

Work in Volatile Situations



Status of Workers in the Informal Economy

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Preface

Tamkeen Fields for Aid is a Jordanian non-governmental organisation that works on promoting the rights of workers, migrants, and combatting human trafficking.

This study was conducted as part of a project entitled: "Socio Economic Development for Marginalised Workers in Jordan", funded by the Kingdom of the Netherlands. The project focuses on workers in the sectors of agriculture and construction, as well as those working in the informal economy.

The study aims to shed light on the reality of workers in the informal economy in Jordan; in terms of their working conditions, as well as concerned legislations and labour rights.

Tamkeen wishes that this study provides a cornerstone for further attention to these workers, who play a vital role in supporting the national economy. Therefore, they deserve to be provided with social protections as well as their labour rights.

Tamkeen Fields for Aid would like to extend its thanks for Mr. Hamada Abu Nejme, the main researcher for this study. The organisation would also like to thank the Field and Statistical teams as well.

Tamkeen Fields for Aid

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Summary

The First Chapter

International Labour Organisation's conventions are considered one of the main sources for the international regulatory framework for the formal and informal economy. The ILO emphasised that one of the "common misconceptions" is the belief that workers in the informal economy are outside the scope of the application of international labour standards, as they are irrelevant to workers in the informal economy.

Jordan ratified 26 out of 190 ILO conventions; 7 are Fundamental Conventions and 3 Governance Conventions. 24 of these conventions are in force.

Jordanian legislation is compatible with a number of international standards. However, it was void of provisions or definitions of Forced Labour, Discrimination on the basis of profession) Moreover, there is no explicit reference to the extent to which workers and employers in the informal economy can establish unions or participate in collective bargaining.

The Committee of Experts on the Application of Conventions and Recommendations (CEACR) made several recommendations to the Jordanian government. They were on matters related to discrimination; effective measures to prevent and prohibit sexual harassment in employment and occupation, and to provide social protection for workers in the informal economy. It also recommended amending Article 3 of the Labour Law, and take the necessary legislative measures to ensure that migrant workers can become founding members and leaders of trade unions and employers' organizations, as well as enable them to participate in collective bargaining. Furthermore, it called for measures to be taken to ensure that additional tasks on labour inspectors, particularly those related to the legal status of migrants, entrusted to labour inspectors do not interfere with the performance of their basic duties. Inspectors capacities should also be strengthened, and they should be provided with the material resources and transportation facilities necessary to perform their duties effectively.

The Second Chapter

In Jordan, it is estimated that the size of the formal economy is at around 1.6 billion US Dollars, constituting 19.40% of the GDP. These figures indicate an increase in the rates of the informal Economy, amidst the government's inability to regulate economic activities or decrease tax evasion rates. This is also reflected in the country's GDP, as the country is unable to correctly calculate it even though it is an important tool to measure its economy.

The latest figures by the Jordanian Strategy Forum show that there are 933,000 informal workers in Jordan, which constitute 41.4% of the workforce.

Informal Workers work in various forms. The majority of them work in either informal institutions, or in institutions that are formal but where they work informally without having a written contract with their employer and without being registered under the umbrella of Social Security. Other workers work on their own without an employer, like Daily Workers. Generally speaking, working conditions in the Informal Economy are incompatible with decent work conditions, as workers are not guaranteed their basic labour rights. These conditions include: low wages; lack of occupational safety and health tools, not being provided with either annual or sick leaves, as well as not being registered in Social Security.

Informal employment is concentrated in four main sectors that constitute 72.6% of the total informal workforce. They are distributed as follows: the wholesale and retail trade and vehicle repair sector (32.2%), the industrial sector (14.7%), the transport and storage sector (14.8%), and construction (10.9%). Informal employment in the agricultural sector was at 6%.

The population of Jordan increased to reach 10,554 million people at the end of 2019.¹ According to the figures of the Department of Statistics, the majority of population are youth or young people. People who are under the age of 14 constitute 34.4%, while youth between the age 15-24-year-old, who constitute 19.8%.

The latest figures released at the end of the first quarter of 2020 showed that it reached an unprecedented level at 19.3%. At the same time, economic participation rates are very low, especially among females, reaching 14% in the same quarter. It was also noted that an increase was registered in unemployment level among university graduates (Bachelors or Highers), as it reached 22.1%.

The Third Chapter

The survey sample consisted on 710 individuals. It included male and female Jordanian, refugee and migrant workers in 7 governorates working in 3 sectors of: Agriculture, Construction and Services.

The data showed that the number of males included in the sample was higher than females, as 79% of those that were included are males. The reason behind these numbers is that all those who work in construction that were included, who make up 310 individuals are males since no females work in the sector. Another factor is that the rate of males who work informally in the agriculture and service sectors is higher than females.

28.1% of females working informally are employed formal enterprises. This is the highest percentage if compared with females in other types of employment.

¹ Department of Statistics, 2019 in Statistics at:
http://dosweb.dos.gov.jo/DataBank/Population_Estimares/PopulationEstimates.pdf

Based on the interviews conducted, 50.2% of workers responded a monthly wage higher than 250 JODs. 3.3% of them said that their wages are below 150 JODs; and 5.3% said they receive a wage of 150 JOD or below. The percentage of Jordanians receiving a wage below the minimum wage was at 19.8%.

Jordanians constituted 46.1% of workers, 34.6% females and 65.4% males. They were followed by Syrians at 32.8%, 14.2% females and 85.8% males; and Egyptians at 20%, 2.1% females and 97.9% males. The other nationalities constituted only 1.1% of the sample, all of them were males.

The informal workers whose age was between (25-34) constituted 41.6% of the sample. Those whose age ranged between (44-53) constituted 28.9%, while those whose age was between (15-24) were the low at 19.2%. The majority of the latter work in the service sector. The lowest group consisted of those whose age was 45 or older at 10.4%.

The educational level of most informal workers in the sample falls within the level of (secondary and below), and they were distributed in the 3 sectors as follows: construction at 93.4%, agriculture at 94.7%, and services at 73.1%.

The Fourth Chapter

58.3% of workers said that they receive their wages regularly without delay, compared to 41.7% who said that they receive it irregularly. Meanwhile, 34.9% said that their wages are delayed between 1-7 days, as for those whose wages are delayed either between 8-15 days or 16-30 days, they accounted for 9% and 9.4% respectively.

Delays in the payment of wages are usually intermittent from time to time, as 60% of those whose wages are delayed said. 22% said that their wages are always delayed and only 18% responded by saying

that their wages are not delayed.

56.1% of workers in informal enterprises are working more than 8 hours per day; 38.8% of whom are forced to work overtime. 50.7% of employers also said that their workers work more than 8 hours a day, while 40% of them admitted that they force their workers to work overtime. As for self-employed workers, 54.3% confirmed that they work over 8 hours a day to increase their income as much as possible and to compensate for the days they cannot work.

55.2% of workers work overtime, and many of them are not being paid for it. There is also an insistence among employers not to pay wages on time or pay for overtime. Some workers have admitted that their wages are sometimes delayed for a period that ranges to up to 60 days, while a small group of them said it might last for 180 days.

50.6% of workers said that they are not given a weekly day off, which was mirrored by employers since 54.7% confirmed that they do not give their workers a weekly day off. As for the self-employed, 52.8% said that they get a one-day weekly vacation, as a break from their work week.

98.7% of employers admitted that they do not grant their employees annual leaves, 96% deny them from having sick leaves and 64% deny them from having religious or official holidays. 95% of workers also reported that they do not receive any annual days off, while 89% said that they are not given sick leaves. Moreover, 62.6% of workers said that they were denied from having a day off on national or religious holidays. 97% of married female workers said that they were denied their right of maternity leave and subsequently the nursing hour.

Only 4% of employers have workers who are included in SSC, while only 2.9% of workers in informal enterprises are included. The results also showed that only 2.9% of informal workers in formal enterprises are included, any 2.4% of those who are self-employed.

As for the percentage of included workers based on sectors, it was as follows: 3.7% in construction, 1.5% in services and 2.9% in agriculture. The majority of workers who were interviewed do not have health insurance, except 13 Syrian workers who have an insurance policy. They also said that they are treated in case they got an occupational disease or injury through it.

15.6% of the migrant workers who were interviewed were subjected to financial exploitation by brokers to obtain work permits in Jordan. The workers paid the brokers varying amounts of money, ranging from 100 to 2000 JODs. According to the results, 31.5% paid an amount between 351-700 JODs, and 25.9% paid between 100-350 JODs. 51.9% of these migrants are working in construction, 16.7% in the services sector and 31.5% in agriculture.

3.1% of the workers said that their freedoms were restricted, either by preventing them from communication, being forced to stay overnight in the workplace to guard it, or by preventing them from leaving till they finish their work or are allowed to leave after a specific hour.

4.3% of workers in informal enterprises said that their personal documents are confiscated by their employers. 36.4% of whom are working in construction, 40.9% in services and 22.7% in agriculture. 77.3% of those whose documents are confiscated added that their documents are still with the employer, while 22.7% said that these documents were later returned to them.

81.3% of self-employed workers or those that work in informal enterprises have not been subjected to a form of discrimination at work, whether on the basis of gender, race, religion or otherwise. On the other hand, 18.7% reported that they were subjected to discrimination at work.

90% of workers were assaulted by either their employers or customers. 4% of employers and 5.5% of self-employed workers were also assaulted by customers. 10.6% of workers in informal enterprises were also assaulted by their employer or another colleague either by yelling, insults, sexual harassment, threats of deportation for migrants, or by physical abuse. 78.1% of the sample who were assaulted said that they did not report their assaults.

91.3% of workers in the informal sector, whether Jordanians or non-Jordanians did not sign a work contract with their employer. Most workers who did not sign work contracts are employed in construction at 95.3%, followed by agriculture at 93.3%, and services at 83.4%.

40% of Migrants in informal enterprises are working without a work permit. On the other hand, 60% have a work permit, though 91.8% of them said they pay for it. The remaining 7.5% said that the employer bears the full costs of issuing a work permit and 0.6% said they partially pay for their permit.

23.5% of the sample are provided with occupational safety and health equipment or have first aid kits available. 56.2% of workers in construction are not provided with protective or safety gear or with a first aid kit. 25.7% of workers in the agriculture sector also said the same thing. The figures though show that the service sector is where this violation is least prevalent, as 18.1% of the workers said they are not provided with safety tools.

The Fifth Chapter:

Social protection, or social security, is a human right and is defined as the set of policies and programmes designed to reduce and prevent poverty and vulnerability throughout the life cycle. Social protection includes benefits for children and families, maternity, unemployment, employment injury, sickness, old age, disability, survivors, as well as health protection.

Social Security coverage in Jordan is provided to formal workers in the public and private sectors, while excluding other groups like informal or Migrant workers, despite their inclusion in the law.

The Coronavirus (COVID-19) pandemic has shown the fragility of social protection, as it revealed several gaps. As the crisis persisted, its economic and social impact began affecting the lives of people around the world, particularly vulnerable groups like migrants and refugees.

The Jordanian government enacted numerous precautionary measures to curtail the spread of the virus. The most important of the decisions it took is the declaration of the Defense Law of 1992 and its amendments. Based on it, it enacted a number of decisions, including the announcement of the curfew in the Kingdom on the 21st of March, 2020. The curfew covered the full kingdom except those working in vital sectors. These measures had severe repercussions on the workers in the informal economy and daily workers.

According to the Ministry of Social Development, these workers are providing for 300,000 Jordanian families. The estimation was based on the Unified National Registrar, which compiles its data from 86 official and public stakeholders that uses the governmental targeting system adopted by the National Aid Fund. However, it was noted that neither the measures announced by the Social Security Corporation nor by the National Aid Fund mention migrant workers, refugees or even the children of Jordanian women who do not have a Jordanian nationality.

Introduction

The Jordanian economy has been struggling with a number of socioeconomic challenges that resulted in a number of negative consequences. One of these consequences is the expansion of the Informal Economy, which became a pivotal component within the fabric of the country's economy. Usually this type of economy arises on the margins of the formal economy when its condition worsens, and it is unable to absorb the needs and aspirations of job seekers or those who have lost their jobs. These people then begin seeking jobs in the informal economy as a way to secure their livelihoods and face their difficult circumstances; in light of the increase in poverty and unemployment rates.

Due to the above, Tamkeen Fields for Aid conducted this study on the reality of workers in the informal economy. The organisation began conducting this study at the end of 2019 and finalised it in Mid-2020, in the midst of the Coronavirus (COVID-19) pandemic. The study highlights the working conditions of these workers, as well as related legislations that should protect their rights.

The study aims to provide a theoretical framework to the informal economy, in terms of: its definition, related concepts, legislative and legal framework, as well as current practices within the economy. It then provides a statistical overview of the economy in Jordan based on available data, and the factors that led to its expansion.

The remaining chapters are based on the field survey that was conducted on workers in the informal economy in the Central and Northern governorates of the Kingdom. It provides an analysis of the obtained data, flesh out the main violations faced by these workers and the challenges that face them. The final chapter looks at Jordan's social protection framework and its lack of coverage of informal workers. It also looks at the measures taken by the government to address the economic impact of the COVID-19 pandemic and the inclusion, or lack thereof, of workers in the informal workers.

Finally, the study provides a number of recommendations that aims to improve the conditions of these workers, legislatively, as well as recommendations that address the root causes that led to the expansion of this economy in the first place.

It is important to note that this study does not seek to provide comprehensive and detailed statistics or analysis on workers in the Informal Economy. Rather, it aims to shed light on the rights of these workers, as stipulated upon in international conventions, as well as national legislation, within a scope of specific cases that are highlighted based on the results of the survey.

The importance of the study

The study is quite important due to the nature of the subject it is addressing and the methodology implemented in the study. Even though this is not the first study that addresses this economy, it is unique because it highlights the working conditions of Jordanian, refugees and migrant workers in the Northern and Central governorates in Jordan. It analyses their working environment and fleshes out the violations that they face through interviews conducted with them, which were later analysed based on the national and international laws that are applicable.

Objectives

The study aims at identifying the working conditions of informal workers in Jordan and shed light on:

- Legislations and Laws that protect workers' rights in this economy.
- Available Social Protections for these workers, including Social Security and Health Coverage
- Working Conditions and Violations that these workers face
- Occupational Safety and Health conditions, cases of work injuries and the consequences of such incidents on workers.

