



Financed by the European Commission - MEDA Programme

Cooperation project on the social integration of immigrants, migration, and the movement of persons



Robert Schuman Centre

Fathi A. Arouri **Unemployment in Jordan**

CARIM

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The Valencia Ministerial Meeting in April 2002, went a step further by outlining a 'Regional cooperation programme in the field of justice, in combating drugs, organised crime and terrorism as well as cooperation in the treatment of issues relating to social integration of migrants, migration and movement of people' (referred to in the document as the JHA-Regional MEDA programme). This programme has been adopted by the European Commission on the 16/12/2002 (PE/2002/2521).

The 'Cooperation project on the social integration of immigrants, migration and the movement of persons' (EuroMed Migration) is a MEDA regional initiative launched by the European Commission (EuropeAid Cooperation Office) in February 2004 as part of the above programme. It aims at creating an instrument for observing, analysing and forecasting the migratory movements, their causes and their impact, in Europe and in the Mediterranean partners.

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The CARIM carries out the following activities:

- Mediterranean migration database
- Studies and research
- Training

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CARIM Euro-Mediterranean Consortium for Applied Research on International Migration

Analytic and Synthetic Notes – Demographic and Economic Module CARIM-AS 2007/03

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Unemployment in Jordan

1. Introduction

Unemployment has been one of the most significant problems facing the Jordanian economy since the country's establishment in 1946. Reasons for this include:

- The country's limited amount of natural resources;
- the high population growth rate caused mainly by compulsory migration from historical Palestine since 1948; and
- the unstable economic and political situation that characterizes the region, which has affected Jordan's economy to a greater degree than it has the economies of other countries in the region.

This paper discusses unemployment in Jordan; making use of Jordan's most recent population census—the 2004 Population and Housing Census—which has just been published. In particular, this paper discusses unemployment size and unemployment rates; unemployment rates by age and sex; unemployment rates by marital status; unemployment rates by educational level; and unemployment rates by nationality.

2. Unemployment Size and Unemployment Rates in Jordan

We can say that between 1968 and 2005, the unemployment rate in Jordan, with a few exceptions in the 1970s and 1980s, has held steadily in the double-digits. See Table 1.

Table 1:Unemployment Rates in Jordan 1968-2004 (%)

Year	Unemployment Rate	Year	Unemployment Rate	Year	Unemployment Rate	
1968	9.9	1987	8.3	1997	14.5	
1972	14.0	1988	8.9	1998	15.0	
1973	11.1	1989	10.3	1999	14.4	
1975	3.0	1990	16.8	2000	13.7	
1976	1.6	1991	18.8	2001	14.7	
1980	2.0	1993	18.8	2002	15.3	
1981	3.9	1994	15.0	2003	14.5	
1982	4.3	1995	14.2	2004	12.5	
1986	8.0	1996	12.0	2005	13.4	

Source: Department of Statistics (DOS), Employment and Unemployment Survey, several surveys, Amman – Jordan

According to the published data, with the exception of the period from 1975-1982, the unemployment rate in Jordan ranged from 8.0% in 1986 to 18.8% in the years 1991 and 1993.

Since the early 1950s the Jordanian labour force, due to the high level of unemployment and poverty in its country, has emigrated from Jordan in search of better employment opportunities, especially toward the Arab Gulf countries. This type of migration was very helpful to Jordan's economy, as it eased its domestic unemployment problem and provided

the country with a very important source of income through the remittances of Jordanians working abroad.

Just as Jordan was starting to recover from the first wave of refugees which flowed in during the late 1940s, its economic position was greatly impacted by the events of the 1967 War. The resulting influx of Palestinians to the East Bank of the kingdom has had important economic and social consequences for the country.

It took Jordan's economy more than seven years to recover from the effects of the 1967 War and its aftermath. But by 1973, the effects of the 1967 War and subsequent events had been largely overcome. The country began to prosper, owing to the implementation of extensive projects in Jordan and to the out-migration of Jordanians to the Gulf States, which were also witnessing a period of economic boom. Furthermore, the demand for Jordanian labour from the Gulf region had sharply increased. This affected Jordan's economy in many ways, including:

- A) decreased unemployment rates;
- B) increased wages for labour in Jordan;
- C) increased remittances from Jordanians working abroad; and
- D) an increased amount of imported labour from neighbouring countries such as Egypt and Syria into Jordan itself.

