high among those with basic or less than basic education. Unlike less-educated women, who are more likely to be inactive, less-educated men compete over a limited number of jobs.

Figure 4.10. Youth unemployment rates by sex and educational attainment (%)

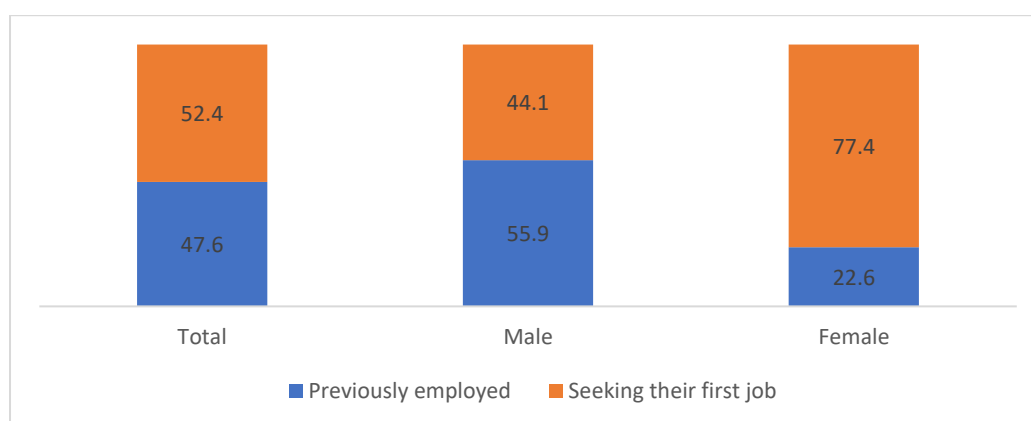


Source: ILO calculations based on the 2021 LFS.

Unemployment by employment history

The LFS also explored the employment history of unemployed young people (figure 4.11). As of 2021, 47.6 per cent of unemployed young people had worked previously; in other words, 52.4 per cent were seeking their first job. Among unemployed young men, 55.9 per cent had prior work experience, whereas 77.4 per cent of young women were seeking their first job. Lack of previous work experience can hamper the transition to work, as potential employers value prior experience (refer to section 6.6 of this report).

Figure 4.11. Unemployed young persons by sex and prior employment (%)



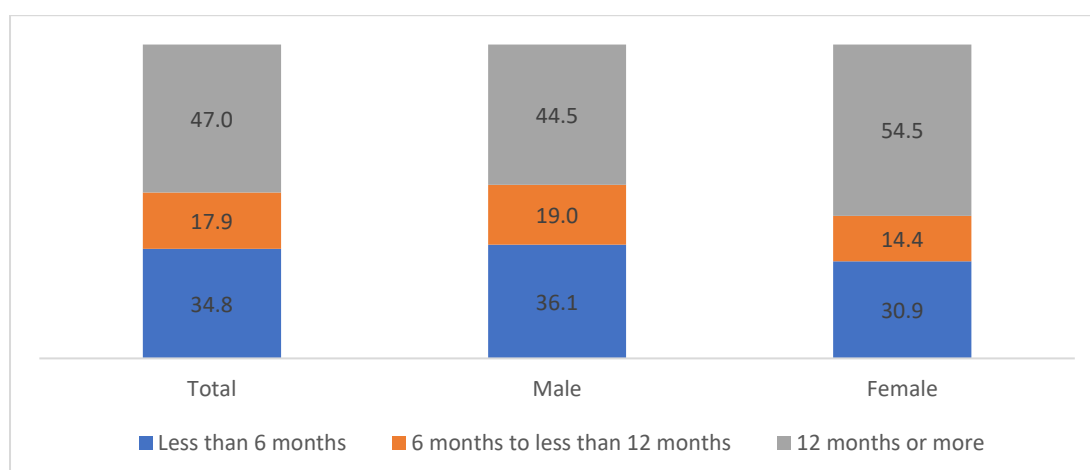
Source: ILO calculations based on the 2021 LFS.

Unemployment duration

The duration of unemployment is the length of time an individual has been without a job, available for work and looking for employment. Figure 4.12 presents the distribution of unemployed young people by duration of unemployment. Long-term unemployment refers to those who have been unemployed for 12 months or longer; it poses particular risks, as individuals are subject to income loss, skills erosion and diminishing employability. Shorter periods of unemployment are less concerning as young people normally take some time to find suitable employment.

Some 47.0 per cent of all unemployed young individuals were in long-term unemployment, with a higher share among young women (54.5 per cent) compared with young men (44.5 per cent). These long unemployment spells not only affect the financial prospects of individuals but can also be detrimental to their mental health and wellbeing. Prolonged periods of unemployment among youth can lead to severe anxiety and depression.

Figure 4.12. Unemployed young persons by sex and duration of job search (%)



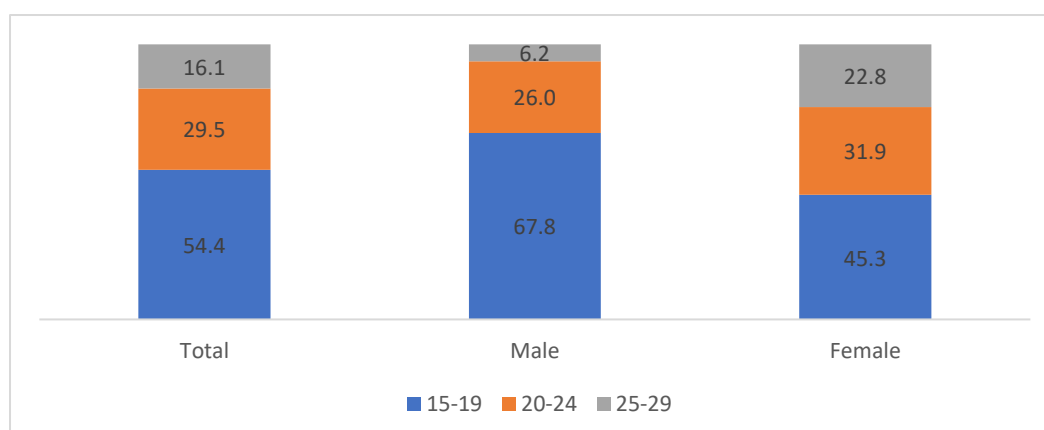
Source: ILO calculations based on the 2021 LFS.

4.5. Characteristics of young outside the labour force

People outside the labour force are detached from the job market – they are neither employed nor unemployed, yet some maintain ties with the labour market and these people are referred to as the “potential labour force”. Individuals in the potential labour force are not in employment but are either: (a) available but not seeking work; or (b) seeking work but not currently available.

Overall, around 65.2 per cent of the total young population in Jordan were outside the labour force in 2021, 59.4 per cent of whom were women. Expectedly, there were more individuals aged 15–19 outside the labour force compared with other age groups (figure 4.13).

Figure 4.13. Young persons outside the labour force by sex and age group (%)



Source: ILO calculations based on the 2021 LFS.

The vast majority (95.7 per cent) of those considered inactive included those who were not in the potential labour force and had not kept any ties with the labour market. Of those in the potential labour force, 99.3 per cent were available for work, but not actively looking for a job. “Discouraged” jobseekers represented the majority of potential jobseekers. According to the ILO, discouraged jobseekers are a subset of the available potential jobseekers who are not seeking employment because of specific labour market reasons, such as past failure to find a suitable job, lack of experience or qualifications, lack of jobs that match the person’s skills, an absence of jobs in the area, recent job loss or the perception of being considered too young by prospective employers.¹⁶ Overall, 2.8 per cent of all inactive young people were discouraged jobseekers (table 4.10), with a relatively higher share among young men (4.4 per cent) compared with young women (1.8 per cent).

Table 4.10. Young persons outside the labour force by sub-category and sex (%)

	Total	Male	Female
A. Outside the labour force (A1 + A2)	100	100	100
A1. Potential labour force (A1.1 + A1.2)	4.3	6.8	2.5
A1.1 Available potential jobseekers	4.2	6.8	2.5
<i>A1.1.1. Discouraged jobseekers</i>	2.8	4.4	1.8
<i>A1.1.2. Other available potential jobseekers</i>	1.4	2.4	0.7
A1.2 Unavailable jobseekers	0.0	0.0	0.0
A2. Other inactive	95.7	93.2	97.5

Source: ILO calculations based on the 2021 LFS.

4.6. Extended measures of labour underutilization

The ILO is increasingly focusing on extended or more comprehensive measures of labour underutilization in order to account for individuals considered to be putting pressure on the labour market, yet not necessarily unemployed. These different measures are presented in table 4.11.¹⁷

The combined rate of unemployment and time-related underemployment (LU2 = 37.1 per cent) was slightly higher than the unemployment rate, with less than 1 per cent of the total young employed population classified as time-related underemployed. However, when accounting for those in the potential labour force, the combined rate of

¹⁶ ILO, “Report for Discussion at the 19th International Conference of Labour Statisticians” (Geneva, 2–11 October 2013).