Study Methodology

In order to achieve the objectives of the study, it employed the descriptive analytical approach, through the application of a set of research tools, both quantitatively and qualitatively as follows:

1. A review of international and national legislations, as well as national statistics on Jordan's informal economy.
2. Conducting of a field survey with workers in the informal economy, based on their 4 types as identified by the 17th International Conference of Labour Statics and based on the targeted sectors and governorates.
3. Analyzing the interviews, identifying their individual characteristics, and the working conditions of workers and then developing recommendations based on the results.

The study consists of 5 chapters





The First Chapter

International and Domestic
Legal Protection
for Workers in
the Informal
Economy

This chapter will flesh out the theoretical framework of the informal Economy. It will provide first a definition of the terminologies used: Informal Economy, Informal Sector and Informal workers. Then, it will look at the regulatory and legislative environment through international agreements that Jordan has ratified in this regard. Finally, it will present the relevant existing legislation and practices, and their impact on workers and employers in this Economy.

It should be noted that the study chose to utilise the terms: Informal Economy to talk about this economy. However, the economy is known by other terms, like: Unofficial Economy, Grey Economy, Shadow Economy, Hidden Economy and Secret Economy.

First: The concepts of the Informal Economy, Informal Sector and Informal employment

First, it must be recognised that this topic is shrouded in a lot of ambiguity. The unclarity is due to its lack of discipline or commitment to statistical standards or economic theories. Thus, much is unknown about its activities, jobs, the reality of workers in it, as well as connected definitions.

Most of the definitions related to the informal Economy are in consensus that this type of work takes different forms. Numerous studies and reports were conducted that talked about its various terms and definitions, some of which were on the concept of informal employment, while others were on the informal sector.

As the international entity specialised on matters of Labour, the International Labour Organisation attempted to define it several times. The first attempt was in January 1993, the Fifteenth International Conference of Labour Statisticians (15th ICLS) adopted an international statistical definition of the informal sector.

The definition encompassed small production units that are not registered and not working in agriculture. These units are owned by either individuals or households, especially those who are self-employed and produce either products or offer services.

It was thus defined as “a group of production units comprised of unincorporated enterprises owned by households, including informal own-account enterprises and enterprises of informal employers.’

The informal sector may be broadly characterised as consisting of units engaged in the production of goods or services with the primary objective of generating employment and incomes to the persons concerned. These units typically operate at a low level of organisation, with little or no division between labour and capital as factors of production and on a small scale. Labour relations - where they exist - are based mostly on casual employment, kinship or personal and social relations rather than contractual arrangements with formal guarantees.²

However, the definition was criticised as it lumped together different economic activities that has one goal in common: secure their livelihood while evading taxes and laws; and connected them with other illegal activities connected with corruption and crimes. As it was a statistical definition, the informal sector was defined in terms of characteristics of the production units (enterprises) in which the activities take place (enterprise approach), rather than in terms of the characteristics of the persons involved or of their jobs (labour approach).

In response to this gap, the ILO took the initiative to broaden its definition. The latest definition to be approved was on the Informal Economy. The definition was approved in the 90th session of the International Labour Conference (ILC) in 2002. The ILC defined the term ‘informal economy’ as referring to “all economic activities by

2 The Fifteenth International Conference of Labour Statisticians, *Resolution concerning statistics of employment in the informal sector, adopted by the Fifteenth International Conference of Labour Statisticians*, 1993. Found at:

https://www.ilo.org/wcmsp5/groups/public/---dgreports/---stat/documents/normativeinstrument/wcms_087484.pdf

workers and economic units that are – in law or in practice – not covered or insufficiently covered by formal arrangements’.³

This definition is broader than the previous definitions, as it goes beyond the characteristics of unorganized institutions, to include also informal work relationships such as: domestic workers and day laborers.

At the same conference, the ILO also defined informal employment as: “comprising all jobs in informal sector enterprises, or all persons who, during a given reference period, were employed in at least one informal sector enterprise, irrespective of their status in employment and whether it was their main or a secondary job’.⁴

The informal sector was defined as: “a group of production units that are either enterprises owned by individuals or households, including those owned by those who work for their own account, as well as those owned by employers and has workers employed in them.’

Therefore, while the informal sector and informal employment are distinct concepts, they are also complementary. The informal economy encompasses both perspectives and is defined as all economic activities by workers and economic units that are - in law or in practice - not covered or insufficiently covered by formal arrangements.

3 International Labour Organisation, Effect to be given to resolutions adopted by the International Labour Conference at its 90th Session (2002), (b) Resolution concerning decent work and the informal economy; Governing Body, 285th Session, Seventh item on the agenda; Geneva, November 2002 (doc. GB.285/7/2)

Second :The Informal Economy in International agreements and legislations

Since joining the Labour Organization in 1956 until now, Jordan ratified 26 agreements out of 190 international labour conventions, which dealt with various aspects of labour affairs. Out of 26 Conventions ratified by Jordan, 24 are in force, while 2 Conventions have been denounced, as follows:⁵

The ratification of 7 out of 8 Fundamental Conventions. It did not ratify Convention No. 87 on Freedom of Association and Protection of the Right to Organise Convention, 1948.

Ratification of 3 out of 4 Governance Conventions, it did not ratify Convention No. 129 on Labour Inspection (Agriculture) Convention, 1969

Ratification of 16 of 178 Technical Conventions, they are:

Convention on Social Security (Minimum Standards) Convention, 1952 (No. 102)

Convention on Weekly Rest (Commerce and Offices) Convention, 1957 (No. 106) Final Articles Revision Convention, 1961 (No. 116)

Convention on Social Policy (Basic Aims and Standards) Convention, 1962 (No. 117)

Convention on Equality of Treatment (Social Security) Convention, 1962 (No. 118)

Convention on Guarding of Machinery Convention, 1963 (No. 119)

Convention on Hygiene (Commerce and Offices) Convention, 1964 (No. 120)

Convention on Medical Examination of Young Persons (Underground Work) Convention, 1965 (No. 124)

Convention on Workers' Representatives Convention, 1971 (No. 135)

Convention on Human Resources Development Convention, 1975 (No. 142)

5 https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:11200:0::NO::P11200_COUNTRY_ID:103201

Convention on Labour Administration Convention, 1978 (No. 150)

Convention on Vocational Rehabilitation and Employment (Disabled Persons) Convention, 1983 (No. 159)

Convention on Seafarers' Identity Documents Convention (Revised), 2003, as amended (No. 185)

1. Amendments of 2016 to the Annexes of the Convention No. 185
2. Maritime Labour Convention, 2006 (MLC, 2006)⁶

The Labour Organisation's agreements are considered a main source that form the international regulatory framework for both the formal and informal economy. These agreements and conventions explicitly deal with the relationship between the employer and the worker. Through the provisions of these documents, it is clear that the international labour standards apply on workers in the informal Economy, even if the texts do not explicitly refer to that.

Therefore, the 8 fundamental conventions are applied on workers and employers generally, without any specification that they are only concerned with workers in the formal sector. Some of them even explicitly referred to the informal Economy, some of them contained implicit provisions, and others dealt with specific groups who often work in the informal Economy.

The following section will thus review Jordanian legislations, based on both international standards and basic rights of workers that aim at achieving the best working conditions to them. The analysis will be conducted to determine the extent of inclusion that legislations have in terms of protecting the rights of workers in the informal Economy.

Basic Labour Standards and Rights

Forced Labour and its Abolition

Among the cases related to forced labour in the informal Economy are those that were referred by the Committee of Experts on the Application of Conventions and Recommendations (CEACR). The committee said that: “Workers in the informal economy are characterized by varying degrees of dependency and vulnerability. Women, young persons, migrants and older workers are especially vulnerable to the most serious decent work deficits in the informal economy. They are thus vulnerable to exploitation, and human trafficking, whether in the form of sexual exploitation, debt bondage or forced labour.”⁷

Convention No.29 on Forced Labour defined forced or compulsory labour as “all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily.”⁸

The definition thus encompassed all types of work, as well as all categories of workers, including those that work in the informal Economy. This means that the provisions of the convention are not limited to certain groups of workers, but protect all of them.

Some of the prominent articles of the convention include:

1. Article 4: The competent authority shall not impose or permit the imposition of forced or compulsory labour for the benefit of private individuals, companies or associations.
2. Article 11: Only adult able-bodied males who are of an apparent age of not less than 18 and not more than 45 years may be called upon for forced or compulsory labour. Except in respect of the kinds of labour provided for in article 10 of the

7 ILO, *Transitioning from the informal to the formal economy*, 2014. Found at: https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---relconf/documents/meetingdocument/wcms_218128.pdf

8 C029 - Forced Labour Convention, 1930 (No. 29), Article 2

Convention.

3. Article 19: The competent authority shall only authorise recourse to compulsory cultivation as a method of precaution against famine or a deficiency of food supplies and always under the condition that the food or produce shall remain the property of the individuals or the community producing it.
4. Article 25: The illegal exaction of forced or compulsory labour shall be punishable as a penal offence, and it shall be an obligation on any Member ratifying this Convention to ensure that the penalties imposed by law are really adequate and are strictly enforced.⁹

Article 2 of The ILO Abolition of Forced Labour Convention, 1957 (No. 105), also stipulated that:

“Each Member of the International Labour Organisation which ratifies this Convention undertakes to take effective measures to secure the immediate and complete abolition of forced or compulsory labour.”¹⁰

The Jordanian constitution principally agreed with Convention No. (29) as stipulated in its 13th Article on the prohibition of compulsory labour and affirmation of safeguarding personal freedom. Article 7 also stated that every violation on public rights and freedoms or the sanctity of private life for Jordanians is a crime punishable by law. However, we find that the Labour Law did not address most of the rules included in the convention No. (29). Moreover, the law did not include a clear definition of forced labour and its elements. Its provisions were also inconsistent with the provisions of Articles (11), (17), (19) and (25) of the same convention. Its articles only contain punishments for employers for any violations committed, or who employs a worker through force, under threat, fraud or coercion a

⁹ Forced Labour Convention, 1930 (No. 29)

<https://www.ohchr.org/EN/ProfessionalInterest/Pages/ForcedLabourConvention.aspx>

¹⁰ Abolition of Forced Labour Convention, 1957 (No. 105)

https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C105

fine no less than 500 JODs and not more than 1,000 JODs, as stated in Paragraph (b) of Article 77.

The inconsistency of Jordanian legislation with a number of provisions in the convention results in difficulties identifying and apprehending violators, or identifying cases and practices that are considered forced labour in the informal Economy.

On the other hand, the Penal Code did not criminalise several acts, including forced labour, which was not even mentioned in this law, nor was it assigned any penalty. Indeed, the law was satisfied with what was stated in Article 77 of the Labour Law, which dealt with the crime as a labour violation. Consequently, offenders were only given weak and non-deterrent penalties that do not commensurate with the seriousness of the committed crime. It is thus a necessity that Forced Labour is criminalised in the Penal Code, and that a penalty that includes imprisonment is imposed, since it is a crime and not a labour violation.

Freedom of Association and Collective Bargaining

The 2nd Article of Convention 87 on Freedom of Association and Protection of the Right to Organise, and the 1st Article of Convention 98 on the Right to Organise and Collective Bargaining Convention affirm the right of association and collective bargaining. They state that “workers and employers, without distinction whatsoever, shall have the right to establish and, subject only to the rules of the organisation concerned, to join organisations of their own choosing without previous authorisation.”¹¹ The CEACR affirmed that Convention No.87 is applicable to employers and workers, without any distinction including those who work in the informal Economy.

Articles 5 of Convention No.87 and articles 2 and 3 of Convention No. 98 also affirmed that workers’ and employers’ organisations shall have the right to establish and join federations and confederations and any such organisation, federation or confederation shall have the right to affiliate with international organisations of workers and employers. These rights include workers in the informal Economy, who have the right to establish unions and participate in union activities, as well as the rights of employers in that Economy to form their own unions.

The constitution addresses the right to free association within the law in paragraph (F/2) of Article (23). The Labour Law also deals with collective bargaining and labour disputes in Articles (120-138), and freedom of association in Articles (97-119). These articles include provisions that forbid any action to be taken against any representative of the unions due to his practice of union activity, including dismissal from work .It also allowed the establishment of a trade union of workers in any specific trade, in accordance with the provisions of the law. The law also provides the conditions that workers need to fulfil in order to join these unions in Article 97. However, these provisions do not explicitly reference whether workers and employers in the informal Economy can be included in labour unions, or engage in collective bargaining, especially agricultural workers.

11 Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87)
https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_INSTRUMENT_ID:312232

Equal pay, Discrimination in Employment and Occupation

There are two international labour conventions on equal pay. The first is the Equal Remuneration Convention, 1951 (No. 100), and Discrimination (Employment and Occupation) Convention, 1958 (No. 111). Both conventions asserted that men and women should be equals in terms of their enjoyment of their basic rights that stem on the basis of equality and non-discrimination. In no case shall these workers be discriminated against, or any form of distinction, exclusion, or preference practiced on the basis of gender. The conventions also affirm that all practices that lead to the weakening or nullification of application of equal opportunities or treatment in employment or profession should be repealed.

The Jordanian constitution is consistent with the principle of both conventions 100 and 111 by explicitly stipulating the issue of discrimination, recognising that Jordanians are equal before the law in Article 6. However, the Labour Law does not include a clear definition of discrimination based on employment or profession. It is also devoid of any provisions that address this concept, or penalties for those who discriminate on the basis of employment or profession, with the exception of its reference to wages. It imposed a penalty on the employer for every case in which he pays a worker a wage less than the minimum wage or for any wage discrimination between the genders for work of equal value.

Minimum Age for Work and Child Labour

The preamble of the International Labour Convention No. (138) on Minimum Age stated that the convention was developed, with a view to achieving the total abolition of child labour. Its provisions call on member states to pursue a national policy designed to ensure the effective abolition of child labour and to set a minimum age for workers that shall not be less than the age of completion of compulsory schooling and, in any case, shall not be less than 15 years.¹²

Convention 182 on the Worst Forms of Child Labour urged member states to take immediate and effective measures to secure the prohibition and elimination of the worst forms of child labour as a matter of urgency. The convention states that the worst forms of child labour comprise of:

- a) all forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage and serfdom and forced or compulsory labour, including forced or compulsory recruitment of children for use in armed conflict;
- b) the use, procuring or offering of a child for prostitution, for the production of pornography or for pornographic performances;
- c) the use, procuring or offering of a child for illicit activities, in particular for the production and trafficking of drugs as defined in the relevant international treaties;
- d) work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children.¹³

12 Minimum Age Convention, 1973 (No. 138)

https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C138

13 Worst Forms of Child Labour Convention, 1999 (No. 182)

https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C182

The definition thus implicitly covers those working in the informal Economy, as well as those working in illegal work like: pornography, drugs, as well as exploitative or forced labour that affects children's physical, behavioural or moral health.