This last point was due to the high number of skilled Jordanians emigrating to work in the other Gulf States, which drove a labour deficit in Jordan. Starting with a few hundred non-Jordanian workers in Jordan—less than one thousand around early 1973—we saw the number rise to 260,400 by the year 2005, according to the *Ministry of Labour Annual Report 2005*.

Beginning in 1983, Jordan's economy started to be adversely affected by the slowdown in the regional economies caused mainly by the rapid decline in oil prices. This decreased outmigration from Jordan and some Jordanians working abroad began returning home. Hence, the decline in remittances which, along with the emerging macro-economic instability, created higher unemployment rates within Jordan.

By 1989, the overall fiscal situation had deteriorated and the government responded to the crisis facing the economy with the introduction of some measures including the devaluation of the Jordanian Dinar, which resulted in high levels of inflation reaching 25%.

The very bad effects of the Second Gulf War (1990) on Jordan's economy were quite evident, and the country saw the influx of about one-third of a million individuals who were forced to leave Kuwait and other Gulf States during the war and in its aftermath. The immediate impact of the influx of these returnees was to add new burdens on the infrastructure, social services and on the creation of new job opportunities, which drove up unemployment rates.

Unemployment rates among females in Jordan were much higher than male unemployment rates, which means that females bear the brunt of unemployment in Jordan (see Table 1). With few exceptions, female unemployment rates have been more than double those for males. Careful study of the many socioeconomic factors driving these differences is needed, so that practical solutions may be proposed for this serious problem that so deeply affects Jordan's female population.

Table 2: Unemployment Rates among Jordanian Labour Force 15+ Years of Age by Sex from Selected Surveys (%)

Survey Title	Male	Female	Total
Employment and Unemployment and Income Survey 1993	16.8	36.7	19.7
Employment and Unemployment and Income Survey 1994	13.6	29.4	15.8
Employment and Unemployment and Income Survey 1995	13.0	29.1	15.3
Employment and Unemployment and Income Survey 1996	11.3	21.9	12.8
Employment and Employment Survey 1997	11.7	28.5	14.4
Employment and Employment Survey 1998	12.1	26.1	14.4
Employment and Employment Survey 1999	9.8	21.6	11.6
Employment and Employment Survey 2000	12.3	21.0	13.7
Employment and Employment Survey 2001	13.7	20.6	14.7
Employment and Employment Survey 2002	14.0	21.9	15.3
Employment and Employment Survey 2003	13.4	20.8	14.5
Employment and Employment Survey 2004	11.8	16.5	12.5
Employment and Employment Survey 2005	12.3	19.7	13.4
Employment and Employment Survey 2006	12.5	24.9	14.4

Source: DOS, Statistical Year Book, 2004, Amman – Jordan

The 2004 Population and Housing Census is the most recent Population Census that has been taken in Jordan, and the final results have just been published. This paper discusses unemployment in Jordan by making use of the final results of this census, for the first time. We think that this will clarify the labour market situation in Jordan in a better way than using the Employment and Unemployment Surveys conducted by Department of Statistics (DOS) regularly since early 1980s.

The final results of the 2004 Population and Housing Census report the total number of people living in Jordan at the time of the census at 5,103,639 (2,626,287 males, 2,477,352 females). Of these, 392,273 of them were non-Jordanians (231,340 males, 160,933 females). Table 3 provides a breakdown of Jordan's native and foreign populations.

Table 3: Distribution of Population Living in Jordan From the 2004 Population and Housing Census in Jordan

Nationality / Sex	Male	Female	Total
Jordanians inside Jordan	2,371,299	2,310,670	4,681,969
Non-Jordanians inside Jordan	231,340	160,933	392,273
Jordanians Abroad	23,648	5,749	29,397
Total	2,626,287	2,477,352	5,103,639

Source: DOS, 2004 Population and Housing Census, 2006, Amman – Jordan

The Census also reported 1,454,023 individuals as economically active (1,135,824 males, 318,199 females), with 191,307 of them being non-Jordanians (144,239 males, 47,068 females). See Table 4.