¹⁷ The computation of the different measures of labour underutilization is explained in the appendix.

unemployment and potential labour force (LU3 = 41.4 per cent) and the aggregate measure of labour underutilization (LU4 = 41.8 per cent) stand at significantly higher rates than that of unemployment, suggesting a relatively higher share of young individuals in the potential labour force. With almost two thirds of the potential labour force comprising discouraged jobseekers, efforts to target these workers and the factors that keep them outside the labour force are key.

Table 4.11. Labour underutilization indicators for young people by sex (%)

	Total	Male	Female
LU1: Unemployment rate	36.8	34.5	45.8
LU2: Combined rate of time-related underemployment and unemployment	37.1	35.0	45.8
LU3: Combined rate of unemployment and potential labour force	41.4	38.5	52.4
LU4: Aggregate measure of labour underutilization	41.8	38.9	52.5

Source: ILO calculations based on the 2021 LFS.

5. Stages and forms of school-to-work transition

This chapter provides an overview of the stages and forms of transition from school to work. Table 5.1 identifies the key concepts related to the three stages of transition.

Table 5.1. Stages and forms of school-to-work transition

Stage	Form of transition
Transited	1. School leavers in stable employment
	2. School leavers in a satisfactory temporary job or satisfactory self-employment, not wanting to change job
In transition	3. Students in the labour force (employed or unemployed students)
	4. Unemployed school leavers
	5. School leavers in temporary or unsatisfactory employment, wanting to change job
	6. School leavers outside the labour force, in the potential labour force or aiming to look for work later
Transition not yet started	7. Students outside the labour force
	8. School leavers outside the labour force with no intention of looking for work.

Two key definitions are important to note:

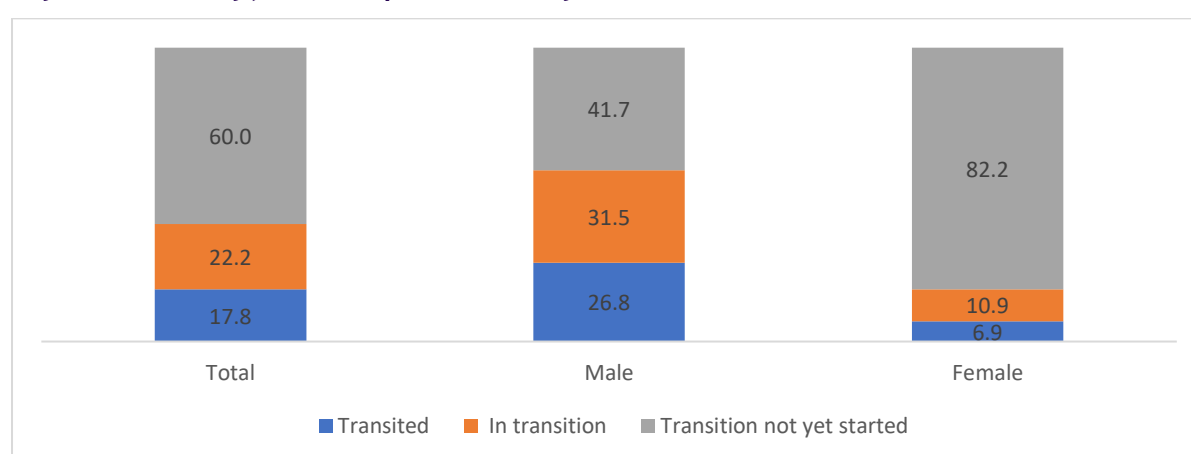
- (1) *Stable employment* is defined in terms of duration of contract or expected length of tenure. An individual in stable employment holds a contract (oral or written) of 12 months or more. Otherwise, employment is considered *temporary* or of a limited duration.
- (2) *Satisfactory employment* is a subjective concept that depends on one's desire to change jobs. A person who has a paid job (or is self-employed), and does not want to change jobs, is said to be in satisfactory employment (or self-employment). The contrary is termed *non-satisfactory employment*, implying a sense of dissatisfaction about the job and a desire to change it.

ILO's choice of terms "stable" and "satisfactory" helps reflect on the quality of employment that a young person enjoys, and reflects the organization's interest in promoting the concept of decent work for all. That said, a young person who is engaged in an unstable or unsatisfactory job cannot be seen as someone who has successfully

transited from school to work. Only when the young individual takes up stable or satisfactory employment can they be considered to have completed their transition.¹⁸

Figure 5.1 shows the composition of the young population by stage of transition and sex. As of 2019, 60.0 per cent of all young people had not yet started their transition, and only 17.8 per cent had transited to a stable or satisfactory job. Young women were more likely to remain out of the transition process, with the share of women that had not yet started transitioning standing at 82.2 per cent – almost double that of young men (41.7 per cent). Young men were more likely than young women to have completed their transition – the share of young men (26.8 per cent) who had successfully transited to employment was almost four times that of young women (6.9 per cent).

Figure 5.1. Young persons by sex and stage of transition (%)



Source: ILO calculations based on the 2019 LFS.

Unremarkably, adults aged 25–29 years were more likely to have transited compared with their younger peers. As of 2019, more than half of the total transited young population was aged 25–29. The share was even higher among women in this age cohort (62.7 per cent) compared with young men (54.7 per cent). The vast majority of those who had not yet started transitioning were in the age group 15–19 (table 5.2).

¹⁸ ILO, *School-to-Work Transition Survey: A Methodological Guide* (Geneva, 2010).

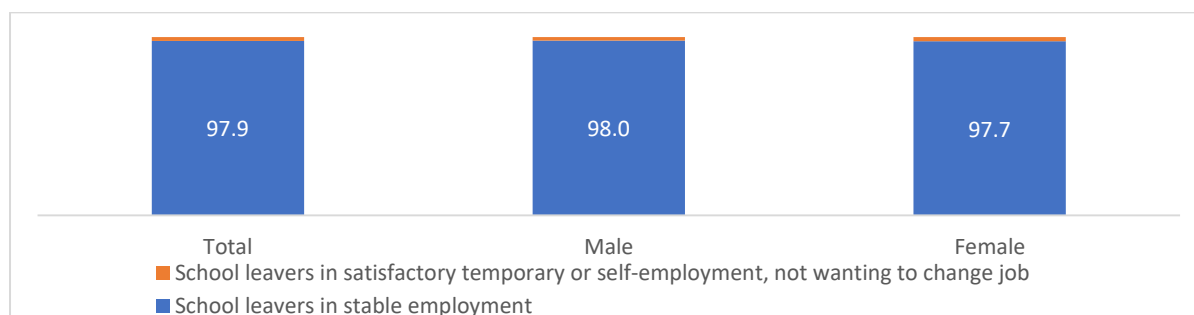
Table 5.2. Transition stage by age group and sex (%)

Transition stage	Age group	Total	Male	Female
Transited	15–19	6.3	6.9	3.5
	20–24	37.6	38.4	33.8
	25–29	56.1	54.7	62.7
	Total	100	100	100
In transition	15–19	15.6	18.9	4.2
	20–24	42.6	41.0	47.9
	25–29	41.8	40.0	47.9
	Total	100	100	100
Not yet transitioned	15–19	52.9	65.9	44.9
	20–24	31.1	27.3	33.4
	25–29	16.1	6.8	21.7
	Total	100	100	100

Source: ILO calculations based on the 2019 LFS.

5.1. Characteristics of young people who have completed their transition

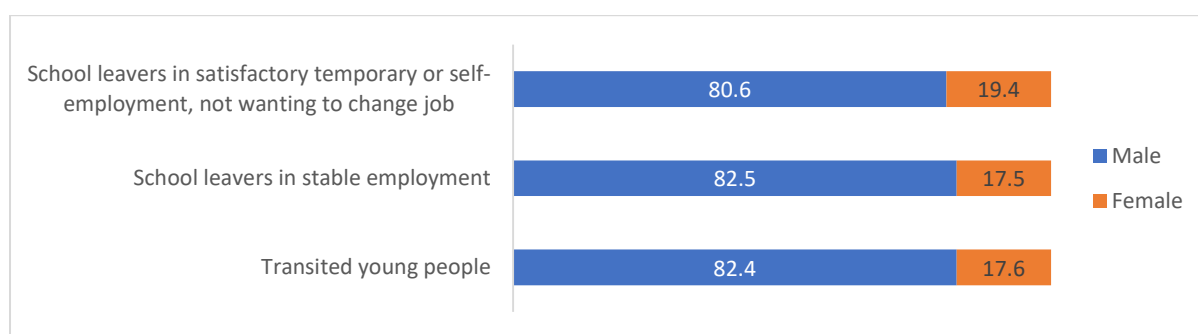
Transited young people are those school leavers who are either in (a) stable employment or (b) in a satisfactory temporary job or self-employment, not wanting to change jobs. As of 2019, the majority of those who had transited, both men and women, were in stable employment, as shown in figure 5.2.

Figure 5.2. Transited young persons by form of transition and sex (%)

Source: ILO calculations based on the 2019 LFS.

Overall, young women represented 17.6 per cent of all transited young people in 2019, compared with 82.4 per cent for men. A similar distribution was noted across both sub-categories with a slightly higher representation of women among “school leavers in a satisfactory temporary job or self-employment, not wanting to change jobs”, compared with “school leavers in stable employment” (figure 5.3).