The Jordan constitution emphasised the need for special conditions when appointing children or women in Article 23. As for the Labour Law, it defined the juvenile in Article 2 as "Every person, male or female, who reached the age of seventeen and not yet eighteen." Articles (73-76) also included provisions on the employment of juveniles that are consistent with the provisions in the ILO conventions. These articles thus forbade under any case to employ the juvenile who did not complete the age of sixteen in any manner. Article 74 stated that it is not permissible to employ the Juvenile who didn't complete the age of seventeen in hazardous, exhausting or prejudicial to health jobs. Employers who violate these provisions shall be penalised for every violation by a minimum fine of 100 JODs and not exceeding 500 JODs. Yet, the penalty is not commensurate with the gravity of the act. It also does not include imprisonment for the perpetrator of this practice.

Legal Protections at Work

Social Protection and Security

The ILO Convention No. 102 on Social Security (Minimum Standards) aims to achieve a socially acceptable minimum level of protection by providing social security for the population. The scope of the coverage will be expanded gradually, in line with economic development. These protections shall include workers in all different sectors. The states could exclude seamen and fishermen at sea from the number of employees, of the economically active population or of residents, when calculating the percentage of employees or residents protected.¹⁴

Article 6 of the convention on medical care states that member states may take account of protection effected by means of insurance which, although not made compulsory by national laws or regulations for the persons to be protected:

- a) is supervised by the public authorities or administered, in accordance with prescribed standards, by a joint operation of employers and workers;
- b) covers a substantial part of the persons whose earnings do not exceed those of the skilled manual male employee; and
- c) complies, in conjunction with other forms of protection, where appropriate.¹⁵

In terms of national legislations on social protection, the Social Security Law of 2014 provided a clear definition of employers and workers. Employers were defined as: "any natural or judicial person employing one or more workers subject to the provisions of this law." The insured was defined as: "any natural person, whether male

¹⁴ Social Security (Minimum Standards) Convention, 1952 (No. 102)

https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C102

¹⁵ Ibid

or female, to whom the provisions of this law apply.’¹⁶

The law covered all workers included under its umbrella with social protections that include: work injuries, old age, disability, death, unemployment and maternity. Each establishment that is covered by the provisions of this law is punishable by a fine of 500 JODs for every worker who is not included under the umbrella of the Social Security Corporation.

According to its provisions, the law excluded a certain group of workers whose relationship with their employer is irregular. They include day labourers working for 16 days or more in any given month; work based on the number of hours, pieces or shipments. These regulations contributed to workers in the informal Economy staying without social protection. These conditions are exacerbated by the low wages and the increase in SSC subscriptions which prevent them from enrolling in these programs, especially those working in agriculture, construction or street vendors.

Occupational Safety and Health

The ILO Convention No. (155) on Occupational Safety and Health applies to all branches of economic activity. Member states though could exclude from its application, in part or in whole, particular branches of economic activity, such as maritime shipping or fishing, in respect of which special problems of a substantial nature arise.¹⁷

Article 4 of the Promotional Framework for Occupational Safety and Health Convention No. 187 stated that “the national system for occupational safety and health shall include, where appropriate:

- a) a national tripartite advisory body, or bodies, addressing occupational safety and health issues;
- b) information and advisory services on occupational safety and health;
- c) the provision of occupational safety and health training;
- d) occupational health services in accordance with national law and practice;
- e) research on occupational safety and health;
- f) a mechanism for the collection and analysis of data on occupational injuries and diseases, taking into account relevant ILO instruments;
- g) provisions for collaboration with relevant insurance or social security schemes covering occupational injuries and diseases; and
- h) support mechanisms for a progressive improvement of occupational safety and health conditions in micro-enterprises, in small and medium-sized enterprises and in the informal economy.

In terms of national legislations, the constitution affirmed that labour legislations should include public safety rules that protect workers’ health. Articles 78-96 of the Labour Law focused on Occupational Safety and Health, as well as

17 Occupational Safety and Health Convention, 1981 (No. 155)
https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C155

work injuries, and compensations. The definitions included in Article 2 of the law also confirm that these provisions apply to workers, as well as employers in the establishment. However, it is unclear the extent of application of these provisions on workers and employers in the informal Economy, especially those who work in construction, agriculture or those who are self-employed.

Labour Administration and Inspection

Convention No. (150) on Labour Administration affirmed that labour administration covers all public administration bodies responsible for and/or engaged in labour administration – whether they are ministerial departments or public agencies, including parastatal, regional, local agencies or any other form of decentralised administration – and any institutional framework for the co-ordination of the activities of such bodies and for consultation with and participation by employers, workers and their organisations.

It also called on member states to promote the extension, by gradual stages if necessary, of the functions of the system of labour administration to include activities that were not previously covered such as:

- a) tenants who do not engage outside help, sharecroppers and similar categories of agricultural workers;
- b) self-employed workers who do not engage outside help, occupied in the informal Economy as understood in national practice;
- c) members of co-operatives and worker-managed undertakings;
- d) persons working under systems established by communal customs or traditions.

As for Labour Inspection Convention, 1947 (No. 81), it covered labour inspections on establishments working in trade or industry. Convention No.129 on Labour Inspection (Agriculture) Convention focused on inspections in the agriculture sector, as well as convention

No.184 on Safety and Health in Agriculture.

While the provisions of convention 81 on the informal Economy, a member state may decide to explicitly extend the scope of application of it on the informal Economy. On the other hand, conventions 129 and 184 are applied on workers, regardless of how they receive their wages, and whatever the type or duration of their contracts .It also adds that when necessary the competent authority will draw the line between agriculture, industry and trade, so that no agricultural establishment is excluded from the national labour inspection system.

In this context, the Labour Law addressed issues related to inspection in articles 5-9, which are in line with what is stated in the ILO conventions. It thus stated in Article 7 that the qualifications, functions, powers and remuneration of Labour Inspectors shall be determined and so the obligations of the Employer towards them shall be determined pursuant to regulations issued for this purpose. Article 9 focused on Labour Inspectors by stating:

“Labour Inspector shall exercise, during the performance of his job, the power vested in the members of judicial police pursuant to the Penal Procedure in force and the report prepared by him shall be enforced within the extent of his office until the contrary has been substantiated. The Inspector has the right to request the Employer to remove the violation within a maximum period of seven days from the date of his notification thereof in writing. In the event of his default, the Minister or whoever he delegates may decide to close down the Establishment until removal of the violation or issue of Court decision thereon. The Court shall pass judgment against the violator to remove the violation and a minimum fine of fifty Dinars (and not exceeding five hundred Dinars. The fine may not be reduced below the minimum for any of the extenuating discretionary reasons.’

Third: Local legislation and Practices in the Informal Economy:

The International Labour Organisation affirmed that one common misconception is the belief that workers in the informal Economy are outside the scope of application of ILO standards; even though most of them are included under their provisions. This current section will thus highlight the local legislations and their application on informal workers in Jordan. It will also utilise international reports as well as expert committee reports which included observations on this topic.

Discrimination and Inequality at Work

The constitution stipulates that Jordanians are equal before the law and there is no discrimination between them in rights and duties. The Labour Law also prohibits discrimination in wages based on sex. However, it did not protect workers who are exposed to violations in the informal Economy. It also did not set a definition for discrimination based on employment or profession, nor criminalise discrimination either. The law also did not stipulate a special punishment for those who discriminate against workers or mention the procedures that should be followed in such cases.

Furthermore, Migrant workers are still subject to discrimination in terms of working conditions, especially in terms of minimum wage. While Jordanians receive a minimum wage of 220 JODs, migrants receive a minimum wage of 150 JODs, according to a decision issued in 2012. Workers are also discriminated on concerning their working conditions, as well as the practices related to the Kafala System. Even though the system was not explicitly mentioned in national laws, it is reinforced by the requirement that forces workers to have a guarantor to enter the country. The consent of the guarantor must also be obtained when the worker wants to change jobs or even leave the country. Combined, these measures increase the level of exploitations that workers are exposed to.

In this regard, the Committee of Experts on the Application of Conventions and Recommendations (CEACR) said that it welcomed the legal review on pay equity conducted by the National Steering Committee for Pay Equity (NSCPE). However, the government still needs to provide information on the steps taken to implement the recommendations arising out of the legal review as they relate to Convention 111, in particular with respect to the proposed amendments to sections 4 and 29 of the Labour Law, with a view, respectively, to:

- i. explicitly defining and prohibiting direct and indirect discrimination based on at least all the grounds enumerated in Article 1(1)(a) of the Convention, in all areas of employment and occupation, and covering all workers;
- ii. providing clear protection and remedies with respect to quid pro quo and sexual harassment within hostile environments.

The Committee also emphasised the need to take effective measures to prevent and prohibit sexual harassment in employment and occupation. These measures include having clear and comprehensive definitions of what constitutes discrimination in employment and occupation. It also called the government to be particularly alert to the status of migrants who are made vulnerable due to the System governing their status due to the powers given to employers. Some employers have thus used it to discriminate on workers on the grounds mentioned in the Convention 111, including race, colour, national origin and sex¹⁸.

The committee recommends the government does the following: take steps to effectively address the dependency and vulnerability of migrant workers, and take measures to address discrimination against migrant workers in terms of conditions of work, especially in the matter of minimum wages.

18 CEACR, Application of International Labour Standards, 2020. Found at: https://www.ilo.org/ilc/ILCSessions/109/reports/reports-to-the-conference/WCMS_736204/lang--en/index.htm

Forced labour, Harassment, and Assault

Informal workers suffer from strict restrictions set by their employers on them. These practices sometimes reach the level of forced labour, especially on migrants and female workers. In many cases, these workers are subjected to constant violations. Yet, they still avoid resorting to the concerned authorities, often due to the anxiety linked to their legal situation.

The constitution stipulates that it is impermissible to impose compulsory employment, except in special and urgent cases, or due to court rulings. It also emphasised the safeguarding of personal freedom, considering that violations of public rights, freedoms, or the inviolability of the private lives of Jordanians are crimes punishable by law. Despite that, the Penal Code did not criminalise forced labour nor assign a specific penalty for this crime.

Similarly, the Labour Law only dealt with forced labour as a labour violation and not a crime. It also did not include a clear definition of forced labour and its elements. Its articles only contain punishments for employers for any violations committed, or who employs a worker through force, under threat, fraud or coercion a fine no less than 500 JODs and not more than 1,000 JODs. These are considered as weak and non-deterrent penalties that fit the seriousness of the crime.

In terms of workers' abuse, the law only allowed assaulted workers to leave their jobs without notice, while preserving their legal rights and the resulting damages. However, it did not bear any criminal responsibility on the employer. Consequently, workers who are exposed to abuse have no choice but to accept these violations, despite poor working conditions, to avoid losing their jobs.

The CEACR, in some of its recommendations on forced labour and assaults on workers, encouraged the government to take the necessary measures to strengthen the capacity of the labour inspectorate and to expand the labour inspection services to all sectors, including the agricultural sector. It also emphasised the

importance of strengthening measures related to combatting Human Trafficking and Sexual Exploitation. It also urged the government to continue providing information on the measures taken in this regard by the Anti-Human Trafficking Unit on the number of identified victims, their protection, as well as the number of investigations and prosecutions on cases of sexual exploitation at work.

The committee also affirmed the importance of implementing effective measures to prevent and stop sexual exploitation at work. Moreover, it demanded that victims are provided with the necessary protection, redress and compensation. It also called on the government to take measures to raise awareness on issues related sexual harassment at work, as well as means to prevent it. Finally, it recommended that a mechanism be established to detect cases of sexual harassment, and monitor cases and results discovered by labour inspectors or handled by the courts. ¹⁹

Social Protection:

Informal workers suffer from a lack of social protection. They are not included under the umbrella of the Social Security Corporation, especially Migrants in an irregular status. The omission occurs despite them being employed in dangerous sectors where difficult working conditions prevail and wages are low. The rate of occupational accidents and injuries are high, especially in the sectors of agriculture, construction, and industry. Other sectors have a high job turnover and high unemployment rates, such as sales and services.

The Universal Declaration of Human Rights and the International Covenant on Economic, Social and Cultural Rights affirmed that enjoying security is a recognized right. Jordan is also one of 9 countries that are currently working on the implementation of the Global Compact for Employment Opportunities.

19 CEACR, The Application of Conventions and Recommendations, 2019. Found at: https://www.ilo.org/ilc/ILCSessions/108/reports/reports-to-the-conference/WCMS_670146/lang--en/index.htm

In this context, the 2014 Social Security Law provided that establishments which employ one worker or more must cover the workers under the SSC umbrella. It also allowed the participation of self-employed workers in it as well.

Although the Social Security Law covers some components of social protection, it still does not comply with the standards stipulated in the Labor Organization Recommendation No. 202 of 2012. The law does not cover all citizens and vulnerable groups. Moreover, Jordan has only ratified one international labour convention in this field, number 102 on Social Security (Minimum Standards). It did not ratify other agreements, including No.121 on Employment Injury Benefits, No.128 on Invalidity, Old-Age and Survivors' Benefits; as well as No.130 on Medical Care and Sickness Benefits, and No.183 on Maternity Protection.

Right to Unionise and Collective Bargaining

Informal workers are deprived of the right to exercise freedom of association, as most of them are concentrated in vulnerable sectors, such as agriculture, construction, and services. These sectors are often not subject to adequate labour legislation. As a result, these workers face legislative and regulatory restrictions that prevent them from being allowed to organise. There are also existing restrictions on the freedom of association, as well as collective bargaining. Workers are also concerned about the positions of employers who refuse trade union activities.

The Labour Law included provisions related to union activity, as well as regulations to prevent employers from taking any action against union representatives for their activities. It also allowed workers in any profession to establish their own union in accordance with the provisions of the law. These provisions indicated that the worker has the right to affiliate to these unions if s/he fulfils the membership criteria.