Table 4: Distribution of Population Living in Jordan 15+Yeas of Age Living in Jordan by Economic Activity Status, Sex, and Nationality From the 2004 Population and Housing Census in Jordan

Nationality/ Economic Activity Status	Economically Active	Employed	Unemployed	Total	UR %
				Population	
<u>Jordanians</u>					
Males	991,585	801,545	190,040	1,445,249	19.17
Females	271,131	142,868	128,263	1,429,805	47.31
Total	1,262,716	944,413	318,303	2,875,054	25.21
Non-Jordanians					
Males	144,239	135,728	8,511	169,804	5.90
Females	47,068	42,908	4,160	109,878	8.84
Total	191,307	178,636	12,671	279,682	6.62
<u>Total</u>					
Males	1,135,824	937,273	198,551	1,615,053	17.48
Females	318,199	185,776	132,423	1,539,683	41.62
Total	1,454,023	1,123,049	330,974	3,154,736	22.76

UR: Unemployment Rate. Source: DOS, 2004 Population and Housing Census, 2006, Amman – Jordan

From Tables 2 and 4 we see that the unemployment rate from the 2004 Population and Housing Census for Jordanians is 25.12% (19.17% for males, 47.31% for females), figures much higher than those obtained from the Employment and Unemployment Surveys 2004, which reported unemployment at only 12.5% (11.8% males, 16.5% females). This suggests that unemployment figures from these surveys must be used with caution. It also could suggest that the unemployment problem in Jordan is much more serious than we have imagined, especially among females.

According to these figures, the unemployment rate among Jordanian females is very close to 50% of all economically active females, which is a very serious problem for Jordanian society and for the Jordanian economy.

3. Unemployment Rates by Age and Sex

The results of the 2004 Population and Housing Census in Jordan revealed that the unemployment rates are very high among young males and females in the age groups 15-19 and 20-24. Rates declined for the older age groups, in a faster manner, as would be expected. On the other hand, we observe that more than 50.4% (53.6% males, 45.7% females) of the unemployed are from these younger two age groups. This means that special attention should be devoted to creating jobs for young people entering the labour market in Jordan, in order to ease the unemployment problem among them. In general, unemployment rates decline as age increases for both males and females, which is expected. See Table 5 below.

Table 5: Distribution of Unemployed 15+ Years of Age Living in Jordan by Age and Sex and Unemployment Rates From the 2004 Population and Housing Census in Jordan

Age	Males	UR %	Females	UR %	Total	UR %
15-19	43714	53.6	13076	76.7	56790	57.6
20-24	62672	30.7	47394	57.0	110066	38.4
25-29	33779	15.5	32286	42.8	66065	22.5
30-34	17041	8.8	20420	35.3	37461	15.0
35-39	14148	9.4	11765	28.2	25913	13.5
40-44	9167	8.3	5243	21.3	14410	10.8
45-49	7305	10.2	2033	18.3	9338	11.3
50-54	5770	12.5	132	3.2	5902	11.7
55-59	4372	13.2	50	3.0	4422	12.7
60-64	489	2.9	11	1.9	500	2.9
65+	53	0.4	1	0.0	54	0.4
Total	198551	17.5	132423	41.6	330974	22.8

Source: DOS, 2004 Population and Housing Census, 2006, Amman – Jordan

4. Unemployment Rates by Marital Status

We observe that the unemployment rates are very high among the never-married population: 37.1% (32.3 % males, 49.7 % females). This is very much consistent with the results reported in Table 5, where the never-married generally fall within the two youngest age groups (15-19 and 20-24). The unemployment rates among married males are the lowest among all rates, which is also very reasonable and to be expected (See Table 6). At the same time, we see that more than 67.1% (70.4% males, 62.1% females) of the unemployed in Jordan in the year 2004 are among the never-married.