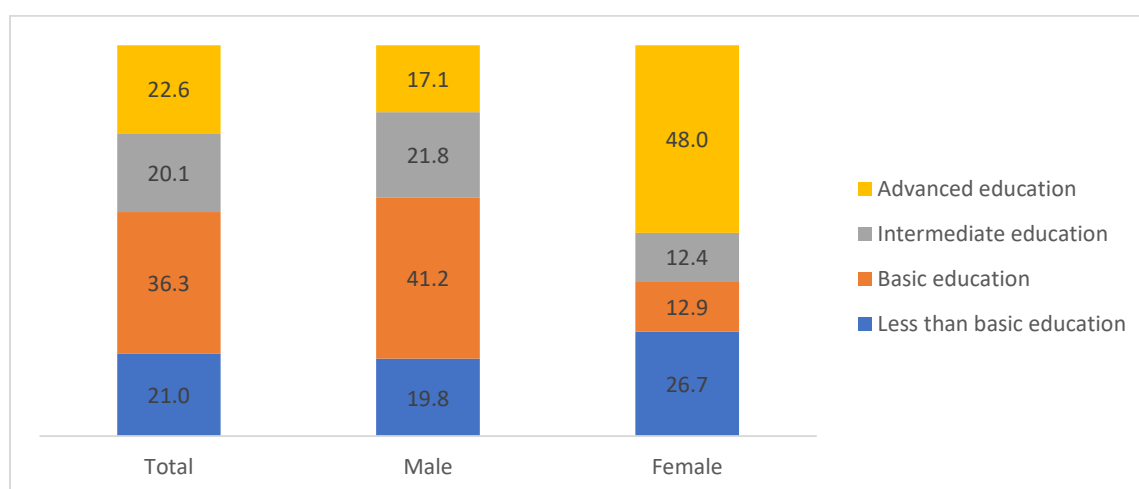
Figure 5.3. Transited young persons by sex and form of transition (%)



Source: ILO calculations based on the 2019 LFS.

With respect to educational attainment most of the women (48.0 per cent) who had transited also had an advanced education; for men this figure was 17.1 per cent (figure 5.4). Young men with basic education or less constituted the largest share (61.1 per cent) of men who had successfully transited. This suggests that the Jordanian economy primarily comprises low-skilled jobs acceptable to young men educated to a basic level of education.

Figure 5.4. Transited young persons by sex and educational attainment (%)



Source: ILO calculations based on the 2019 LFS.

A breakdown of transited young people by status in employment, sector and occupation is presented in table 5.3. Data show that the vast majority of young transited men and women were employees, mostly in services (79.9 per cent of men and 90.9 per cent of women). Some 53.9 per cent of men worked in services and sales, whereas women were mostly classed as professionals.

Table 5.3. Transited young persons by sex, employment status, sector and occupation

	Total		Male		Female	
All transited young people (in thousands)	490.552		404.425		86.127	
	'000s	%	'000s	%	'000s	%
By employment status						
Employees	487.787	99.4	402.361	99.5	85.426	99.2
Employers	0.084	0.0	0.084	0.0	0.000	0.0
Own-account workers	2.460	0.5	1.807	0.4	0.653	0.8
Contributing family workers	0.222	0.0	0.173	0.0	0.047	0.0
By sector						
Agriculture	9.832	2.0	9.294	2.3	0.539	0.6
Industry	79.313	16.2	71.995	17.8	7.318	8.5
Services	401.407	81.8	323.137	79.9	78.270	90.9
By occupation						
Managers	0.202	0.04		0.00	0.202	0.23
Professionals	87.421	17.8	49.668	12.3	37.753	43.8
Technicians and associate professionals	15.129	3.1	10.814	2.7	4.316	5.01
Clerical support workers	10.176	2.1	7.585	1.9	2.592	3.0
Service and sales workers	226.055	46.1	217.963	53.9	8.092	9.4
Skilled agricultural, forestry and fishery workers	7.659	1.6	7.187	1.8	0.472	0.5
Craft and related trades workers	60.501	12.3	57.465	14.2	3.036	3.5
Plant and machine operators, and assemblers	19.152	3.9	19.152	4.7		0.0
Elementary occupations	64.256	13.1	34.591	8.6	29.665	34.4

Source: ILO calculations based on the 2019 LFS.

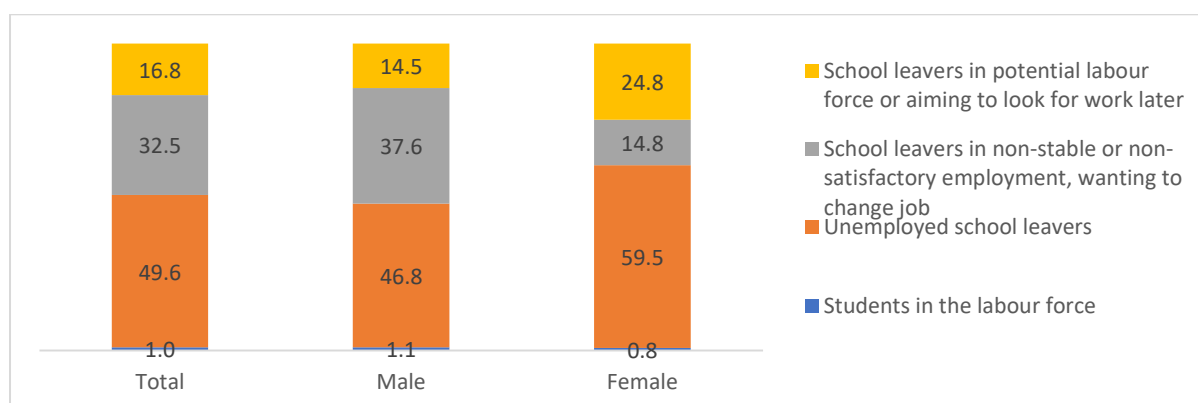
5.2. Young people in transition

The “in transition” stage comprises: (a) students in the labour force (employed or unemployed students); (b) unemployed school leavers; (c) school leavers in non-stable or non-satisfactory employment, wanting to change job; and (d) school leavers in the potential labour force or intending to look for work later.

Figure 5.5 shows the respective shares of each of these four sub-categories by sex. As of 2019, 49.6 per cent of all young people in transition were unemployed school leavers, with a higher share among women (59.5 per cent) compared with men (46.8 per cent). For men, the second-most common sub-category was “school leavers in non-stable or non-satisfactory employment, wanting to change jobs”. Women were less represented in this category and more inclined to wait for a good job than accept a job that did not meet their expectations. This is linked to prevailing entrenched gender roles in Jordan and the perception of what counts as a “suitable” job for women. The second-most common sub-category for women was “school leaver in the potential labour force or aiming to look for work”.

Nevertheless, students in the labour force represented a very small proportion of the total in-transition category, highlighting the fact that students in Jordan are unlikely to work while studying.

Figure 5.5. In-transition young people by sub-category and sex (%)



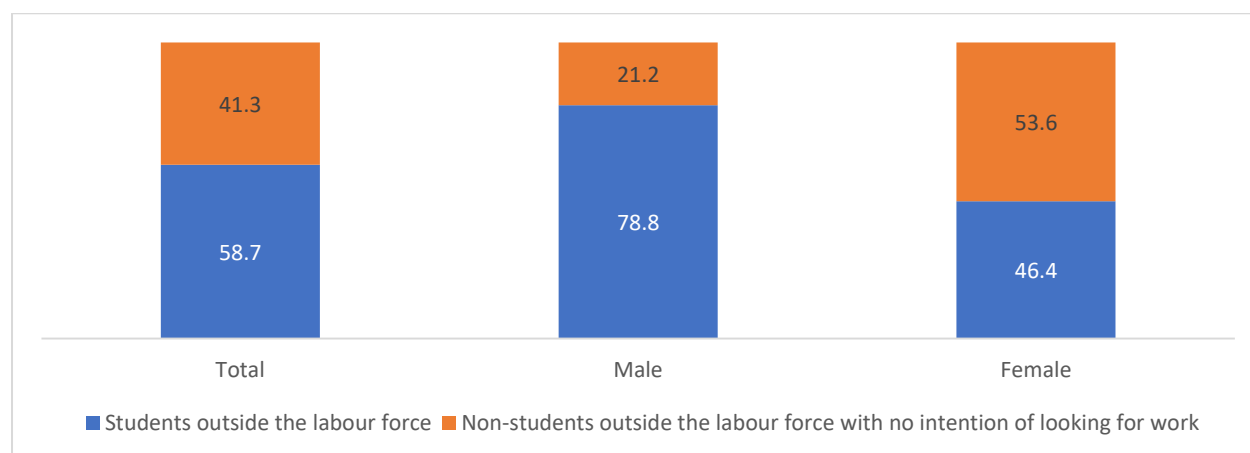
Source: ILO calculations based on the 2019 LFS.