However, some legal restrictions remain. These restrictions include that only Jordanian nationals can establish a workers or employers union. Also, only one union can represent the sector that includes similar professions and industries as decided by the Minister of Labour. Consequently, only 17 specialised recognised sectors were allowed to be established. Therefore, workers who are not affiliated with these sectors, especially those who are informal, are unable to engage in collective bargaining through organisations of their choice. This means that large groups of workers are excluded from enjoying their right.

As for agricultural workers, although the Labour Law referenced that a system will be issued to govern their working conditions, the system is yet to be issued. Moreover, while the law explicitly mentioned that the system will include provisions on vacation, working hours and inspections, it did not mention anything on unions or collective bargaining. The current law also limits the age of union members to no less than 18 years, but the same law in Article 73 allowed for those who are over 16 to be employed. Thus, current legislations prohibit workers who are between 16 and 18 to join unions, even though they are allowed to work.

In this regard, the Committee of Experts (CEACR) noted the following in its recommendations to the government:

First: The Committee requests the Government to take the necessary legislative measures, including the review of section 98(d)(1) of the Labour Code, so as to provide for full freedom of association. The Committee also requests the Government to indicate in detail which are the 17 recognized sectors in which workers have the right to organize for purposes of collective bargaining and the occupations and industries included in each of them and to provide the relevant legislation, regulations and orders.

Second: The Committee requests the Government to provide clarification in regarding Migrant workers right to engage in collective bargaining through the organization of their own choosing. The Committee further requests the Government to indicate how these rights are exercised in practice, by indicating the names of any organizations that represent foreign workers and the number of collective agreements covering them.

Third: The Committee urges the Government to take the necessary legislative or regulatory measures to ensure that agricultural and domestic workers, cooks, gardeners and similar workers can engage in collective bargaining through the organizations of their own choosing, and to provide information on measures envisaged or adopted in this regard

Fourth: The Committee requests the Government to take measures to amend section 98(f) so as to ensure that minors who have reached the legal age for employment, whether as workers or trainees, will be fully protected in their exercise of the rights falling within the scope of the Convention.²⁰

Occupational Safety and Health

Informal workers are exposed to poor working conditions and the absence of safety and public health regulations as well. Perhaps, in many sectors this is due to the fact that the cost of fulfilling these regulations can be high, and might even exceed the cost of the product or service provided. In this case, many self-employed workers and employers do not follow these regulations or include themselves and their workers under the umbrella of Social Security. Their non-inclusion in work injuries insurance or health insurance means that they bear the costs of treatment whenever they get sick or injured.

20 CEACR, Report of the Committee of Experts on the Application of Conventions and Recommendations, 2018. Found at: https://www.ilo.org/ilc/ILCSessions/previous-sessions/107/reports/reports-to-the-conference/WCMS_617065/lang--en/index.htm

These conditions persist even though some of these workers are employed in dangerous sectors. Workers in construction workshops like those working with stone or bricks, car mechanics, blacksmith and carpentry continue to work in environments that are unsafe. Yet, their establishments continue to be insufficiently inspected.

The constitution referred that labour legislations should include establishments being subject to health rules. The Labour Law addressed occupational safety and health, work injuries, compensations and punishments for the employers who violate its provisions.

The CEACR noted that the most recent statistics by the Jordanian Public Statistics Department show that the most frequent infringements relating to occupational safety and health (OSH) occur due to insufficient OSH measures in workplaces and a lack of commitment by workers to the use of personal protection gear and observance of instructions at work.²¹

Labour Inspection

The effective inspection apparatus is one of the most important components of strong management in the labour market and the basis for good governance in the world of work. The Jordanian government has worked to develop its system, and improve system and capabilities through the implementation of a strategy that began in 2012. It included: Improving the use of inspection resources and expanding the coverage of its services to reach the largest possible number of workplaces; using blacklist system for non-compliant enterprises and a golden list of enterprises that provide good working conditions and services to their employees; as well as the development of an electronic system for inspection at work.

21 CEACR, Direct Request adopted 2015, published 105th ILC session (2016) on Hygiene (Commerce and Offices) Convention, 1964 (No. 120). Found at: https://www.ilo.org/dyn/norm-lex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:3248156:NO

Despite the improvement in inspection capabilities, these services are still unable to cover all sectors properly. An example of that is the government assigning the responsibility of enforcing the law regarding migrant workers to labour inspectors. However, this is in contradiction with their basic responsibilities that focus on enforcing legal provisions related to working conditions. The assignment was made due to the lack of human and material resources for inspection, and the lack of logistical services available to the cadre as well. Therefore, it is clear that the current inspection body still needs to modernise and develop its capabilities to be able to cover all sectors, and inspect all violations.

The CEACR in its recommendations to the government asked it to take the necessary measures to ensure that, in accordance with Article 3(2) of Convention 81, additional duties entrusted to labour inspectors do not interfere with the performance of their primary duties. The Committee also asks that the Government provide information on action undertaken by the labour inspectorate in the enforcement of employers' obligations towards migrant workers, including those in an irregular situation, such as the payment of wages and other benefits, including for workers liable to deportation or who have already been deported. It also asked that labour inspectors be provided with further trainings, as well as ensure that the labour inspectorate is provided with the material resources and transport facilities necessary for the effective performance of their duties.²²

22 CEACR, Direct Request adopted 2014, published 104th ILC session (2015) on Labour Inspection Convention, 1947 (No. 81). Found at: https://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:3189620:NO





The Second Chapter

**The Informal Economy in
Jordan**

The Informal Economy is considered an economic and social phenomenon that concerns world economies in varying degrees. At the same time, the importance of the Economy is increasing due to its economic impact as it led to a growth in the economies of some countries and increased their gross domestic product (GDP).

In Jordan, the economy is still struggling due to its weak growth rates. Therefore, the country has been seeking solutions to improve it, despite the burdens that policy makers continuously face. While the government looked for ways to achieve strong and sustainable economic growth, continuous economic crises and unstable neighbouring economies made such steps difficult. Successive governments also attempted various structural reforms that encouraged the implementation of development policies. These policies were supposed to incentivise investments and create new jobs in the economy, with the aim of reducing unemployment rates. However, these policies and practices lacked clear criteria for implementation, evaluation or follow ups, or even timelines to assess their results. Consequently, the plans failed to reach their intended outcome and instead led to an increase in the informal economy in Jordan to hit 17.38%. Moreover, unemployment levels also increased, especially among university graduates, whether male or female, as the economy could not accommodate them or the increased population as a result of incoming refugees to the country.

Combined, these factors led to a significant expansion of the size the informal economy. The economy, which is characterised as being dynamic and flexible, has been able to respond to the crises that hit the labour market, unlike the formal economy. These characteristics are due to the ease at which the workers and employers can enter and exit based on the status of the market. The informal economy thus became an influential player in economic growth rates, unemployment and even poverty.

First: The Informal Economy in Jordan

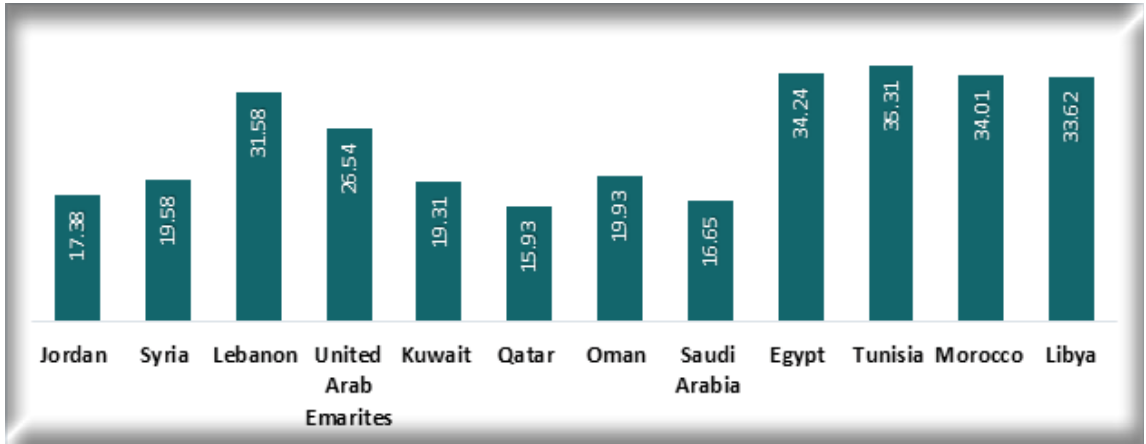
The 2018 World Economic Outlook Report indicated that large segments of the Arab World economies are dominated by a low-productivity informal Economy. Meanwhile, the formal Economy only represents a third of total workers. It also pointed out that small enterprises with 5 employees or less dominate the private sector in a number of countries. In Egypt, they constitute 60% of the Economy, in Jordan 40% and in Tunisia, 37%. These enterprises find it difficult to obtain credit and other opportunities provided by the market or even through governmental services, which limits the vitality of the private sector. These difficulties prevent these enterprises from expanding and forces them to resort to the informal Economy, which ultimately leads to a loss of revenue by the government.²³

In Jordan, it is estimated that the size of the formal economy is at around 1.6 billion US Dollars, constituting 19.40% of the GDP.²⁴ These figures indicate an increase in the rates of the informal Economy, amidst the government's inability to regulate economic activities or decrease tax evasion rates. This is also reflected in the country's GDP, as the country is unable to correctly calculate it even though it is an important tool to measure its economy.²⁵

23 IMF, World Outlook Report, 2019. Found at: <https://www.imf.org/en/Publications/WEO/Issues/2018/09/24/world-economic-outlook-october-2018>
۲۹۱۸۱=<https://www.targetmap.com/viewer.aspx?reportId>

25 IMF Working Paper, Shadow Economies Around the World: What Did We Learn Over the Last 20 Years?, 2018 at: <https://www.imf.org/~media/Files/Publications/WP/2018/wp1817.ashx>

The below graph illustrates the size of the informal economy in some Arab countries: Graph 1:



Due to the absence of official numbers on the Informal Economy in Jordan, the Jordanian Strategy Forum recently published a paper where it said that there are 933,000 informal workers in Jordan. The numbers are based on data from the Social Security Corporation, which said that the number of insured workers under its umbrella is 1.317 million people by the end of 2019. Since the total number of those working is 2.249 million, this means that there are 933,000 who are working informally. That constitutes 41.4% of total workers.²⁶ However, the number was criticised by several experts who said that the method used to calculate it is not accurate. One of these critiques said that the report “neglects the fact that a large percentage of self-employed workers are officially licensed and registered and work within a legal framework. As a result, these workers do not constitute informal workers.

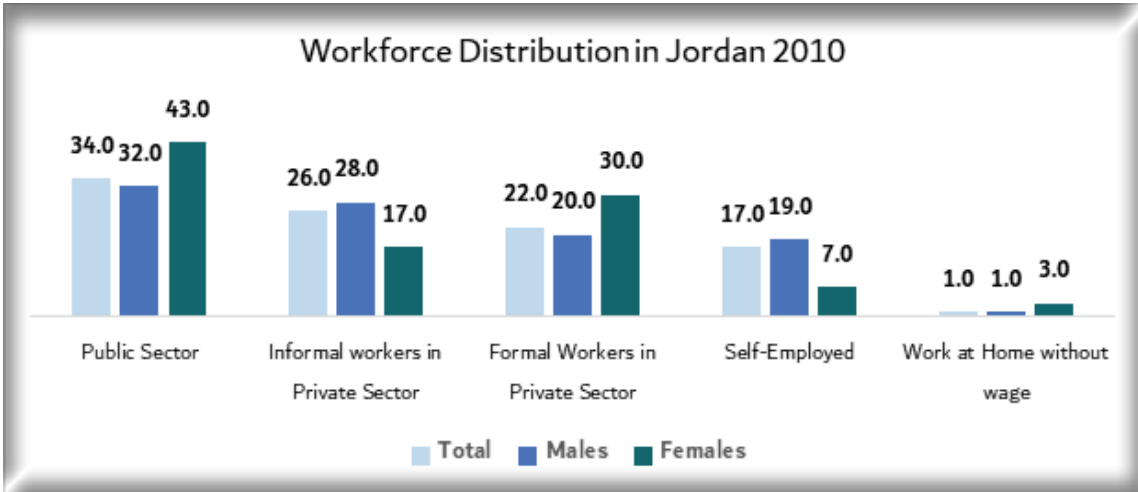
On the other hand, there are workers who work in officially registered establishments but are not registered in social security as their employers evade being covered under its umbrella.²⁷

In terms of official studies on this field, the most comprehensive one is the one conducted by the Ministry of Planning in collaboration

26 Jordanian Strategy Forum, Informal Workers in Jordan: Learnt Lessons from the Coronavirus Pandemic, 2020. Found at: shorturl.at/yBK27