Table 6: Distribution of Population 15+ Years of Age Living in Jordan by Marital Status and Unemployment Rates From the 2004 Population and Housing Census in Jordan

Marital Status	Males	UR %	Females	UR %	Total	UR %
Never Married	139876	32.3	82173	49.7	222049	37.1
Married	57553	8.3	46687	33.1	104240	12.5
Divorced	890	20.1	2519	36.9	3409	30.3
Widowed	209	12.0	1024	23.3	1233	20.1
Separated	6	8.5	10	8.7	16	8.6
Total	198551	17.5	132423	41.6	330974	22.8

 $\mathit{UR}: \mathit{Unemployment}\ \mathit{Rate}$

Source: DOS, 2004 Population and Housing Census, 2006, Amman – Jordan

5. Unemployment in Jordan by Educational Level

For a greater and more thorough understanding of the unemployment problem in Jordan, this paper discusses the educational levels of unemployed persons in Jordan as reported in the 2004 Population and Housing Census in Jordan.

Table 7: Distribution of Unemployed Persons 15+ Yeas of Age Living in Jordan by Educational Status and Unemployment Rates From the 2004 Population and Housing Census in Jordan

Educational Level	Males	UR %	%	Females	UR %	%	Total	UR %	%
Illiterate	7,035	12.8	3.5	3,151	23.3	2.4	10,186	14.8	3.1
Less Than Secondary	120,427	20.1	60.6	39,262	43.8	29.6	159,689	23.2	48.2
Secondary	43,904	18.0	22.1	31,072	53.1	23.8	74,976	24.7	22.7
Intermediate Diploma	10,687	9.1	5.4	31,495	42.1	23.8	42,182	22.2	12.7
B.Sc.& More	23,533	13.2	11.9	30,594	32.1	23.1	54,127	19.8	16.4
Total	198,551	17.5	100	132,423	41.6	100	330,974	22.8	100

UR: Unemployment Rate

Source: DOS, 2004 Population and Housing Census, 2006, Amman – Jordan

We observe from Table 7 that 60% of the unemployed in Jordan are males, 48.2% of them having obtained an educational level of less than secondary education. This is not surprising, as the majority of the non-Jordanian workers working in Jordan have less than secondary education.

Unemployment rates according to the educational level is the highest among those with a secondary educational level: 24.7% (18% males, 53.1% females). Unemployment rates among those having attained a Bachelor degree and above are also unexpectedly high: 19.8% (13.2% males,32.1% females). This means that there is a problem concerning the output from the educational system in Jordan and the labour force demand in Jordan, which needs to be studied carefully in order to suggest suitable solutions for this problem.

6. Unemployment in Jordan by Nationality

6.1 Introduction

Unemployment rates in Jordan differ between Jordanians and non-Jordanians living in Jordan by age and sex, marital status and educational level. The total number of unemployed in Jordan from the 2004 Population and Housing Census was reported at 330,974 (318303 Jordanians, 12671 non-Jordanians), which means that only 3.8% of them were non-Jordanians. As mentioned earlier, the majority of the unemployed are less than 25 years of age: 50.4% (50.5 % Jordanians, 46.5% non-Jordanians), which is to be expected for newly graduated Jordanians, but less so for non-Jordanians new graduates who enter Jordan to work. See Table 8.

Table 8: Distribution of Unemployed Persons 15+ Yeas of Age Living in Jordan, by Age, Sex, Nationality, from 2004 Population and Housing Census in Jordan (1000s)

		Jordanians		N	on-Jordania	ns		Total	
Age	Males	Females	Total	Males	Females	Total	Males	Females	Total
15-19	41.9	12.5	54.4	1.8	0.5	2.3	43.7	13.1	56.8
20-24	60.4	46.1	106.5	2.3	1.3	3.5	62.7	47.4	110.1
25-29	32.3	31.3	63.6	1.5	1.0	2.4	33.8	32.3	66.1
30-34	16.1	19.8	35.9	0.9	0.6	1.5	17.0	20.4	37.5
35-39	13.5	11.4	24.9	0.6	0.4	1.0	14.1	11.8	26.0
40-44	8.7	5.0	13.7	0.5	0.2	0.7	9.2	5.2	14.4
45-49	6.9	1.9	8.8	0.4	0.2	0.5	7.3	2.0	9.3
50-54	4.5	.1	5.6	0.3	0.0	0.3	5.8	0.1	5.9
55-59	4.1	0.0	4.1	0.3	0.0	0.3	4.4	0.0	4.4
60+	0.5	0.0	0.5	0.0	0.0	0.0	0.5	0.0	0.6
Total	190.0	128.3	318.3	8.5	4.2	12.67	198.6	132.4	331.0