5.3. Young people who have not yet started their transition

Young people who have not yet started their transition include: (a) students outside the labour force; and (b) non-students outside the labour force with no intention of looking for work. As of 2019, 58.7 per cent of these young people were students outside the labour force and 41.3 per cent were non-students outside the labour force with no intention to work. Among young men, students outside the labour force made up the

majority of this category (78.8 per cent) while only 21.1 per cent were non-students not intending to look for work. For women the majority were non-students not intending to work. This, again, reflects gender roles in Jordan and other Arab States: women are more likely than men to decide not to work (for family and other reasons), while men are considered the main breadwinners of households.

Figure 5.6. Young people not yet started transition by sex and sub-category (%)



Source: ILO calculations based on the 2019 LFS.

6. Creating jobs for young people: Employers' perspectives

6.1. Characteristics of enterprises

The employers' survey shows that, of the sampled enterprises that employ young people, 66.5 cent were private companies and 23.5 per cent were family businesses. The vast majority of surveyed enterprises (91.2 per cent) were registered, formal enterprises (table 6.1).

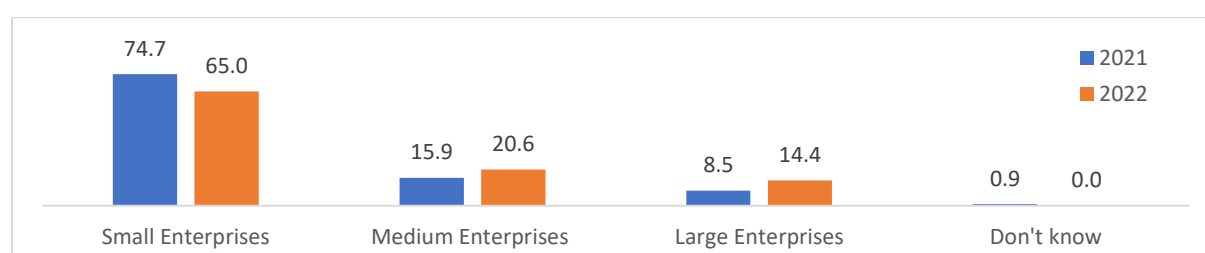
Table 6.1. Characteristics of enterprises employing young people (%)

Formality	
Formal	91.2
Informal	8.8
Total	100
Business structure	
Private enterprise	66.5
Family business	23.5
Joint venture	5.6
Private company with limited liability	2.1
Branch of a foreign enterprise/company	1.5
Non-profit organization	0.6
Government/Public sector enterprise	0.3
Total	100

Source: School-to-work transition (SWT) employers' survey (November 2022).

Of the enterprises employing young people, 65.0 per cent were small enterprises with 1–19 employees, 20.6 per cent were medium-sized enterprises with 20–99 employees, and 14.4 per cent were large enterprises with 100 employees or more. According to this current survey, and compared with the year 2021, the share of small enterprises employing young people decreased by 9.7 percentage points, while that of medium-sized and large enterprises increased by 4.7 and 5.9 percentage points respectively (figure 6.1).

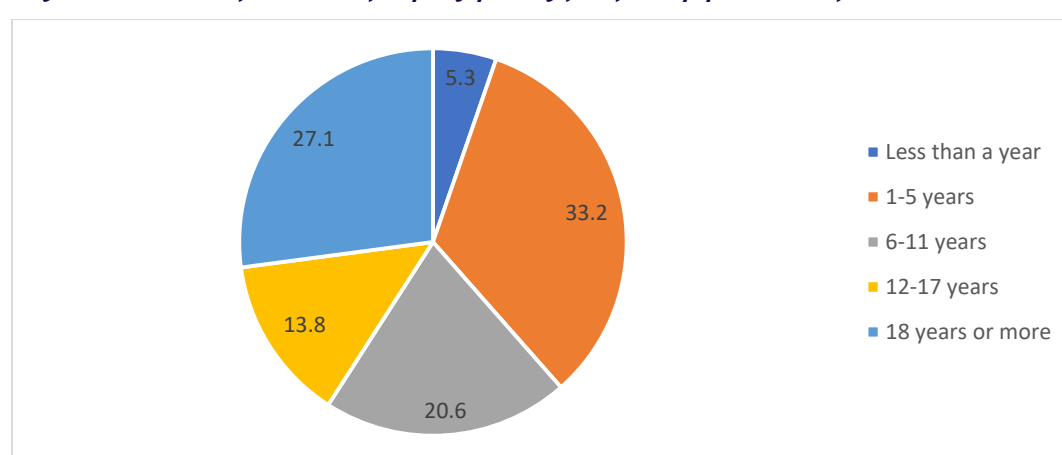
Figure 6.1. Enterprises employing young people by size, 2021 vs. 2022 (%)



Source: SWT employers' survey (November 2022).

Some 38.5 per cent of the sampled enterprises reported being new (i.e. in the market for five years or less), while 27.1 per cent were enterprises that had been operational for 18 years or longer (figure 6.2).

Figure 6.2. Enterprises employing young people by years of operation (%)



Source: SWT employers' survey (November 2022).

6.2. General employment characteristics

Figure 6.3 shows that the majority of workers in both family and non-family businesses employing young people were male. Females represented a relatively smaller share of total employment in family businesses (10.1 per cent) compared with non-family businesses (21.4 per cent).

Figure 6.3. Workforce by business type and sex (%)



Source: SWT employers' survey (November 2022).

As for the nationality of workers, approximately 82.1 per cent were Jordanian and 5.8 per cent were Syrian. Compared with small and medium-sized enterprises (SMEs), large enterprises were more likely to employ non-Jordanians. Similarly, old enterprises were more likely to employ non-Jordanians compared with new and medium-term enterprises. From a sector perspective, the survey also shows that the accommodation and food service industry was most likely to employ non-nationals, including 20.1 per cent Syrians and another 20.1 per cent nationalities other than Jordanian or Syrian (table 6.2).

Table 6.2. Employment in enterprises employing young people by nationality, enterprise size, sector and length of operation (%)

	Jordanian	Syrian	Other
Size of enterprise			
Small enterprises	82.5	6.7	10.8
Medium-sized enterprises	82.8	5.4	11.8
Large enterprises	79.1	2.6	18.3
Sector			
Manufacturing	78.1	4.0	17.9
Wholesale & retail trade; repair of motor vehicles & motorcycles	83.6	3.7	12.8
Education	96.9	1.7	1.4
Accommodation & food service activities	59.8	20.1	20.1
Age of enterprise			
New enterprises	84.0	6.7	9.3
Medium-term enterprises	82.5	5.5	12.0
Old enterprises	79.0	5.0	16.0
Total	82.1	5.8	12.1

Source: SWT employers' survey (November 2022).

6.3. Current employment of young people

On average, 50.3 per cent of the total workforce in enterprises employing young people were aged between 15 and 29 years. Small enterprises (54.7 per cent) were relatively more likely to employ young people compared with medium-sized and large enterprises (both around 42.0 per cent) (table 6.3).

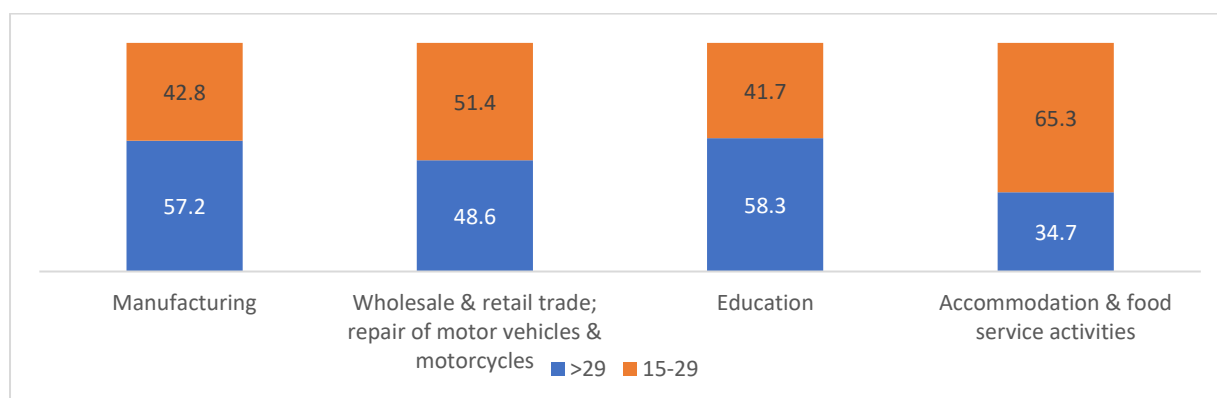
Table 6.3. Employment by age group and enterprise size (%)

	15-29 years	30+ years
Total	50.3	49.7
Small	54.7	45.3
Medium-sized	42.2	57.8
Large	41.9	58.1

Source: SWT employers' survey (November 2022).

Enterprises in the accommodation and food services sector were most likely to employ young people. Some 65.3 per cent of employees in this sector were aged 15-29, compared with 51.4 per cent in wholesale and retail trade, 42.8 per cent in the manufacturing sector and 41.7 per cent in education (figure 6.4).