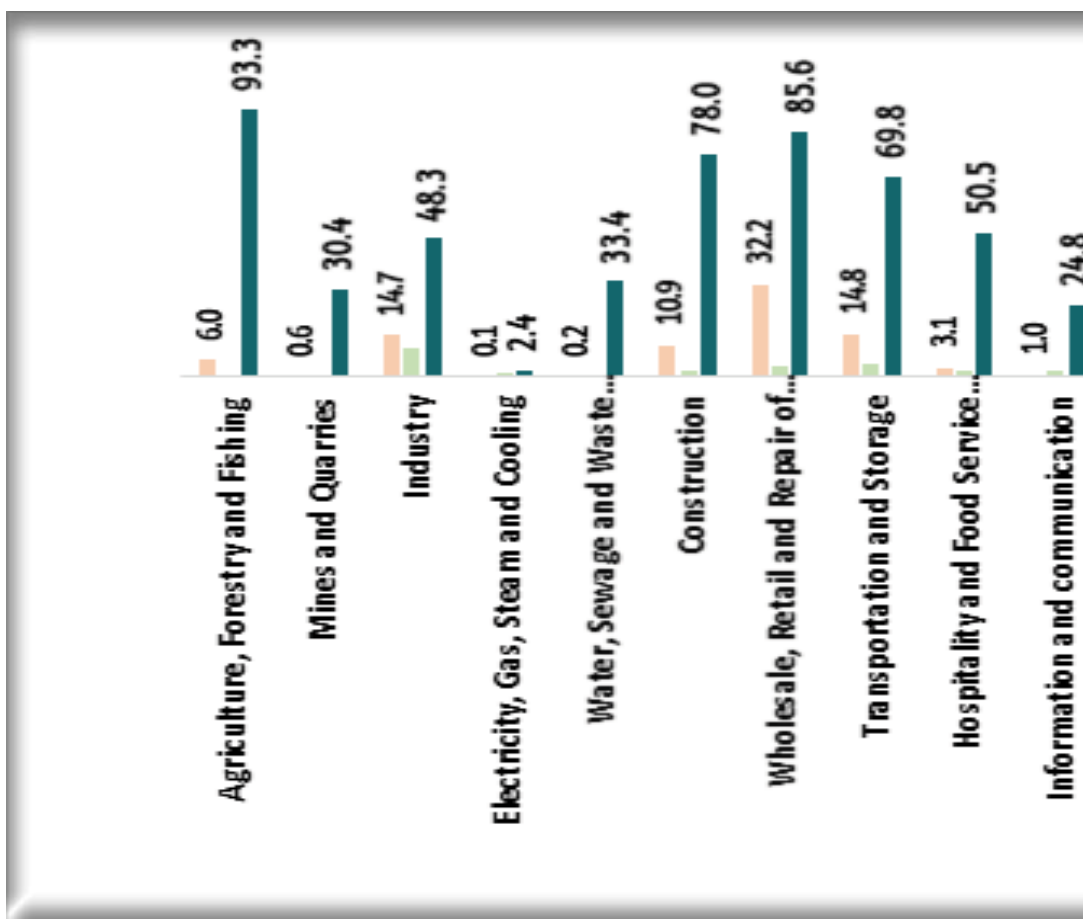
27 Mousa Subeihi, Spokesperson for SSC: shorturl.at/myzRX

with the Economic and Social Forum in 2020. The study sought to estimate the size of the informal economy in Jordan using tracer surveys in the labour market. At the time, it was estimated that informal workers represent 44% of the total workforce. 26% of whom work in the private sector, 17% are self-employed and 1% work in Home-Based Businesses without pay. Females represent 27% of informal workers, compared to 48% males. As for informal females in the private sector, they represent 17% compared to 28% males.²⁸

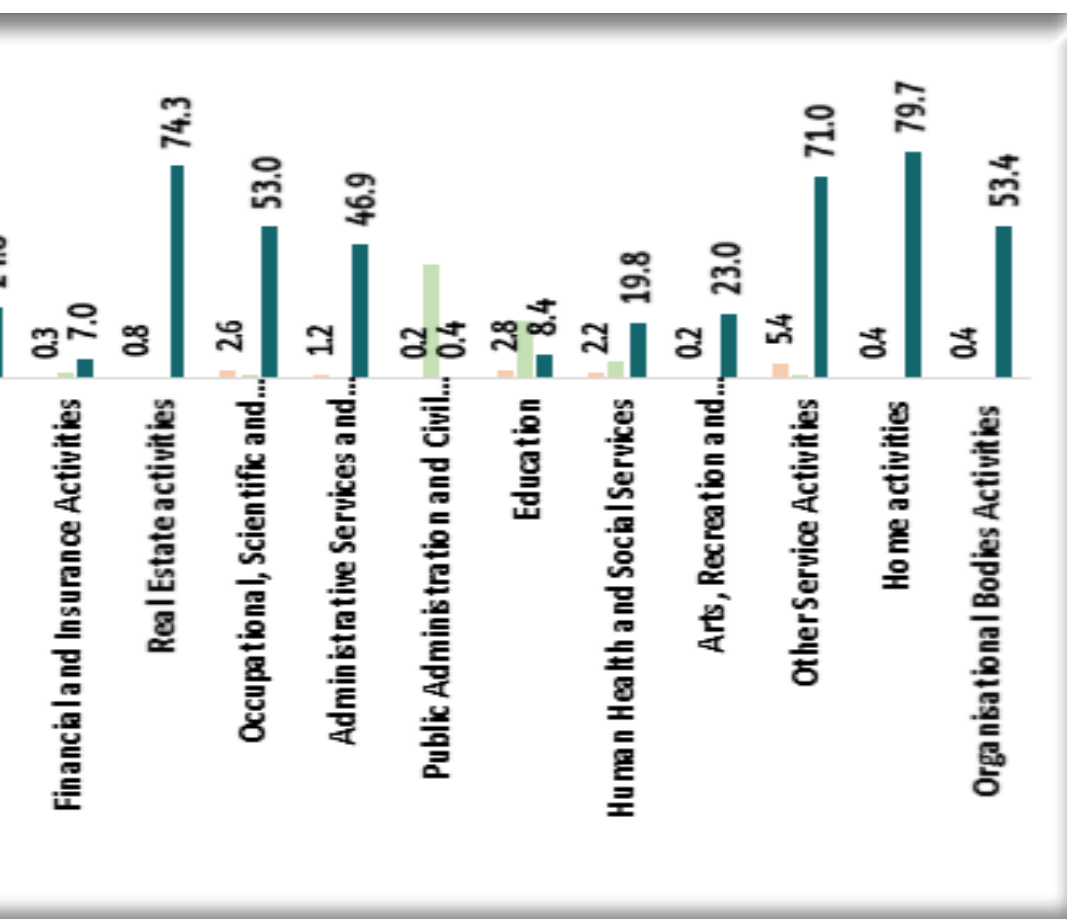


The majority of informal workers are employed in the sectors of services, sales, crafts. Workers in these professions represent 72.2%, while those working in the agriculture sector or essential professions represent 4.6% and 5.9%, respectively. Meanwhile, administrative, specialists and technicians constitute 18%.²⁹

Informal employment is concentrated in four main sectors that constitute 72.6% of the total informal workforce. They are distributed as follows: the wholesale and retail trade and vehicle repair sector (32.2%), the industrial sector (14.7%), the transport and storage sector (14.8%), and the construction sector (10.9%). Informal employment in the agricultural sector was at 6%.



Male informal workers are mostly found in the informal private sector. They are distributed across sectors as follows: wholesale and retail (32.4%), and the industrial sector (19.4%). These sectors are followed by the transport and storage sector, as well as the construction sector. Meanwhile, female workers work in 8 main sectors: health, social services, agriculture, education, wholesale and retail, beauty, entertainment and manufacturing. The highest percentages of female workers were for workers in human health and social services at 17%, agriculture at 16.4% and education at 16.1%.

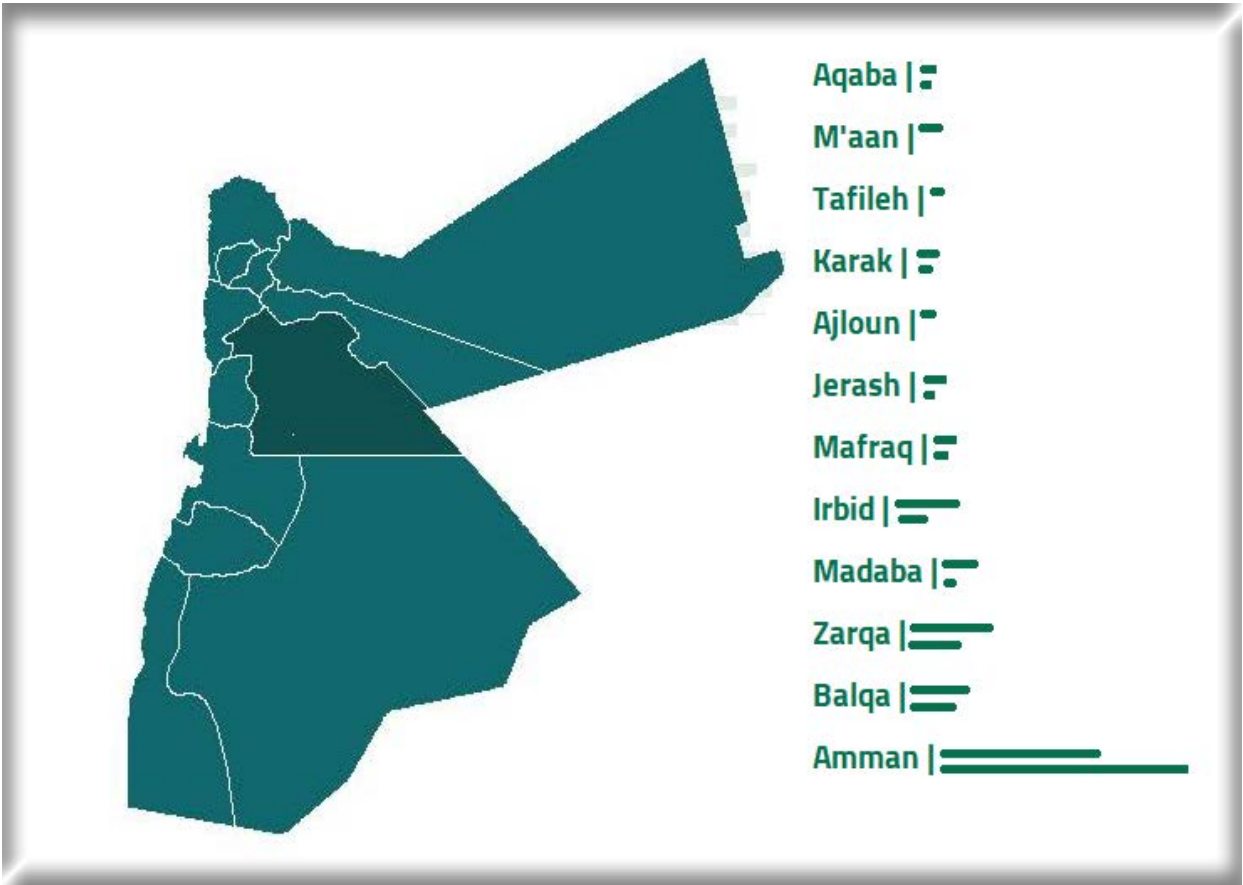


The highest percentage of informal workers was found in small private sector enterprises that employ 1-5 workers, who constituted 92% of the workforce. They were followed by enterprises that employ 5-9 workers at 68%. The percentage of informal workers employed in companies that has 100 employees or less did not exceed 10%.³⁰ Thus, it was noted that the smaller the enterprise was, the higher the percentage of informal workers.

Micro and small enterprises significantly contribute to the informal economy. The extent of the contribution is based on their economic activity, the size of these enterprises, and their production and operation level. Accordingly, the activity of wholesale and retail contributed about 30% into the informal economy. It was followed by transformative industries, storage and transportation, and construction at 18.6%, 11.7% and 11.1% respectively. Meanwhile, the contribution of this economy to other economic activities such as providing electricity, gas, water and sewage, waste management, arts and promotion decreased to 0.1%, 2% and 0.3% respectively.



One of the most prominent characteristics about enterprises in Jordan is that the majority of them are micro, small or medium sized. In 2010, 99.8% of registered institutions employed less than 250 workers. In terms of governorates, it was noted that neither Madaba, Ajloun, Karak, Maan or Tafieleh had any companies that hired more than 250 employees. On the other hand, the Capital was the governorate that had the most companies that hired 250 people or more, as 73.6% of these companies are located in it. Amman is also where 45% of companies which employs 250 people or less are located. Amman was followed by Irbid and Zarqa.



Real estate Activities



0.4%
1.7%

Mining and Quarries



0.9%
0.1%

Professional, scientific and technical activities



1.3%
3.6%

Manufacturing industries



18.6%
14.3%

Administrative and support services



0.9%
0.6%

Gas and electricity



0.1%
0.0%

Public administration and civil defense



0.4%
0.0%

Water, sewage, waste



0.2%
0.0%

Education



3.9%
1.5%

Buliding



11.1%
0.8%

The Human Health



2.6%
3.4%

Wholesale and retail trade



30%
5.7%

Arts and entertainment



0.3%
0.7%

Transportation and storage



11.7%
0.8%

الأنشطة الخدمية الأخرى



0.5%
2%

الضيافة وخدمات الطعام



3.6%
6.2%

النشاطات المنزلية



0.8%
6.2%

المعلومات والاتصالات



1.4%
0.6%

المنظمات الأجنبية



0.7%
0.0%

التمويل والتأمين



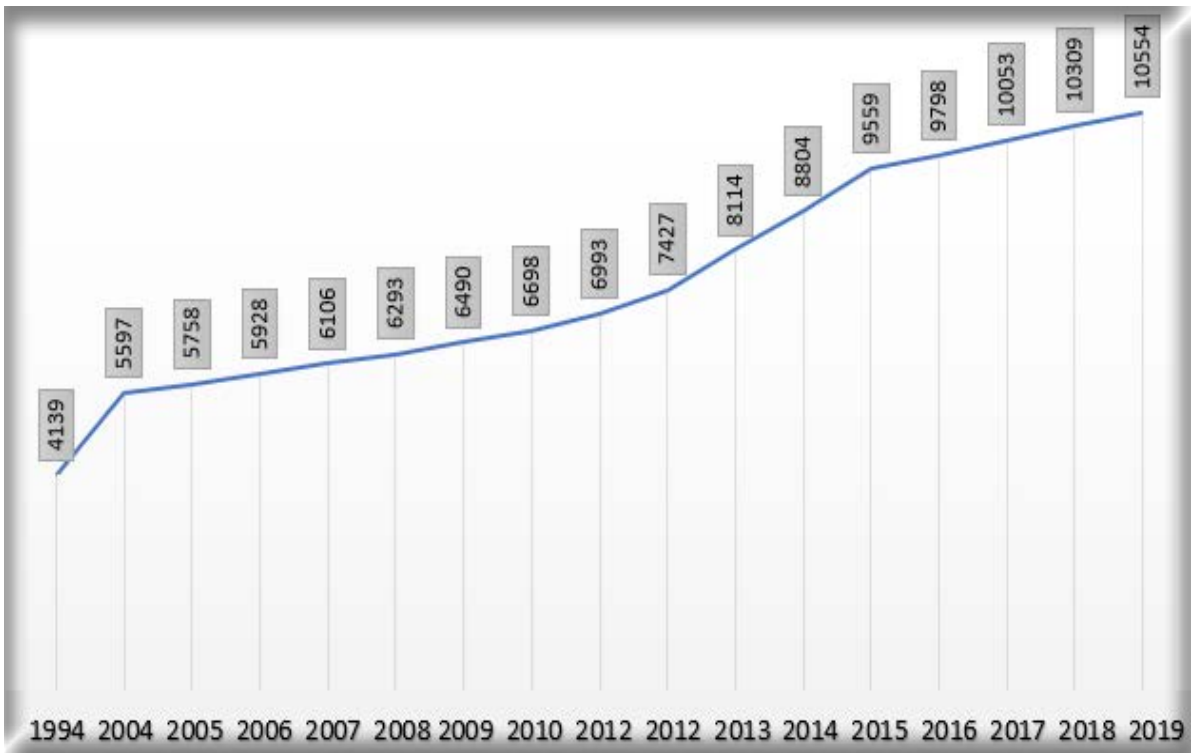
0.4%
0.3%

Second: Contributing Factors to the Informal Economy

Demographic Factors

The population of Jordan increased to reach 10,554 million people at the end of 2019.³¹ According to the figures of the Department of Statistics, the majority of population are youth or young people. People who are under the age of 14 constitute 34.4%, while youth between the ages 15-24-years-old constitute 19.8%.