 $\mathit{UR}: \mathit{Unemployment}\ \mathit{Rate}$

Source: DOS, 2004 Population and Housing Census, 2006, Amman – Jordan

6.2 Unemployment Rates in Jordan by Age, Sex and Nationality

Unemployment rates in Jordan differ between Jordanians and non-Jordanians. It is clear from Tables 9 and 10 that unemployment rates between non-Jordanians are much less than those between Jordanians, and for all age groups, for males and females. This is due to many socioeconomic factors; mainly because non-Jordanian workers agree to work for lower wages and under poorer working conditions than do native Jordanians.

Table 9: Distribution of Unemployed Jordanians 15+ Years of Age Living in Jordan by Age and Sex and Unemployment Rates From the 2004 Population and Housing Census in Jordan (1000s)

Age	Males	UR %	Females	UR %	Total	UR %
15-19	41.9	57.0	12.5	87.3	54.5	61.9
20-24	60.4	33.6	46.1	67.9	106.5	43.0
25-29	32.3	17.5	31.3	49.4	63.6	25.7
30-34	16.1	9.9	19.8	40.5	35.9	16.9
35-39	13.5	10.3	11.4	30.3	24.9	14.8
40-44	8.7	9.0	5.0	22.0	13.7	11.5
45-49	6.9	10.8	1.9	18.5	8.8	11.8
50-54	5.5	13.1	0.1	3.0	5.6	12.3
55-59	4.1	13.4	0.0	2.7	4.1	12.9
60+	0.5	1.9	0.0	1.1	0.5	1.9
Total	190.0	19.2	128.3	47.3	318.3	25.2

 $\mathit{UR}: \mathit{Unemployment}\ \mathit{Rate}$

Source: DOS, 2004 Population and Housing Census, 2006, Amman – Jordan

Table 10: Distribution of Unemployed Non-Jordanians 15+ Years of Age Living in Jordan by Age and Sex and Unemployment Rates From the 2004 Population and Housing Census in Jordan

Age	Males	UR %	Females	UR %	Total	UR %
15-19	1802	22.8	535	19.9	2337	22.1
20-24	2282	9.4	1257	8.3	3539	9.0
25-29	1459	4.4	960	8.0	2419	5.3
30-34	926	3.2	618	6.9	1544	4.0
35-39	632	3.1	369	9.0	1001	4.2
40-44	462	3.5	228	12.2	690	4.6
45-49	364	5.1	153	16.5	517	6.4
50-54	277	6.2	24	4.8	301	6.1
55-59	262	10.2	12	5.0	274	9.8
60+	39	2.1	4	2.2	43	2.1
Total	8511	5.9	4160	8.8	12671	6.6

Source: DOS, 2004 Population and Housing Census, 2006, Amman – Jordan

6.3 Unemployment in Jordan by Educational Level and Nationality

From the 2004 Population and Housing Census, we see in Table 11 that 48.1% of unemployed Jordanians have educational levels falling below a secondary education (60.5% males, 29.6% females); those with this educational status have an unemployment rate equal to 27.1% (22.6% for males, 74.2% for females). At the same time, the highest unemployment rates by educational level were among illiterate Jordanians who are unemployed at the rate of 30.4% (25.1% for males, 2.3% for females). Unemployment rates among Jordanians with a B.SC or higher is also relatively high 19.9% (13.3% among males, 32.1% among females).

From the same census data, we see in Table 12 that 52.6% of unemployed non-Jordanians have an educational level of less than a secondary diploma (63.3% for males, 30.8% for females) with an unemployment rate of 5.4% for this educational category (6.0% among males, 5.1% among females). The highest unemployment rate among non-Jordanians was among those with B.Sc and over with unemployment rates equal to 16.1% (11.7% for males, 35.9% for females). The distribution of unemployed by educational level for unemployed Jordanians and Non-Jordanians is quite similar, which is counter to expectations.