Figure 6.4. Employment in enterprises employing young people by sector and age (%)

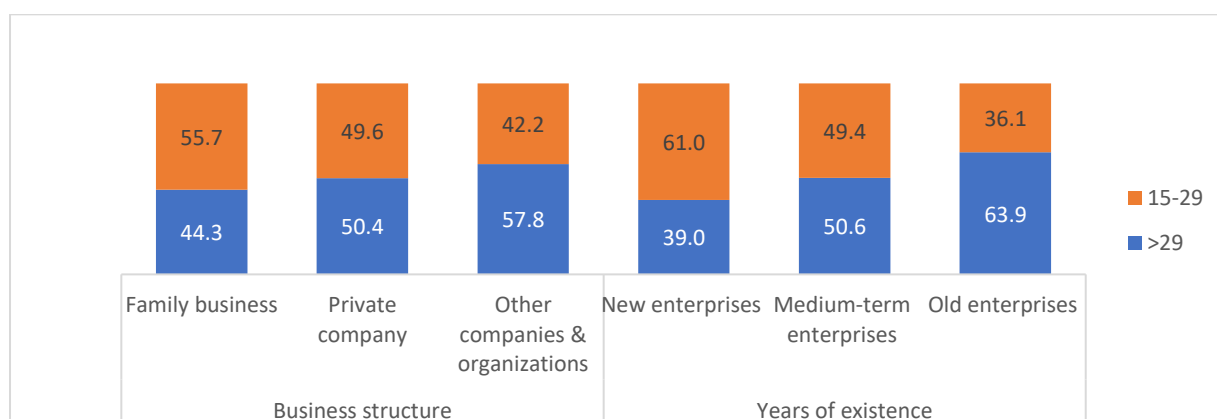


Source: SWT employers' survey (November 2022).

In terms of business structure, family businesses (55.7 per cent) were more likely to employ young people compared with 49.6 per cent of private enterprises and 42.2 per cent of other companies and enterprises (figure 6.5).

New enterprises (established within the last 5 years) were also more likely (61.0 per cent) to employ young people, compared with 49.4 per cent of medium-term enterprises and 36.1 per cent of enterprises that existed for 18 years or longer.

Figure 6.5. Employment in enterprises employing young people by business structure, years of operation and age (%)



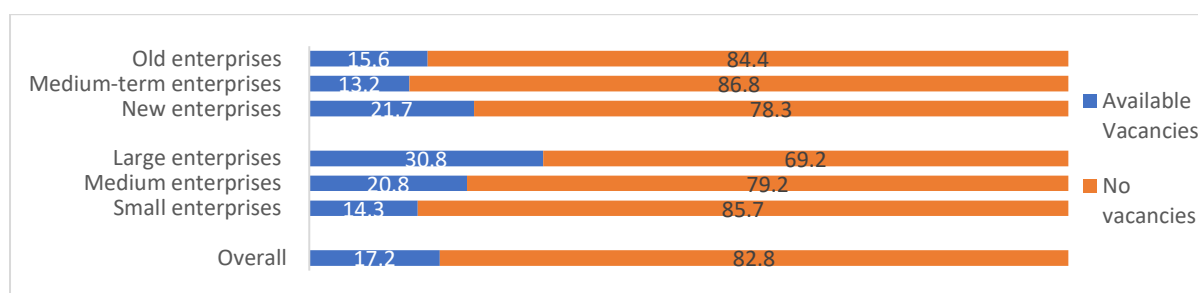
Source: SWT employers' survey (November 2022).

6.4. Vacancies, recruitment methods and difficulties

Of the 430 enterprises that completed the survey, 82.8 per cent reported not having any available vacancies at the time of the interview. Just 13.5 per cent had between one and five vacancies and only 3.7 per cent reported more than five vacancies.

Figure 6.6 shows that large enterprises were more likely to be hiring, with 30.8 per cent of them reporting vacancies at the time of the interview, compared with 14.3 per cent of small enterprises and 20.8 per cent of medium-sized enterprises. New enterprises were more likely (21.7 per cent) to have vacancies, compared with medium-term (13.2 per cent) and older enterprises (15.6 per cent).

Figure 6.6. Vacancies by enterprise size and length of operation (%)



Source: SWT employers' survey (November 2022).

In terms of media used for recruitment, enterprises relied primarily on advertisements to attract workers, irrespective of the job category. Informal recruitment methods, including through relatives and friends, as well as social media were also common. Very few enterprises relied on public employment services or education and training institutes to find workers. Interestingly, firms seeking to fill manual and production jobs

relied relatively more often on these two channels, compared with higher-level positions (table 6.4).

Table 6.4. Main recruitment methods by main job category (%)

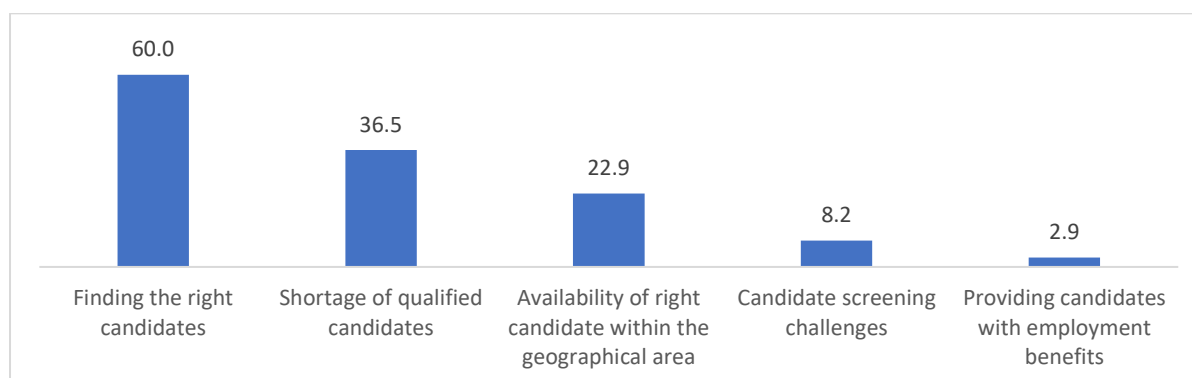
Recruitment method	Supervisory & managerial positions	Administrative & professional positions	Manual & production positions
Advertisements	45.6	42.2	44.6
Relatives or friends	32.4	29.7	36.9
Social media	26.5	21.9	26.2
Internal promotion	17.6	14.1	6.2
Recruitment websites and professional platforms	16.2	15.6	13.8
Public employment services	10.3	10.9	12.3
Education/training institutes	8.8	6.3	12.3

Note: Employers could report more than one recruitment method, hence percentages do not add to 100.

Source: SWT employers' survey (November 2022).

Around half of all surveyed employers employing young people reported problems recruiting workers. The most common difficulty expressed by employers was “finding the right candidate”, followed by “shortage of qualified candidates”. This points to a perception of a skills mismatch and inadequate skills among young jobseekers. Other difficulties are also shown in figure 6.7.

Figure 6.7. Recruitment challenges faced by enterprises employing young people by type of difficulty (%)

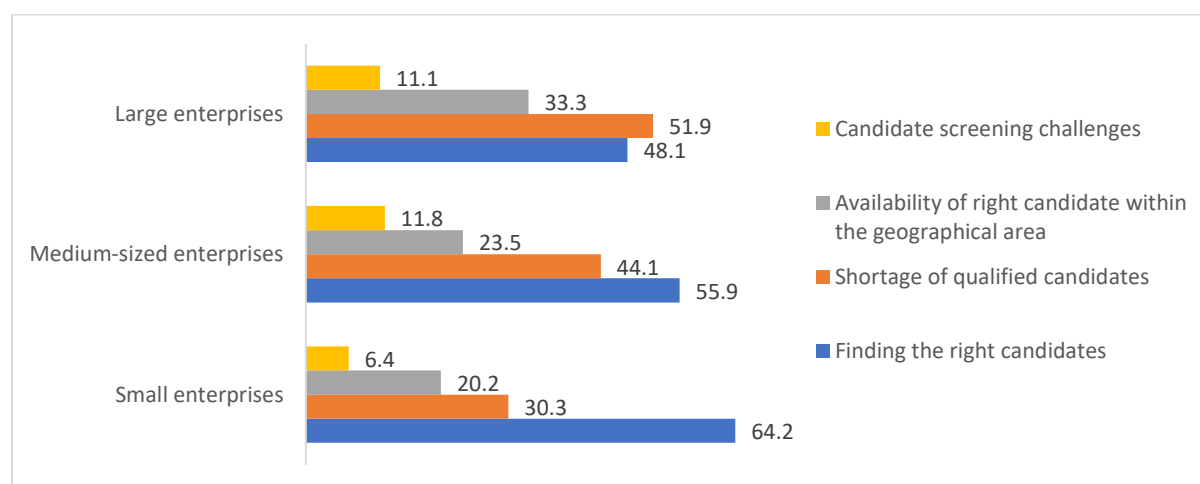


Note: Percentages do not add to 100 as the survey allowed multiple choices.

Source: SWT employers' survey (November 2022).