The graph below shows the increase in the annual population growth rate over the past quarter century (1994-2019):



The Jordanian economy faces a new challenge due to the high population rates in Jordan. The increase resulted in more people entering the job market, coupled with a slow rate of economic

31 Department of Statistics, 2019 in Statistics at: http://dosweb.dos.gov.jo/DataBank/Population_Estimares/PopulationEstimates.pdf

growth that cannot generate sufficient job opportunities to absorb these numbers in the formal economy. As a result, the 19.8% of youth looking for jobs are unable to find jobs, and the unemployment rate continues to increase.³²

Subsequently, unemployment rates are expected to double in the coming years. These rates are affected by the current economic downturn, and the lack of any new investments that create new job opportunities. Among youth, the unemployment rate is the highest, especially among the categories between 15-19 and 20-24. Currently, the percentages are at 48.3% and 39.7%, respectively.³³

Decline in economic growth rates and high unemployment

As seen above, unemployment rates are still on the rise among Jordanians. Indeed, the latest figures released at the end of the first quarter of 2020 showed that it reached an unprecedented level of 19.3%. At the same time, economic participation rates are very low, especially among females, reaching 14% in the same quarter. It was also noted that an increase was registered in unemployment levels among university graduates (Bachelors or Highers), as it reached 22.1%.³⁴

In light of these numbers, women sought to enter the labour market, even if these opportunities were found in informal Economy. Thus, women facing the continuous rise in prices and the high cost of living began working in the sectors of: agriculture, secretariat, teachers in private schools, beauty salons, shops, as well as those who decided to start their own micro and small enterprises.

On the other hand, there is a clear correlation between low economic growth rates and high unemployment rates. Therefore, any decrease recorded in economic growth leads to a similar decrease in

32 Department of Statistics

33 Ibid

34 Ibid

employment rates; and in turn leads to higher unemployment rates. Generally, these indicators and slow economic reforms make it difficult for the economy to recover. In turn, this creates another challenge for young people and their aspirations, which will lead to the expansion in the informal Economy. The youth would then either become unemployed or migrate. Even though the informal Economy is known to have a growing ability for operating and providing sources of income for individuals and families, it might ultimately lack the sufficient capacity to absorb the growing numbers of job seekers.

Thus, the main challenge faced by Jordan is stimulating economic growth in a strong and sustainable manner. In turn, this would contribute to the creation of new jobs in the formal Economy and address the growing challenge of unemployment. It is also important to direct the attention of influential stakeholders to specific areas where unemployment is concentrated, as well as the age group where this issue is most prevalent and their level of education.

Economic Reform Policies

Looking at the global indicators related to the efficiency of product and the stability of the macroeconomic environment in Jordan, it is clear that the environment is very weak. This was confirmed in the Global Competitiveness Report where Jordan scored (60.9) points and ranked (70) out of (141) countries. This means that the kingdom's rate is less than the global average of 61 points.³⁵ Consequently, companies operating in the private sector will not be able to conduct their business efficiently due to the inflation. The economy then cannot grow in a sustainable manner, as its environment remains unstable.

35 World Economic Forum, The Global Competitiveness Report, 2019
Found at: http://www3.weforum.org/docs/WEF_TheGlobalCompetitivenessReport2019.pdf

The report is based on a number of indicators and has 110 variables. Two-thirds of these variables were identified through an “opinion poll” of executives, which is a survey of a representative sample of business leaders in 142 countries. The last third of them came from publicly available sources, such as the United Nations, the International Monetary Fund, and the World Bank.

The variables are categorized into 12 pillars; each one represents an important specific area of competitiveness. These pillars are:

1. Institutions,
2. Infrastructure,
3. Stable Macroeconomic Framework,
4. Good Health and Primary Education,
5. Higher Education and Training,
6. ICT Adoption
7. Product Market
8. Labour Market
9. Financial System
10. Market size
11. Business Dynamics
12. Innovative Capability

Jordan scored 46th in institutions, 74th in infrastructure, 82nd in ICT Adaption, 45th in Health, 58th in Skills, 61st in Product Market, 84th in Labour Market, 33rd in Financial System, 80th in Market size, 88th in Business Dynamics and 64th in Innovative Capability.

The above indicators show that there is a clear relationship between the weakness in the indicators of the Labour Market, Product Market, and Business Dynamics on one hand and the expansion of the informal Economy on the other. Thus, the bigger the size of the informal Economy, these indicators would decline further. The reasons behind that are connected to the nature of the Economy itself. It is characterised as tax evasive; the cost of establishing a business in it is low; the movement between economic activities and

provision of goods and products that meet the needs of the market at low prices is flexible. Combined, these characteristics negatively impact the economy. In turn, this leads to inaccurate indicators and databases that do not reflect the reality of the kingdom's economic potential. Ultimately, this leads to a misallocation of economic resources and national product.

The conditions related to starting a business are also considered as a factor in the expansion of the informal Economy. These conditions include: the increase in taxes from time; the increase in energy costs; or imposing restrictions in order to regulate the practice of certain businesses or to ensure levels of safety or adequate standards of living are applied. Due to these measures, many businesses are prompted to avoid these set taxes and restrictions, while others transition to the informal Economy.

The 2019 Doing Business Report ranked Jordan in the 75th place out of 190 countries. It also acknowledged the Jordanian economy as one of 10 economies that improved the most on the ease of doing business after implementing regulatory reforms. These reforms led to Jordan being chosen as one of 3 best Arab countries to improve their business climate. Therefore, Jordan's ranking jumped an unprecedented 29 places from the 103rd place in 2018 to 75th in 2019.³⁶

The report relied on several criteria for evaluating performance. Jordan ranked 120 in starting a business, scoring 84.5 points out of 100. It was 138th in terms of dealing with construction permits with 60.3 points. It was 69th in getting electricity, scoring 80.5 points, and 78th in registration of property with 66.4 points.

36 World Bank Group, Doing Business, 2020. Found at: <https://openknowledge.worldbank.org/bitstream/handle/10986/32436/9781464814402.pdf?sequence=24&isAllowed=y>

Jordan also ranked 4th globally in getting credit, with 95 points out of 100. The kingdom ranked 105th in protecting minority investors with 50 points, and 62nd in paying taxes and 78.7 points. Other criteria included trading across borders, where Jordan ranked 75th with 79 points, 110th in terms of enforcing contracts with 55.6 points, and finally 112nd in resolving insolvency with 39.7 points.³⁷

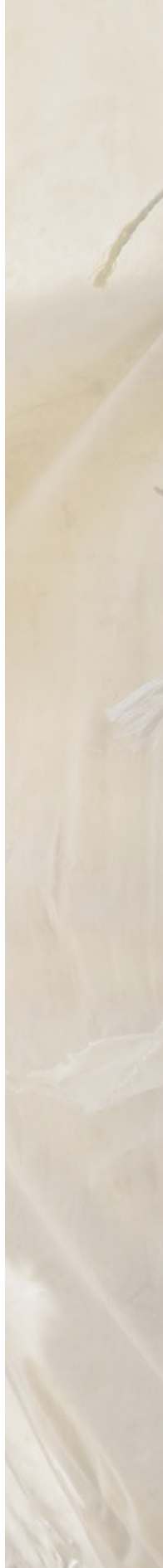
Despite these positive indicators, Jordan's economy still faces structural challenges. They comprise: the large size and inefficiency of the public sector; non-competitive business environments; and high unemployment rates among youth and women.





The Third Chapter

Survey Results



The International Labour Conference (ILC) defined the Informal Economy as referring to “all economic activities by workers and economic units that are – in law or in practice – not covered or insufficiently covered by formal arrangements. The definition thus encompasses both informal enterprises and informal workers.

These informal entities have been characterised as not adhering to the laws regulating registration, taxes, social insurances or labour. Workers in these entities usually receive low wages, lack job security, work for long hours and are subjected to discriminatory behaviour. These workers are also not subscribed under the umbrella of SSC, and are working in working conditions that lack proper occupational safety and health tools.

This chapter will look at the results of the survey that targeted these workers and look at the characteristics of these workers. It will look at the demographic information of the study sample in terms of their gender, the sector where they work and in which governorate of those that were selected to be included in the study.

Objective and Methodology of the Survey

The Field Survey aims to identify the indicators that will later be analysed concerning the labour conditions of informal workers. The first section of the survey which will be looked at in this chapter will look at the demographic information of the sample in terms of: gender, nationality, governorate and economic sector where they are employed.

To achieve the objectives of this survey, the sample was divided into 4 groups, each one focused on one type of informal work as defined by the International Conference of Labour Statistics Experts in their 17th session:

Employers who employ workers in informal enterprises: They usually work in crafts or in the construction sector; or own enterprises that employ a limited number of workers, usually less than 5.

Employers who work individually or independently without workers: Their activities mostly concentrated in small workshops or in small contractual projects.

Informal workers in formal Enterprises: They are deprived of their labour rights like: paid annual vacations or sick leaves; social security, health insurance, among others

Workers in Informal Enterprises: They work in small enterprises for low wages that are far below their counterparts in the formal sector. They are also deprived of their labour rights and are not included under any social protection scheme. These workers are divided into 2 groups:

- Workers in the low productive service professions: street vendors, porters, or stall sellers
- Workers in highly productive service professions: mechanics, electricians, construction workers, carpenters, blacksmiths.

Workers in Home Based Businesses (HBBs) and members or unorganised productive cooperatives were excluded from the survey as field researchers found a number of challenges reaching them. It was also difficult to distinguish between those that were working in these cooperatives as members of a civil society or as workers. As for HBBs, it was noted that some of them only targeted specific families or acquaintances, while others had a broader target audience in the market.

The most important data that will be provided and shall be below analysed are as follows:

- Data on the social, demographic and occupational characteristics of workers in terms of: gender, age, level of education, marital status, place of residence. This aspect of the data will be analysed in this chapter
- Data on their working conditions: occupation, place of work, wage level, working hours, working conditions and the labour rights and social protection that are available to the worker. This data will be analysed in the next chapter.

Survey Sample

The survey sample consisted of 710 individuals. It included male and female Jordanian, refugee and migrant workers in 7 governorates working in 3 sectors. The sample was then divided into 3 sub-groups: the first one based on their type of informal work; the second on the sector where they work and the third based on the governorate.

It should be noted that individuals who were either employers but had no employees or those that were working independently were classified as belonging under the same group as they shared the same characteristics and were thus difficult to separate. Below is the table showing the sample based on the 3 subgroups:

Table 1: Distribution of the individuals according to their informal work patterns, sector, and governorate

Governorate	Employer (who has workers) in the informal economy			Worker in informal enterprise or project			Worker in formal enterprise or project			Self-employed			Total
	Constructions	Services	Agriculture	Constructions	Services	Agriculture	Constructions	Services	Agriculture	Constructions	Services	Agriculture	
Irbid	12	3	4	27	21	24	2	15	0	4	3	3	118
Balqa	0	0	0	10	2	59	6	3	3	0	0	0	83
Zarqa	8	1	0	18	5	18	7	16	12	3	1	25	114
Mafraq	0	0	0	26	10	36	1	24	0	1	3	4	105
Jerash	4	3	0	12	12	12	0	4	0	11	8	3	69
Ajloun	0	0	0	2	0	0	0	0	0	2	0	0	4
Amman	30	10	0	70	15	1	11	24	0	34	18	4	217
Total	54	17	4	165	65	150	27	86	15	55	33	39	710

Study Tool

A questionnaire was designed that consisted of main and subsidiary questions that cover the aspects that the study wanted to cover. The questions were formulated to be open, without setting options to facilitate more discussions with the individuals and elicit more sub-questions. The process was selected to obtain detailed information and data about the reality of informal workers and the extent to which they received their labour rights.

The study questionnaire contained the following aspects:

- Data related to their socio-demographic status and labour: It included their place of residence, nationality, educational qualification, age and sector.
- Data related to their work and labour rights, including: working hours (such as official working hours, overtime); vacations; wages and deductions; violations in the workplace such as restricting freedoms, withholding official documents, discrimination, threats to workers, physical or sexual assaults;

work permits for migrants and refugees, and preventive or social protection services that are provided to them.

Data Collection

- 1.22 specialized researchers were assigned and distributed to the targeted governorates. These researchers were first introduced to the research objectives, the definitions related to the informal Economy, the selection criteria for the sample and the data that shall be gathered.
2. The questionnaire was then given to the researchers who conducted the field survey in accordance with the specified framework. The researchers then interviewed the individuals in their places of gathering and workplaces in their respective governorates.
3. Conduct sessions with workers in targeted sectors, where the researchers facilitated the conversation through the questions in the form. The data was then filled into the electronic forms that were designed for this purpose and was then submitted to the team.
4. The team then followed up with the field team and asked questions on the reports that were submitted

The following challenges were noted during the survey

- Difficulties related to the curfew that was imposed in Jordan due to the novel Coronavirus pandemic, which made it difficult to reach beneficiaries.
- Technical difficulties arising from the complexities of the Informal Economy, as it has different definitions and types. As a result, some researchers found it difficult to differentiate whether the interviewed worker was indeed informal or not.
- Difficulties related to the nature of the required data. Some of the sample showed caution in answering some questions, as

a result of workers' fear of giving truthful information about their exposure to violations, or delay in wages. Others provided general information, which made researchers seek to ask follow up questions or write answers that were received indirectly

- Other difficulties related to traditions and the extent of which workers accepted to participate in sessions or respond to questions. Moreover, the similarity of work conditions for most workers in the targeted sectors is reflected in the results related to working conditions, either positively or negatively.