Table 11: Distribution of Unemployed Jordanians 15+ Yeas of Age Living in Jordan by Educational Status and Unemployment Rates From the 2004 Population and Housing Census in Jordan (1000s)

Educational Level	Males	UR %	%	Females	UR %	%	Total	UR %	%
Illiterate	6.4	25.1	3.4	3.0	54.9	2.3	93.5	30.4	29.4
Less Than Secondary	115.0	22.6	60.5	38.0	74.2	29.6	153.0	27.1	48.1
Secondary	42.5	19.0	22.4	30.2	59.7	23.5	72.8	26.5	22.9
Intermediate Diploma	9.9	10.8	5.2	30.6	42.2	23.9	40.5	24.7	12.7
B.Sc.& More	22.3	13.3	11.7	29.4	32.1	22.9	51.7	19.9	16.2
Total	190.0	19.2	100	128.3	47.3	100	318.3	25.2	100

UR: Unemployment Rate

Source: DOS, 2004 Population and Housing Census, 2006, Amman – Jordan

Table 12: Distribution of Unemployed Non- Jordanians 15+ Yeas of Age Living in Jordan by Educational Level and Unemployment Rates From the 2004 Population and Housing Census in Jordan

Educational Level	Males	UR %	%	Females	UR %	%	Total	UR %	%
Illiterate	675	2.3	7.9	162	2.0	3.9	837	2.2	6.6
Less Than Secondary	5386	6.0	63.3	1280	5.1	30.8	6666	5.4	52.6
Secondary	1360	6.6	16.0	864	10.9	20.8	2224	7.8	17.6
Intermediate Diploma	751	3.3	8.8	894	36.3	21.5	1645	6.4	13.0
B.Sc.& More	1000	10.0	11.7	1119	35.9	26.9	2119	16.1	16.7
Total	8511	5.9	100	4160	8.8	100	12671	6.6	100

Source: DOS, 2004 Population and Housing Census, 2006, Amman – Jordan

6.4 Unemployment in Jordan by Marital Status and Nationality

The marital status of the unemployed is a characteristic which has very important socioeconomic effects. The 2004 Population and Housing Census in Jordan revealed that 67.4% of unemployed Jordanians are in the never-married category (70.8% of unemployed men, and 62.3% of unemployed women) with the unemployment rate for never-married individuals being 42.0% (35.9% for males, 58.6% for females). 31.2% of unemployed Jordanians were married (28.6% unemployment among married males, 35.0% among married females) with a total unemployment rate among married people of 13.5% (8.9% for males, 36.0% for females). These rates are to be expected in a country like Jordan where males, especially married ones, are the main breadwinners for their families. See Table 13.

Table 13: Distribution of Jordanians 15+ Years of Age Living in Jordan` by Marital Status and Unemployment Rates From the 2004 Population and Housing Census in Jordan (in 1000s)

Marital Status	Males	UR %	%	Females	UR %	%	Total	UR %	%
Never Married	134.6	35.9	70.8	79.9	58.6	62.3	214.5	42.0	67.4
Married	54.4	8.9	28.6	44.9	36.0	35.0	99.3	13.5	31.2
Divorced	0.9	20.8	0.5	2.5	40.0	1.9	3.3	32.4	1.0
Widowed	0.2	12.1	0.1	1.0	26.1	0.8	1.2	22.0	0.4
Separated	0.0	9.1	0.0	0.0	13.7	0.0	0.0	11.5	0.0
Total	190.	19.2	100	128.3	47.3	100	318.3	25.2	100

 $\mathit{UR}: \mathit{Unemployment}\ \mathit{Rate}$

Source: DOS, 2004 Population and Housing Census, 2006, Amman – Jordan

From Table 14, we observe that 59.8% of unemployed non-Jordanians are in the never-married category (62.4% of unemployed males have never-married; 54.5% of unemployed females) with an unemployment rate 8.6% (9.0% for males, 7.8% for females). 38.8% of the unemployed non-Jordanians are married (36.9% of unemployed men are married, 42.5% of unemployed females) with the unemployment rate among married people being 4.9% (3.7% for males, 11.0% for females). As we mentioned before, this is to be expected among non-Jordanians living in Jordan, who come to Jordan specifically to work. Non-Jordanians who don't find employment usually leave and look for jobs in another country.