Recruitment difficulties differed between enterprises of different sizes. While “finding the right candidate” was the main difficulty reported by SMEs, large enterprises were slightly more likely to report a shortage of qualified candidates. Large enterprises were also more likely to report difficulty in finding the right candidates within the geographical area (figure 6.8).

Figure 6.8. Recruitment difficulties faced by enterprises employing young people by size (%)



Source: SWT employers' survey (November 2022).

6.5. Matching expectations

When asked to evaluate the skills of young workers, employers rated the overall skill levels of young job applicants in the range from good to excellent. Across all job categories, commitment and discipline were rated highest, followed by oral communication skills. Table 6.5 provides the average ranking by job category and type of skill.

With respect to workers in supervisory and managerial positions, employers ranked the ability to apply knowledge learned in school and the breadth of educational training as the poorest, while the two lowest evaluations of administrative and professional workers were given to their ability to apply knowledge and writing skills. For manual and production positions, writing skills were ranked worst, followed by the ability to apply knowledge.

Table 6.5. Job applicant skill level rating (1–5) by job category

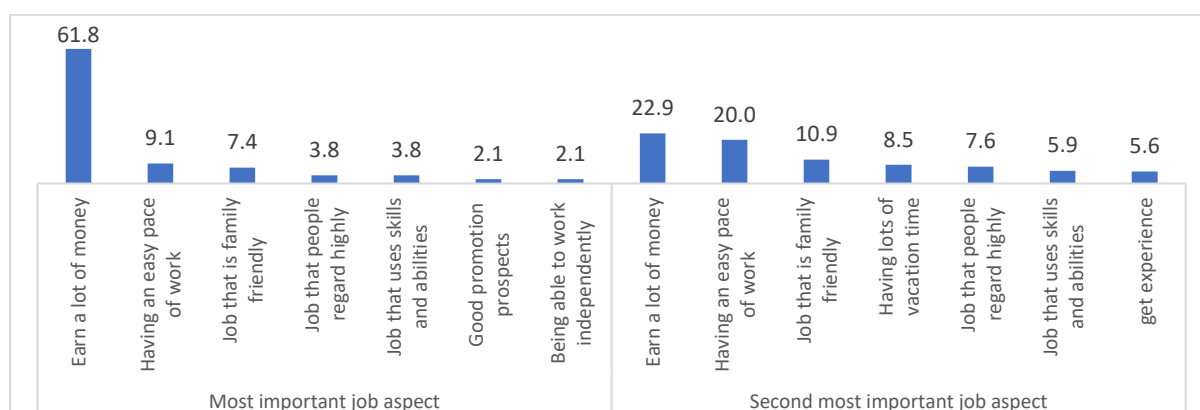
	Supervisory & managerial positions	Administrative & professional positions	Manual & production positions
Writing skills	1.79	1.64	2.27
Technical skills	1.88	1.54	1.93
Oral communication skills	1.62	1.44	1.75
Breadth of educational training	1.94	1.60	1.98
Ability to apply knowledge learned in school to the workplace	1.94	1.76	2.03
Commitment and discipline	1.50	1.33	1.44
Realistic expectations about the world of work	1.81	1.57	1.78
Average	1.73	1.51	1.74

Note: Skills were evaluated on a scale of 1 (excellent) to 5 (very poor).

Source: SWT employers' survey (November 2022).

Interviewed employers employing young people perceived that the most important aspect attractive to the youth was their salary. Some 61.8 per cent of employers rated earnings as the most important, and 22.9 per cent of them rated it the second-most important (figure 6.9). An easy pace of work was the second-highest job aspect rated and having a family-friendly job was rated third. Other job aspects related to the adequate use of one's skills, a clear career path and good promotion prospects were perceived by employers as less important for young people.

Figure 6.9. Employers' perceptions of job aspects attractive to young applicants (%)

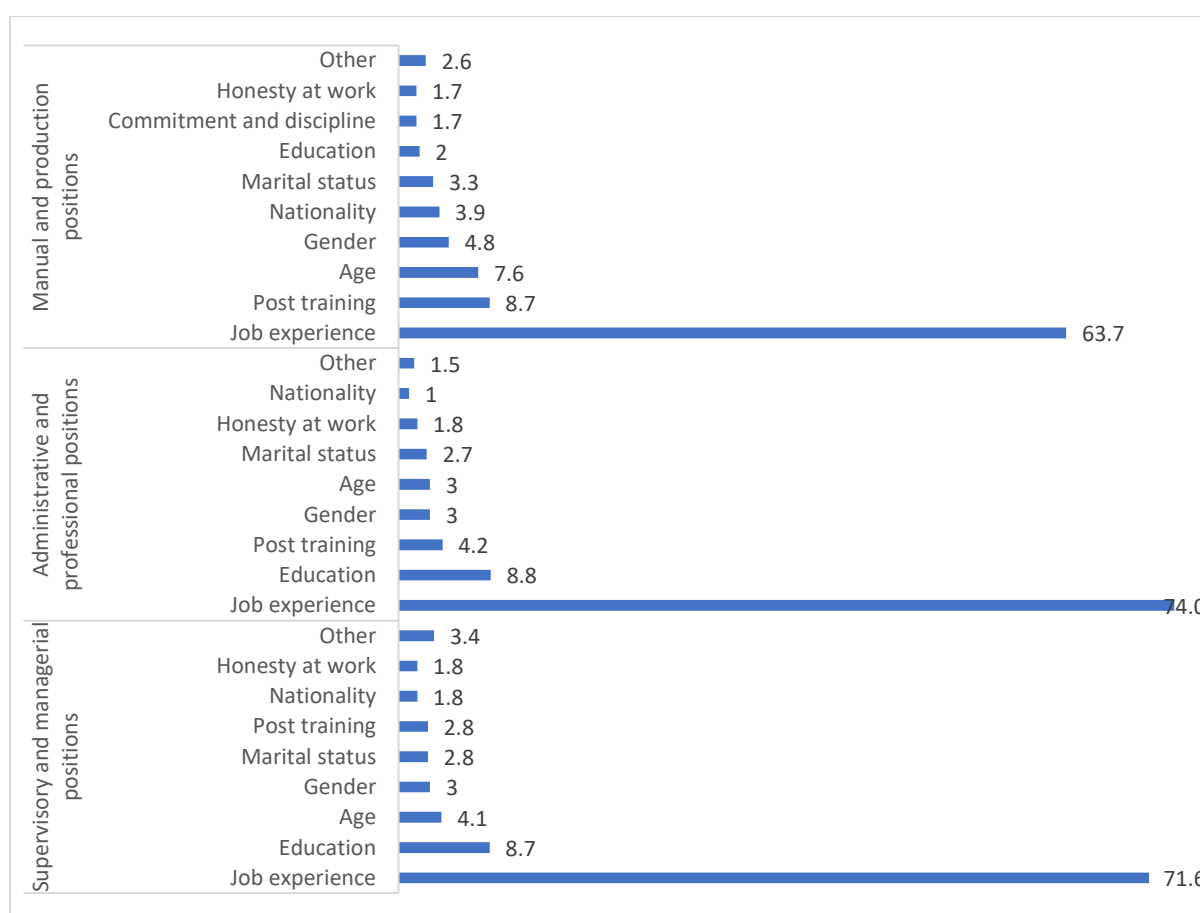


Source: SWT employers' survey (November 2022).

6.6. Employers' preferences and hiring criteria

The survey revealed the key attributes of applicants that employers look for when recruiting. Irrespective of the job category, work experience was cited as the most important (figure 6.10). In view of their limited job experience, this may put young people, especially fresh graduates and first-time jobseekers, at a great disadvantage. The second-most important attribute cited was "education" for supervisory and managerial positions, and "training" for administrative, professional, manual and production positions. Other characteristics included age, gender, marital status and nationality, but these were rarely mentioned.

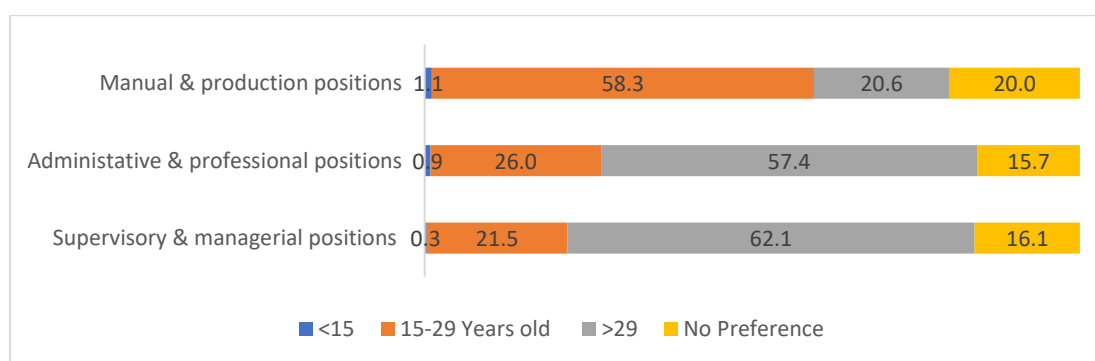
Figure 6.10. Most important employee attribute by job category (%)



Source: SWT employers' survey (November 2022).