The Results

Essential Data for the Sample

- Distribution according to types of informal employment, sector, occupations and gender:

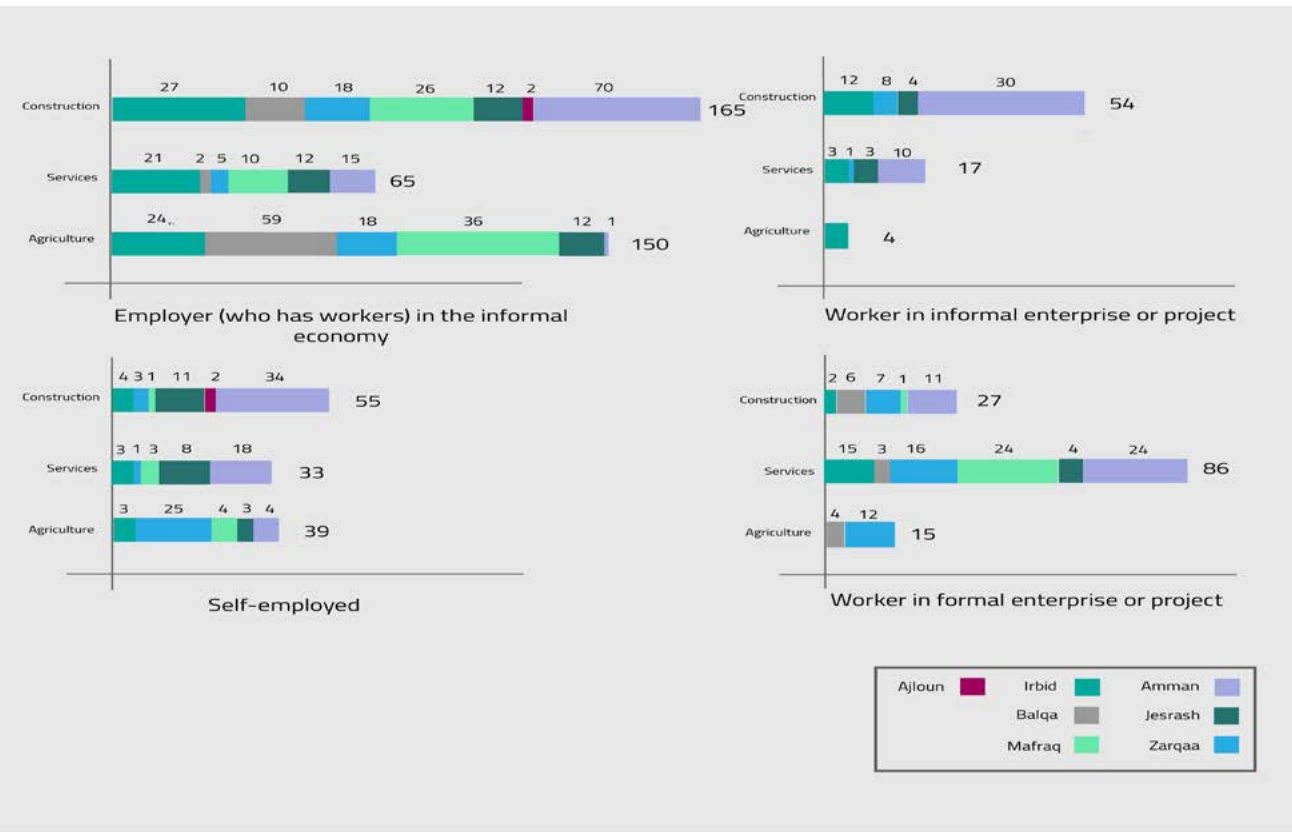
Distribution of the total sample according to informal employment patterns, sector and gender

The data showed that the number of males included in the sample was higher than females, as 79% of those that were included are males. The reason behind these numbers is that all those who work in construction that were included, who make up 310 individuals are males since no females work in the sector. Another factor is that the rate of males who work informally in the agriculture and service sectors is higher than females. The data is also consistent with official data that shows that low rate of female participation in the labour market and the high unemployment rate among them.

It was also noted that the percentage of males that were recorded compared to females in the sample in the various governments was as follows: In the Capital (89.9% males, 10.1% females), Zarqa (70.2% males, 29.8% females), Balqa (55.4% males, 44.6% females), Irbid (84.7% males, 15.3% females), Mafraq (74.3% males, 25.7% females), Jarash (84.1% males, 15.9% females), and Ajloun (100.0% males, 0.0% females).

As for the patterns of employment, the graph below shows that the percentage of females working informally in formal enterprises reached (28.1%) compared to males. This is the highest percentage if compared with females in other types of employment; as 21.1% of them were working in an informal enterprise, and 18.1% were self-employed. The lowest percentage was recorded for employers with employees which was 13.3%. Researchers noted that this particular category was harder to reach compared to the others as they did not want to join sessions or respond to questions asked by the researchers.

Figure: Distribution of the Sample based on their informal employment pattern



As for the professions of the sample, it was noted that highest percentage for male employers with workers was for those working as contractors, construction, plastering and tiles, which was 56%. As for female employers with workers, the highest percentage was for

those who run beauty salons, who accounted for 50% of that total. As for males, the highest was for workers in construction and tiles at 64.6%.

The highest percentage for those who are self-employed and did not have any workers was for those working in construction and tiles at 33.1%. It was followed by agriculture workers at 30.7%. Among females, the highest percentage was for agriculture workers at 56.6%, followed by sewers at 26.1%. As for males, the highest was for workers in construction and tiles at 40.4%, followed by agricultural workers at 25% and those working in sales at 17.3%.

The highest percentage of females working in an informal enterprise was for those working in the agriculture sector at 82.5%, followed by those working in beauty salons at 6.3%. On the other hand, the highest percentage of males was among those working in the construction sector at 35.3%, followed by agricultural workers at 28% and finally sales workers and those working as painters or in-home decor, at 7% for each.

The highest percentage of females working informally in formal enterprises was for workers in beauty salons at 22.2%, followed by agriculture workers and sales at 13.9% for each. As for males, the highest percentage was for sales workers at 30.4%, followed by construction workers at 14.1% and agriculture at 10.9%.

In general, female and male employers and self-employed workers were concentrated in specific professions in the construction sector and sales, as they represented 74.3% of the total.

It was also noted that the majority of the sample did not see the need to register their enterprises due to its small size and low profits. Indeed, the unregistered enterprises that were included in the sample were concentrated in the sectors of agriculture and construction, as well as those working in sales, beauty and restaurants. These enterprises constituted 74.4% of the sample.

Table 2: Workers according to informal employment patterns, professions and gender

Employment pattern	Employer (who has workers) in the informal sector			Worker in an Informal enterprise or project			Worker in a formal enterprise or project			Self-employed no) (worker
	Females	Males	sum	Females	Males	sum	Females	Males	sum	Females
Major occupations										
Agriculture sector ((owner / worker	20	4.6	6.7	82.5	28	39.5	13.9	10.9	11.7	56.5
Service sector (owner / worker in restaurant, coffee shop	0	0	0	1.3	3.7	3.2	2.8	8.7	7	0
Service sector (owner / worker in printing	0	3.1	2.7	0	0.3	0.3	0	1.1	0.8	0
Services sector (owner / worker in productive kitchens	0	0	0	1.3	0	0.3	2.8	0	0.8	17.4
Service sector (owner / worker in sewing	10	3.1	4	2.5	0.7	1.1	5.6	3.3	3.9	26.1
Services sector (owner / worker in Arab (sweets shop	0	3.1	2.7	0	0	0	0	0	0	0
Service sector (owner / worker in beauty (salons	50	0	6.7	6.3	1.3	2.4	22.2	2.2	7.8	0

Service sector (owner / worker selling in a store, food supplies, clothes, medicines, building materials, mobile devices, artificial flowers, library, accessories, toys, (street vendor	20	3.1	5.3	0	7	5.5	13.9	30.4	25.8	0
The service sector (worker, teacher, nursery school, association, center for people with special (needs, trainer	0	0	0	3.8	1	1.6	27.8	1.1	8.6	0
Services sector (worker, project accountant, clerk, medical clinic, security and protection	0	0	0	0	0	0	8.3	2.2	3.9	0
Service sector (factory worker, cleaner	0	0	0	2.5	1.7	1.8	2.8	7.6	6.3	0
Construction sector (contractor / worker, house painting, decorations	0	6.2	5.3	0	7	5.5	0	0	0	0
Construction sector (contractor / worker, plumbing or electrical (installations	0	7.7	6.7	0	4.3	3.4	0	0	0	0
Construction sector (contractor / worker, builder, plasterer, (tiles	0	64.6	56	0	35.3	27.9	0	14.1	10.2	0

Construction sector (owner / worker in a factory, carpentry, blacksmithing, aluminium, furniture	0	0	0	0	5.7	4.5	0	5.4	3.9	0
Construction sector (owner / worker in a factory, bricks, tiles, stone, sand blasting, decorations, crushers (and quarries	0	4.6	4	0	2.7	2.1	0	8.7	6.3	0
Other occupations (worker, shoe repairer, driver, party organizer, mechanic, (solar heaters	0	0	0	0	1.3	1.1	0	4.3	3.1	0
Total	100	100	100	100	100	100	100	100	100	100

- **Distribution based on type of employment, sector and nationality**

In terms of nationality, the sample was distributed as follows: Jordanians constituted 46.1% of workers, 34.6% females and 65.4% males. They were followed by Syrians at 32.8%, 14.2% females and 85.8% males; and Egyptians at 20%, 2.1% females and 97.9% males. The other nationalities constituted only 1.1% of the sample. The below table illustrates the distribution of the sample based on nationality, governorate and sector.

Table 3: Distribution based on nationality, governorate and sector

Governorate	Irbid			Balqa			Zarqa			Mafraq		
Nationality	Constructions	Services	Agriculture	Constructions	Services	Agriculture	Constructions	Services	Agriculture	Constructions	Services	Agriculture
Jordanian	31.1	69	58.1	37.5	100	82.3	47.2	90.9	57.1	17.9	48.6	30
Syrian	20	26.2	25.8	18.8	0	12.9	22.2	4.5	14.3	46.4	37.8	42.5
Egyptian	46.7	0	16.1	43.8	0	4.8	30.6	4.5	28.6	35.7	5.4	27.5
Other nationalities	2.2	4.8	0	0	0	0	0	0	0	0	8.1	0
Total	100	100	100	100	100	100	100	100	100	100	100	100
Governorate	Jerash			Ajloun			Oman			Total		
Nationality	Constructions	Services	Agriculture	Constructions	Services	Agriculture	Constructions	Services	Agriculture	Constructions	Services	Agriculture
Jordanian	14.8	70.4	6.7	0	0	0	29.7	46.3	40	29.6	61	55.5
Syrian	66.7	25.9	73.3	100	0	0	42.1	47.8	0	38.5	32.5	24.9
Egyptian	18.5	0	20	0	0	0	28.3	4.5	60	31.6	3	19.6
Other nationalities	0	3.7	0	0	0	0	0	1.5	0	0.3	3.5	0
Total	100	100	100	100	0	0	100	100	100	100	100	100

Jordanians working in the service sector constituted 37.3% of the sample, followed by 35.5% working in the agriculture sector and 27.2% in the construction sector. 49.8% of Syrians were working in the construction sector, followed by the service sector at 27.9% and agriculture at 22.3%. Egyptians were similar as 66.9% were in the construction sector, followed by the agriculture at 28.9%, while their percentage in the service sector was low compared to the other nationalities at 4.2%. The reason behind the decline is related to the types of opportunities offered to Egyptians following a series of official instructions and decisions that limited the number of open sectors where non-Jordanians can work. Even though Syrians face similar issues as well, they have been offered a number of facilitations following the Jordan Compact that was agreed upon in London in 2016. As a result, the government allowed Syrians to issue flexible work permits in the sectors of construction and agriculture, increasing their numbers in these sectors.

An analysis of the data compiled during the survey shows that Jordanian employers seem to prefer working in the construction sector, as they constituted 56.8% of the sample. These employers mostly work as contractors or in industrial workshops that specialise in a specific material, either brick, stone, marble, tiles or quarries. 35.1% of employers were in the service sector as they owned small shops like markets, printers, sweets, beauty salons or sewers. Meanwhile, the lowest percentage was in the agriculture sector at 8.1%, which shows that Jordanians are reluctant to work in the sector due to the numerous challenges it faces.

Similarly, Most Syrian employers are also found in the construction sector at 84.6%, while their investments in the service and agriculture sectors are less, at 11.5% and 3.8% respectively. As for Egyptians, they also continue the trend as they all work in the construction sector.

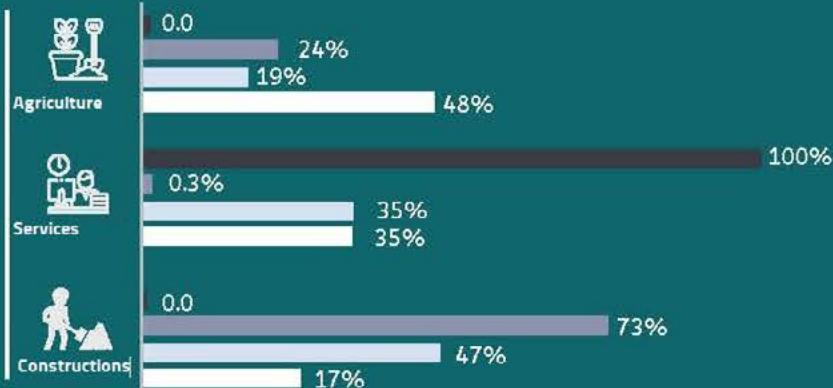
Graph: Distribution based on Sector and Nationality

As for workers in informal enterprises, the majority of Jordanians are working in the 3 sectors as follow: 49.1% in agriculture, 28.4% in construction and 22.5% in services. As for Syrians and Egyptians, they were at 51.1% and 65.3% respectively in construction; 31.3% and 34.7% in agriculture, while 17.6% of Syrians worked in service, and no Egyptians were found among the sample working in it.