Table 14: Distribution of Non-Jordanians 15+ Years of Age Living in Jordan by Marital Status and Unemployment Rates From the 2004 Population and Housing Census in Jordan

Marital Status	Males	UR %	%	Females	UR %	%	Total	UR %	%
Never Married	5309	9.0	62.4	2268	7.8	54.5	7577	8.6	59.8
Married	3143	3.7	36.9	1769	11.0	42.5	4912	4.9	38.8
Divorced	34	10.3	0.4	66	9.3	1.6	100	9.6	0.8
Widowed	21	11.4	0.2	53	7.8	1.3	74	8.5	0.6
Separated	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Total	8511	5.9	100	4160	8.8	100	12671	6.9	100

Source: DOS, 2004 Population and Housing Census, 2006, Amman – Jordan

6.5 Unemployment in Jordan by Nationality

From Table 15 we see that 72.4% of the non-Jordanian economically active population are from Arab Countries (30.6% from Arab Asian Countries, 41.8% from Arab African Countries), the rest are almost all from Non-Arab Asian countries. By nationality, 41.0% of economically active non-Jordanians are Egyptians, 15.5% of them are Palestinians, 7.4% are Syrians and 6.9% are Iraqis.

Table 15: Distribution of Economically Active Non-Jordanians 15+ Years of Age Living in Jordan by Nationality From the 2004 Population and Housing Census in Jordan

Nationality	Males	%	Females	%	Total	%
Syria	13,361	9.3	824	1.8	14,185	7.4
Iraq	11,566	8.0	1,582	3.4	13,148	6.9
Palestine	25,724	17.8	3,972	8.4	29,696	15.5
Arab Asian Countries	51,944	36.0	6,632	14.1	58,576	30.6
Non-Arab Asian Countries	12,631	8.8	38,470	81.7	51,101	26.7
Egypt	77,573	53.8	913	1.9	78,486	41.0
Arab African Countries	78,867	54.7	1,156	2.4	80,023	41.8
Non-Arab African Countries	52	0.0	82	0.2	134	0.1
Total	144,239	100	47,068	100	191,307	100

Source: DOS, 2004 Population and Housing Census, 2006, Amman – Jordan

Table 16 illustrates that unemployment rates among non-Jordanians living in Jordan were the lowest among those from non-Arab Asian countries: 0.5% (1.1% among males, 0.2% among females). This is because many of them are working as housekeepers and came to Jordan by previous work contracts. The unemployment rate among Egyptians is also quite low, at 1.7% (1.3% for males, 37.0% for males). The highest unemployment rate among non-Jordanians

living in Jordan is for Palestinians, at 23.0% (17.9% of Palestinian males, 56.2% of Palestinian females). These rates are very similar to the unemployment rates among Jordanians living in Jordan—most of these Palestinians in fact are refugees from the Gaza Strip who have been living in Jordan since the 1967 War.

Table 16: Distribution of Non-Jordanians 15+ Years of Age Living in Jordan by Nationality and Unemployment Rates From the 2004 Population and Housing Census in Jordan

Nationality	Males	UR %	Females	UR %	Total	UR %
Syria	767	5.7	368	44.7	1135	8.0
Iraq	1653	14.3	768	48.5	2421	18.4
Palestine	4596	17.9	2233	56.2	6829	23.0
Arab Asian Countries	7212	13.9	3456	52.1	10668	18.2
Non-Arab Asian Countries	145	1.1	89	0.2	234	0.5
Egypt	1581	1.3	338	37.0	1371	1.7
Arab African Countries	2146	1.4	402	34.8	1507	1.9
Non-Arab African Countries	1	1.9	2	2.4	3	2.2
Total	8511	5.9	4160	8.8	12671	6.6

 $\mathit{UR}: \mathit{Unemployment}\ \mathit{Rate}$

Source: DOS, 2004 Population and Housing Census, 2006, Amman – Jordan

We observe differences between the size and the main characteristics of unemployed and unemployment rates for Jordanians living in Jordan from the 2004 Population and Housing Census in Jordan and from the 2004 Employment and Unemployment Survey. Because most work on unemployment in the past has been based on the results of the Employment and Unemployment Surveys, we instead concentrate here on the results of the more recently published 2004 Population and Housing Census.