In terms of hiring preferences, the survey revealed that, for manual and production positions, 58.3 per cent of those involved in the hiring process preferred to hire young people. However, for administrative and professional positions, as well as supervisory and managerial positions, employers preferred workers aged above 29 years (figure 6.11).

Figure 6.11. Employers' preferences by job category and age of applicant (%)



Source: SWT employers' survey (November 2022).

The survey also examined other characteristics of job applicants that might influence hiring preferences, including marital status, nationality and educational level. Table 6.6 shows that, in general, employers expressed a strong preference for male workers, especially for manual and production positions (60.8 per cent). Employers also prefer Jordanians, especially for supervisory and managerial positions (72.6 per cent) and administrative and professional positions (64.4 per cent), but less so for manual and production positions (50.1 per cent). With respect to education, 51 per cent of employers expressed no preference for manual and production positions, but there was a clear preference for university graduates to fill supervisory, managerial, administrative and professional positions.

Table 6.6. Employers' hiring preferences by candidate attributes and job category (%)

	Supervisory & managerial positions	Administrative & professional positions	Manual & production positions
Sex			
Male	52.9	52.0	60.8
Female	14.1	14.8	16.3
No Preference	33.0	33.2	22.9
Total	100	100	100
Marital status			
Unmarried	14.6	13.3	18.3
Married	18.7	16.9	14.6
No Preference	66.7	69.8	67.1
Total	100	100	100
Nationality			
Jordanian	72.6	64.4	50.1
Syrian	0.8	1.8	2.8

Other nationalities	1.5	3.6	9.6
No Preference	25.1	30.2	37.5
Total	100	100	100
Education level			
Completed elementary education	0.5	0.3	2.8
Completed vocational training	5.1	7.6	12.4
Completed secondary education	11.0	14.8	19.7
Completed university	48.3	42.9	12.7
Completed postgraduate studies	8.2	6.3	1.4
No preference	26.9	28.1	51.0
Total	100	100	100

Source: SWT employers' survey (November 2022).

6.7. Education and training

Over the years, reskilling and upskilling of workers have become increasing priorities. The survey indicated that while almost two thirds of employers employing young people provided training to their workers, 32.4 per cent reported that none of their workers were trained during the previous 12 months (figure 6.12).

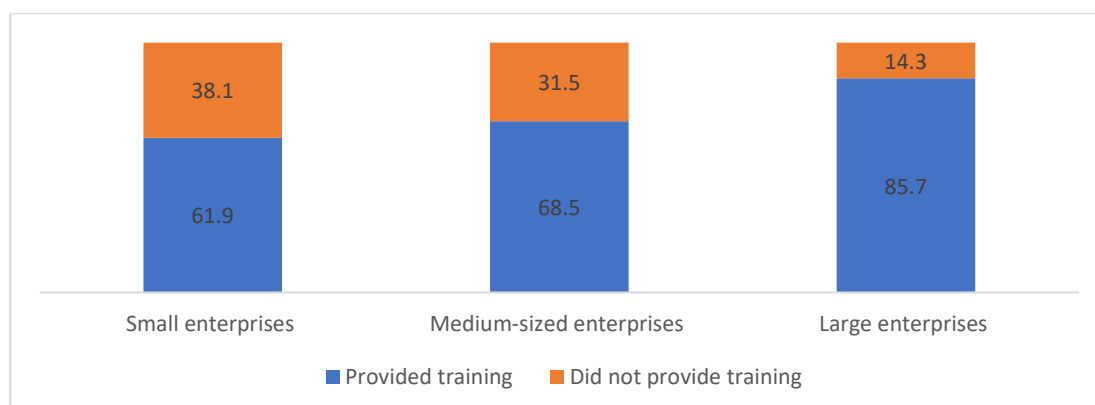
Figure 6.12. Distribution of surveyed employers employing young people by number of workers trained in the previous 12 months (%)



Source: SWT employers' survey (November 2022).

Compared with smaller enterprises, large enterprises employing young people were more likely to provide training to their employees. Over the previous 12 months, 85.7 per cent of the surveyed large enterprises employing young people had provided training to some of their workers, compared with 68.5 per cent of medium-sized enterprises and 61.9 per cent of small enterprises (figure 6.13).

Figure 6.13. Training in the previous 12 months, by size of enterprise (%)



Source: SWT employers' survey (November 2022).

Of those enterprises that trained workers, the vast majority provided job-related training (93.5 per cent). Most training was informally delivered on the job (82.6 per cent) and almost half lasted from 1 to 4 weeks. Most enterprises provided training themselves, but 6.5 per cent relied on a private training institution and 1.7 per cent used a government-funded training institution.

Some enterprises provided internships, which are particularly important in Jordan where few students study and work at the same time. Internships, often run during summer vacations, can provide students with hands-on experience, which helps ease their transition from school to work. Internships can also introduce young people to the workplace and help them develop the kinds of skills required by the labour market. According to the survey, slightly less than a quarter of all enterprises employing young people offered internship opportunities (table 6.7).

Table 6.7. Training and internships by training characteristics (%)

Type of education/training	
Job-related	93.5
Non-job-related	6.5
Training location	
On-the-job, informal	82.6
Classroom, on premises	12.2
Classroom, off premises	5.2
Training duration	
Less than a week	13.0
1–4 weeks	47.4
5–12 weeks	23.5
13–24 weeks	8.3
25–48 weeks	3.0
More than 48 weeks	4.8
Training providers	
In-house	91.3
Private-sector training institution	6.5
Government-funded training institution	1.7
Experienced person	0.4
Parties that invested in training	
The enterprise	77.8
The training was free	20.8
Government	0.8
International organization	0.8
Internships	
The organization offers internships	23.2
The organization does not offer internships	76.8
Total	100

Source: SWT employers' survey (November 2022).

6.8. Labour demand from a qualitative perspective

Further to the employers' quantitative survey, a number of FGDs and key informant interviews were conducted to collect further insights on employers' demand for young workers.

Sectors and occupations in demand and skills mismatch

Discussions and interviews helped to identify a number of sectors and occupations perceived as sectors/occupations in high demand, capable of absorbing greater numbers of young workers. These primarily include, though not exclusively:

- the health and medical sector, with specific demand for nurses (male and female);
- the financial sector;
- tourism and hospitality;
- other vocational jobs, including car maintenance (hybrid and electrical cars);
- digital and tech-enabled jobs, including in the ICT sector, with increased focus on skills and expertise in the areas of artificial intelligence, robotics, coding, open data and data analysis, cybersecurity, digital marketing, data digitalization and data management.

Outsourcing and jobs in the “gig economy” are also on the rise in Jordan and could, potentially, employ young jobseekers, including highly educated men and women.

While these sectors and occupations hold great potential for job creation, there is widespread concern about the quality of the skills of the young labour force, especially first-time jobseekers and new labour market entrants. Employers believe that a large share of the youth who finish school or university are not adequately prepared for the workplace, and lack transferable skills, including life skills, critical and analytical thinking, communication, emotional intelligence, agility, adaptability and work ethics. English language is another skill that seems to be prioritized by employers but is lacking among many young jobseekers. Additionally, digital skills are becoming increasingly required by employers and will become essential as the world of work moves to more technology-driven types of work. A positive attitude towards lifelong learning, reskilling and upskilling is also critical for keeping individuals’ skills in line with the fast-changing needs of the labour market. Young people’s perceptions of vocational training and education also need to change, particularly in view of the widening gap between the skills of graduates, including technical skills, and those actually used by firms.

Overall, participants in the FGDs pointed to a serious mismatch between education outputs and labour market needs. The education system was considered limiting to young people’s career interests, ultimately leading to lower levels of motivation at work. The secondary (*tawjihi*) exam determines which university courses young people are allowed to pursue, forcing many to pursue specializations that do not necessarily interest them. Further, employers are increasingly looking for graduates with technical

skills and able to deliver high levels of productivity, something a university degree is unable to guarantee. This trend is likely to become more pronounced in the future. Thus, there is a need to shift the focus of the education system from qualifications to skills. As they stand now, education and training curricula, especially in the vocational sector, are outdated with limited coordination between educational institutions and private-sector employers. Participants also felt that vocational education and training coupled with on-the-job training was not effectively in place.

Notwithstanding the various efforts and training programmes put in place to enhance young people's skills and employability, these remain largely scattered and seldom align with employers' needs. Very few provide recognized certifications and accreditation.

Structural challenges beyond skills

The FGDs also shed light on the limited ability of the private sector to absorb new labour market entrants, largely because of limited capital investment. The few entrepreneurship opportunities available to youth are hindered primarily by a lack of financing available to them and the poor entrepreneurial culture in the country. Further, young people are less interested in working in the private sector and prefer employment with the public sector, particularly in view of the higher levels of protection and stability offered by government jobs. Youth also look for jobs that offer higher wages, irrespective of these jobs' contribution to their skills, career and professional development.

Additionally, young people are not fully aware of the range of employment opportunities available in the labour market nor the skills and qualifications required by the private sector. They often rely on informal channels and personal connections (*wasta*) to find jobs. While this is partly a cultural issue, it is also reinforced by the general lack of updated and reliable information on the job market, as well as future trends. Most studies that try to identify occupations and skills in need remain small-scale, with no specific entity responsible for disseminating such information.

Employment of specific groups

While there are clearly some sectors and occupations that can absorb new labour market entrants if the right measures and interventions are put in place, some groups continue to be disadvantaged and face specific barriers that limit their ability to access decent and productive jobs. Syrian refugees continue to face challenges, especially in the formal sector because of government restrictions. The Ministry of Labour has declared a number of occupations as closed to foreign nationals, limiting the employment of Syrian refugees and pushing many of them to work informally, often as daily workers.

People living outside Amman are also slightly disadvantaged in view of the fewer employment opportunities available outside the capital city and the lack of affordable transportation.

Impediments to women's employment and labour market inclusiveness were also discussed during the interviews and FGDs. In general, the workplace in Jordan is male-dominated, while women continue to face challenges that limit their ability to access decent employment. These include long working hours, lack of childcare facilities in the workplace, lack of safe and affordable transportation, unsafe working environments and patriarchal cultural norms. Interestingly, with increasing reliance on remote work, women have greater employment opportunities and can enjoy some level of freedom and flexibility, allowing them to achieve a work-life balance.

People with disabilities also face a number of obstacles as they try to access the labour market. These include, in particular, the lack of accommodating work environments, transportation restrictions, lack of policies to promote awareness of their rights and responsibilities, and a disconnect between public policies and the ability to implement them. The Government requires employers to hire people with disabilities, yet does not support their employment, such as through ensuring the availability of necessary infrastructure or providing incentives for the private sector to do so.

In practice, the application of laws is haphazard with little oversight on compliance. There are also no procedures in place to protect those who complain about unfair labour practices, leaving many workers hesitant to complain out of fear of losing their jobs at a time when jobs are scarce.

7. Policy implications

Jordan has been battling with high rates of unemployment since the early 2000s and the Jordanian economy has not grown sufficiently to meet the employment needs of young people. The general lack of jobs has compromised working conditions, resulting in an expanding informal economy and a widening mismatch in skills. Based on the demand- and supply-side analyses presented in this report, we conclude with five policy recommendations to facilitate the transition of young people from school to work:

(1) Elaborate a comprehensive policy framework for employment, particularly youth employment.

Youth employment and labour market challenges should be addressed through a comprehensive policy framework that examines various supply- and demand-side challenges and the interaction between them. Such policy frameworks would comprise pro-employment macroeconomic, sectoral, investment and trade policies that can support productive growth and decent job creation for youth. Policies on skills and labour market institutions should also be included. National employment policies and youth employment strategies are examples that could improve employment outcomes for youth.

(2) Promote pro-employment growth and decent job creation, including in promising sectors.

Given the weak ability of the Jordanian economy to create sufficient jobs for the growing labour force, demand-side policies to support private-sector development and structural transformation are key. In this regard, public spending and government policies need to, first and foremost, target sectors that possess high potential for the creation of decent and productive jobs for educated youth, including women. Investment and trade policies should identify growth and employment opportunities attractive for young people. Specific attention should be paid to sectors expected to grow, not only in Jordan but also globally, including green and digital sectors and the care and circular economy. Fiscal and monetary policies need to be also designed taking into account their employment effect including on the youth in specific.

(3) Develop labour market policies and institutions to support disadvantaged groups, including young people and women.

Effective and well-targeted active labour market policies (ALMPs) need to be designed and implemented, catering to the needs of different disadvantaged groups, including young people. ALMPs need to be delivered through strong public employment services capable of identifying the different needs of different populations. Efforts should be directed towards the delivery of a wide array of ALMPs, including: (a) employment services and job-search assistance; (b) subsidized employment and public works programmes; (c) training and skills development; and (d) entrepreneurship support. These policies should undergo a thorough process of monitoring and evaluation to assess their impact and effectiveness.

Entrepreneurial activities need to be more widely promoted in Jordan and entrepreneurship should be seen as an opportunity rather than a necessity. This will require not only raising awareness, but actual financial and technical support for potential entrepreneurs and SMEs led by young people. An improved regulatory framework and reduced bureaucracy could encourage more youth to start their own businesses.

In addition, it is noteworthy that young women in Jordan carry the double burden of being both young and female. Improving labour market outcomes for women, who are becoming increasingly educated, means developing better and safer transportation, and implementing non-discriminatory rules and regulation, adequate family-friendly policies and effective childcare policies. Raising awareness on the role of women in the labour market, and in the economy more generally, is also important.

(4) Promote better skills and education policies for improved youth employability.

While countries around the world are increasingly focusing on technical and vocational education and training (TVET) as a means of improving young people's employability, the TVET system in Jordan remains largely fragmented with outdated curricula that do not necessarily align with labour market needs. Reforming the TVET system in Jordan is, thus, critical. This will entail updating curricula and teaching methods, improving infrastructure and equipment, increasing private sector involvement in its governance and ensuring effective pathways from TVET to higher education. This would also help address the negative stigma associated with TVET and attract more young people into this sector.

Equally important is the need to reform the general education system in Jordan to ensure that it evolves and adapts to the ever-changing labour market. As with the case of TVET, education curricula need to be responsive to the needs of the labour market with increased attention paid to soft skills such as leadership, creativity, problem solving, communication and so on. Employers should be involved with curricula development to avoid skills mismatches.

Training and skills development must not be limited to those outside of employment. In a fast-changing labour market, the Jordanian Government must work closely with the private sector to promote lifelong learning. This means upskilling and reskilling workers, including young people, in line with the changing needs of the labour market. This improves upward social mobility in the short to medium term as new skills will open new opportunities for workers to access higher-paying jobs. In the longer term, lifelong learning helps build resilience into the labour market by creating a versatile labour force that can adapt to changes in skills demand, as well as support structural transformation and high-value-added production.

(5) Support the collection and dissemination of more and better labour market data and statistics.

Effective policies for youth will hinge on the ability of policymakers to reliably track the employment outcomes of young people over extended periods of time. This is not only a prerequisite for policy design, but also for implementation, monitoring and evaluation.

With respect to specific school-to-work transition data and statistics, it is noteworthy that the COVID-19 pandemic forced the DoS to revise the LFS questionnaire and introduce a new, shorter version. That said, it is recommended that the DoS restores the full LFS questionnaire and incorporates additional questions, including to compute the “length-of-transition” variable for example.

Building on improved data and statistics, it is also recommended that a comprehensive labour market information system (LMIS) is established. The LMIS is a network of institutions, persons and information that have mutually recognized roles, agreements and functions with respect to the production, storage, dissemination and use of labour-market-related information and outcomes in order to maximize the potential for the relevant and applicable formulation and implementation of policies and programmes. A strong LMIS compiles data and information from different sources, both on the demand and the supply sides of the labour market. Such a system provides an essential basis for employment and labour

policies, and informs the design, implementation and monitoring and evaluation of better focused and targeted policies.

Appendix: Definitions of labour market statistics

Persons in employment

Persons in employment are defined as all those of working age who, during a short reference period, were engaged in any activity to produce goods or provide services for pay or profit. They comprise:

- (a) employed persons “at work” (i.e. who worked in a job for at least one hour); and
- (b) employed persons “not at work” because of temporary absence from a job or working-time arrangements (e.g. shift work, flexitime and compensatory leave for overtime).

Persons in unemployment

Persons in unemployment are defined as all those of working age who were not in employment, but who carried out activities to seek employment during a specified recent period and were currently available to take up employment if offered.

Labour force

The labour force is defined as the sum of persons in employment plus persons in unemployment.

Potential labour force

The potential labour force is defined as all persons of working age who, during the short reference period, were neither in employment nor in unemployment and:

- (a) carried out activities to “seek employment”, but were not “currently available” yet would become available within a short subsequent period (i.e. unavailable jobseekers); or
- (b) did not carry out activities to “seek employment”, but wanted employment and were “currently available” (i.e. available potential jobseekers).

Extended labour force

The extended labour force is defined as the sum of the labour force plus the potential labour force.

Key measures of labour underutilization

Unemployment rate: $LU1 = (\text{persons in unemployment} / \text{labour force}) \times 100$.

Combined rate of time-related underemployment and unemployment: $LU2 = [(\text{persons in time-related underemployment} + \text{persons in unemployment}) / \text{labour force}] \times 100$.

Combined rate of unemployment and potential labour force: $LU3 = [(\text{persons in unemployment} + \text{potential labour force}) / (\text{extended labour force})] \times 100$.

Composite measure of labour underutilization: $LU4 = [(\text{persons in time-related underemployment} + \text{persons in unemployment} + \text{potential labour force}) / (\text{extended labour force})] \times 100$.

Informal employment

All employees where, in their main or secondary jobs, the employer does not pay a social security contribution on behalf of that person; contributing family workers; own-account workers; and employers or members of producers' cooperatives of informal-sector enterprises.

If the information on social security contributions is not available or unknown, the classification relies on whether or not the person is entitled to paid annual leave (or compensation in lieu) and paid sick leave.

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