7. Conclusions and Recommendations

The above discussion of unemployment in Jordan—one of the most pressing problems facing the Jordanian economy—leads us to the following conclusions and recommendations.

7.1 Conclusions

- 1. Unemployment rates in Jordan has been, with few exceptions, in the double-digits. This means that unemployment in Jordan is a significant problem which needs careful study for developing strategies to solve, or at least to ease this problem.
- 2. The 2004 Population and Housing Census reports the total population living in Jordan at 5,103,639 (2,626,287 males, 2,477,352 females). 1,454,023 of them are economically active (1,135,824 males, 1,454,023 females) with total a labour force participation rate of 28.5% (43.2% males,12.8% females)..
- 3. The total number of economically active non-Jordanians in Jordan was 191,307 (144,239 males, 47,068 females). 72.4% of them are from Arab countries (41.8% of them are from Arab-African countries, 30.6% from Arab-Asian countries). By nationality 41% of economically active non-Jordanian are Egyptians.
- 4. The total number of unemployed was reported as 330,974 (198,551 males, 132,423 females), with a total unemployment rate of 22.76% (17.48% for males, 41.62 % for

females). By nationality, unemployment was 25.21% for Jordanians living in Jordan (19.17% for males, 47.31 % for females). These rates are much higher than the unemployment rates obtained from the *Employment and Unemployment Surveys* conducted by DOS in Jordan for the same year which reported unemployment at 12.5% (11.8% for males, 16.5% for females). For non-Jordanians living in Jordan the unemployment rate was 6.62 % (5.9% for males, 8.84% for females), much lower than the unemployment rates among Jordanians.

- 5. Unemployment rates are the highest among the population aged 25 years of age or less, which means that these rates are the highest among the new graduates from secondary schools and universities.
- 6. Unemployment rates among females are much higher than those for males, for all age groups. This mean that the female population bears the brunt of the unemployment problem in Jordan.
- 7. Unemployment rates are much higher among never-married people than among the married population for both males and females.
- 8. 48.2 % of unemployed persons living in Jordan have less than a secondary education, with their unemployment rate at 23.2%(20.1% males, 43.8% females).
- 9. The unemployment rate for those with a B.Sc. or higher was 16.4 % (13.2% for males, 32.1% females).

7.2 Recommendations

In light of the above conclusions we suggest the following recommendations in order to ease the high unemployment rates in Jordan:

- 1. In general, there are two main ways to ease the unemployment problem in Jordan:
 - a. Decreasing the labour force supply by affecting population growth rate (fertility rate, mortality rate and migration rate) and labour force participation rates. This is a long-term solution that will take at least 15 years before any real effects on the labour force supply in Jordan are seen.
 - b. Increasing the demand for labour by increasing investment, in order to increase GDP (which means more job creation). More detailed and specific recommendations for Jordan could be:
 - i. Adopting a suitable population policy to determine suitable fertility, mortality, and migration levels and the proper policies to achieve these goals (through the National Population Council in Jordan).
 - ii. Adopting economic policies to encourage both local and foreign investment in Jordan, which is the most realistic way to create jobs and solve the unemployment problem.
- 2. Concerning data, we recommend official (through the Ministry of Labour) and private (academic researchers) efforts to collect more information on Jordanians working abroad and on non-Jordanian workers working in Jordan. No doubt that the 2004 Population and Housing Census is a very important source of data on non-Jordanians living in Jordan, but such data needs to be updated.
- 3. Encouraging and helping the Jordanian labour force to be more compatible with other labour forces in the region in order to increase the number of Jordanians working outside Jordan.

- 4. Improving the working conditions in Jordan in order to encourage Jordanian workers to compete with the non-Jordanian workers working in Jordan, especially in occupations and economic sectors where non- Jordanian workers are working, such as agriculture, construction and services sectors.
- 5. Jordan's higher educational system should be reformed so that its graduates have skills consistent with the demands of its labour market.

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