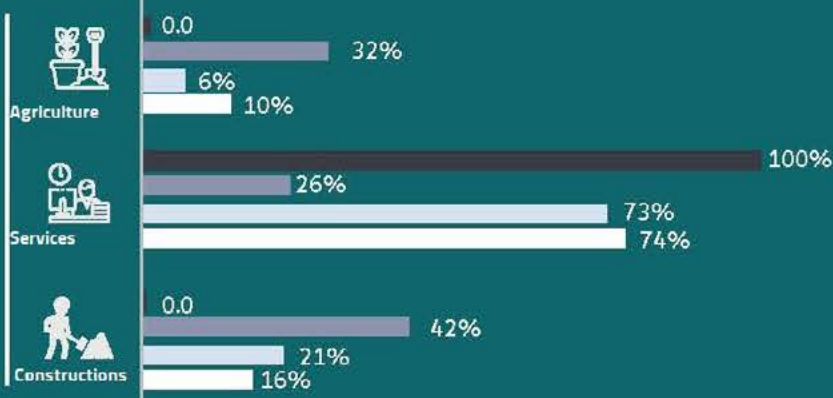
Informal Jordanian and Syrian workers in formal enterprises are mostly found in the service sector, at 74.3% and 72.7% respectively, while for Egyptians it was at 26.3%. The highest number of that category among Egyptians was in the construction sector at 42.1% followed by agriculture at 31.6%. The sector where the second highest number of Syrians was found is in construction at 21.2% and agriculture at 6.1%. As for Jordanians, the second highest sector was construction at 16.2% and agriculture at 9.5%.

As for the self-employed workers, the numbers fluctuate among nationalities and the 3 sectors. In the service sector, Jordanians represented 34.8% of the sample, while Syrians were at 34.9%, but it was much lower for Egyptians at 2.7%. In contrast, Egyptians were the highest in construction at 73%, while Syrians constituted 36.5% and Jordanians were the lowest at 17.4%. On the other hand, Jordanians were the highest in the agriculture sector at 47.8%, compared to 24.3% Egyptians and 18.6% for Syrian workers.

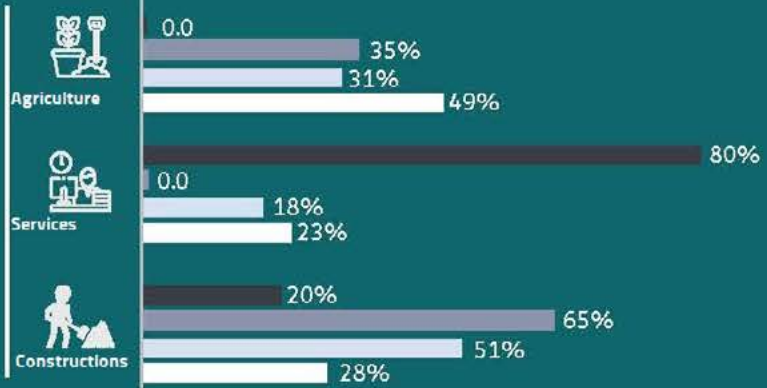
Self-employed



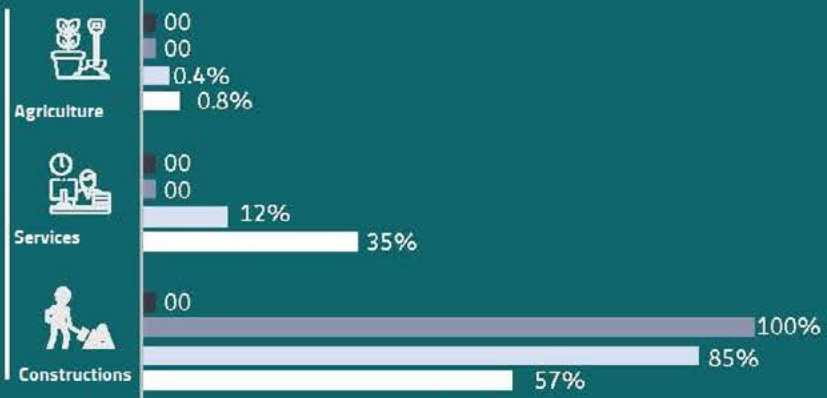
Work in an organized sector



Work in the unorganized sector



Owner Work



- **Distribution based on types of employment, sector, age group, nationality, gender and professions**

The informal workers whose age was between (25-34) constituted 41.6% of the sample. Those whose age ranged between (44-53) constituted 28.9%, while those whose age was between (15-24) were the low at 19.2%. The majority of the latter work in the service sector. The lowest group consisted of those whose age was 45 or older at 10.4%, since they cannot cope with the physical effort required by the work.

Distribution by sector and age group



As for employers and self-employed workers in informal enterprises, it was noted that their ages mostly ranged between (25-39). Meanwhile, the youth constituted the lowest percentage in this category at 17.3% for employers and 13.4% for self-employed. On the other hand, it was noted that the percentage of youth working in informal enterprises was high at 25%, while 19.5% of them were working informally as well.

Table 4: Distribution based on type of informal employment, sector and age group

Employment pattern	Employer (who has workers) in the informal economy			Worker in an informal enterprise or project			A worker in a formal enterprise or project			Self-employed		
	Constructions	Services	Agriculture	Constructions	Services	Agriculture	Constructions	Services	Agriculture	Constructions	Services	Agriculture
Age												
15-19	0	5.9	0	1.8	13.8	4	3.7	5.8	13.3	1.8	6.1	10.3
20-24	11.1	29.4	25	13.3	24.6	12	0	27.9	0	1.8	21.2	5.1
25-29	22.2	41.2	0	26.7	35.4	17.3	25.9	26.7	20	20	12.1	15.4
30-34	14.8	17.6	0	27.3	12.3	16	7.4	15.1	33.3	18.2	12.1	17.9
35-39	25.9	5.9	50	13.9	9.2	18.7	22.2	12.8	20	27.3	18.2	25.6
40-44	16.7	0	25	7.9	4.6	16	18.5	3.5	6.7	18.2	18.2	12.8
45-49	5.6	0	0	5.5	0	12	18.5	4.7	0	9.1	6.1	7.7
50+	3.7	0	0	3.6	0	4	3.7	3.5	6.7	3.6	6.1	5.1
Total	100	100	100	100	100	100	100	100	100	100	100	100

Table 5: Distribution based on occupations, nationality, gender and age group

Age group	15-24						25-44						45+					
Nationality occupations	Jordanian		Syrian		Egyptian		Jordanian		Syrian		Egyptian		Jordanian		Syrian		Egyptian	
Gender	Females	Males	Female	Males	Females	Males	Females	Males	Females	Males	Females	Males	Females	Males	Females	Males	Females	Males
Service sector (owner / worker, beauty (salons)	40	0	0	4.3	0	25	11	1.4	5	0	0	0	0	0	0	0	0	0
Services sector (owner / sales worker in a (store)	25	27.6	0	28.3	0	0	2.4	15.9	0	6.1	0	2.5	0	22.2	0	0	0	6.3
Service sector (owner / worker, printing)	0	6.9	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Service sector (owner / worker, sewing)	0	1.7	28.6	0	0	0	4.9	1.4	15	2.3	0	0	0	0	33.3	0	0	0
Service sector (owner / worker, restaurant, (coffee shop)	0	0	14.3	17.4	0	0	1.2	5.1	0	0.8	0	0	0	0	0	0	0	6.3
Services sector (owner / worker, production (kitchen shop)	5	0	0	0	0	0	2.4	0	15	0	0	0	0	0	0	0	0	0

Agriculture sector (owner / worker, (farmer	25	25.9	57.1	15.2	0	50	61	21.7	45	18.2	100	25.2	100	27.8	66.7	18.2	0	37.5
Construction sector (owner / worker in a factory, bricks, tiles, (... stone	0	1.7	0	0	0	0	0	5.8	0	1.5	0	3.4	0	11.1	0	4.5	0	6.3
Construction sector (owner / worker in a factory, carpentry, black- (... smithing	0	6.9	0	4.3	0	0	0	5.1	0	6.1	0	0.8	0	11.1	0	9.1	0	0
Construction sector (contractor / worker, builder, plasterer, (tiles	0	15.5	0	21.7	0	25	0	23.2	0	45.5	0	59.7	0	11.1	0	50	0	43.8
Construction sector (contractor / worker, house painting, deco- (rations	0	1.7	0	4.3	0	0	0	5.1	0	9.1	0	6.7	0	5.6	0	13.6	0	0
Construction sector (contractor / worker, plumbing	0	6.9	0	2.2	0	0	0	6.5	0	2.3	0	0.8	0	0	0	4.5	0	0

The service sector (worker, teacher, kindergarten ...)	0	1.7	0	0	0	0	11	1.4	20	1.5	0	0	0	0	0	0	0
Service sector (factory worker, cleaner)	0	3.4	0	2.2	0	0	3.7	3.6	0	3	0	0	0	0	0	0	0
Other occupations	5	0	0	0	0	0	2.4	3.6	0	3.8	0	0.8	0	11.1	0	0	0
Total	100	100	100	100	0	100	100	100	100	100	100	100	100	100	100	0	100

- **Distribution of the sample according to employment types, sector, educational qualification, and gender:**

The educational level of most informal workers in the sample falls within the level of (secondary and below), and they were distributed in the 3 sectors as follows: construction at 93.4%, agriculture at 94.7%, and services at 73.1%. It was noted that the lowest percentage was in the service sector compared with the other two because workers in that sector are required to at least have a diploma. The condition is especially applied for those who will work in certain professions, including: education, caring for children, food and drinks services, among others.

Table 6: Distribution based on types of informal employment, sector, and educational qualification

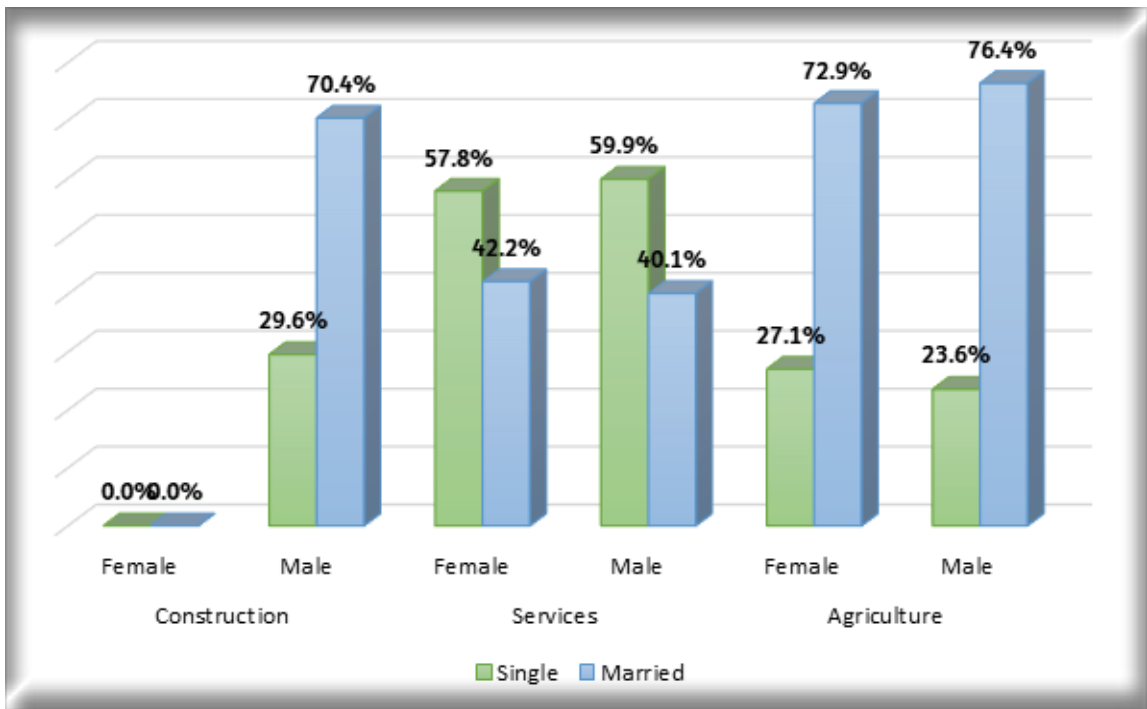
Employment pattern	Employer (who has workers) in the informal economy			Worker in an informal enterprise or project			Worker in a formal enterprise or project			Self-employed		
	Constructions	Services	Agriculture	Constructions	Services	Agriculture	Constructions	Services	Agriculture	Constructions	Services	Agriculture
Illiterate	3.7	0	25	1.8	0	8	3.7	2.3	0	1.8	0	10.3
Primary School	27.8	11.8	0	25.5	21.5	35.3	29.6	20.9	33.3	54.5	33.3	48.7
Junior High	24.1	23.5	25	25.5	15.4	21.3	25.9	8.1	26.7	29.1	12.1	7.7
High School	35.2	41.2	50	40.6	40	30.7	33.3	36	33.3	10.9	33.3	25.6
Diploma	5.6	0	0	3.6	6.2	2.7	3.7	9.3	6.7	3.6	3	7.7
Bachelor's degree or higher	3.7	23.5	0	3	16.9	2	3.7	23.3	0	0	18.2	0
Total	100	100	100	100	100	100	100	100	100	100	100	100

It was also noted that females working in the service sector who hold a high school diploma was at 62.5%, 37.5% of them hold a diploma or a higher degree. In comparison, males who hold a high school diploma constituted 78.1%, and 21.9% who hold a diploma or a higher degree. As for the agriculture sector, 100% of the females held either a high school diploma or were at a lower level, while males at the same level constituted 91%. In the construction sector, 93.4% of the males were also at the same level.

Distribution by Sector and Academic Qualification

- **Distribution based on employment patterns, sector, educational qualification and marital status**

Most of the sample were providing for their families. Yet, 22.2% of those who are married was less than 250 JODs, while 27.2% had unspecified wages, as will be fleshed out in the following chapter.





The Fourth Chapter

**Working conditions
in the Informal
Economy in the
Central and North
governorates**



The majority of workers work in the informal Economy are employed in occupations that require ordinary or simple skills, in a number of sectors. They include: construction, sales, agriculture beauty salons, accommodation and food activities, and sewing, among others.

This chapter will flesh out the types of violations that these workers are exposed to. The chapter is based on the analysis of the field survey that was conducted in the North and Central governorates in the Kingdom.

First: Working Hours, Overtime Work, Wages and Leaves

Working hours and overtime

Several small informal enterprises depend mainly on the employer's work in them. Others, especially those working in artisanal enterprises, resort to hiring staff for low wages. Meanwhile, agricultural or construction contractors hire a number of workers, though they could add additional temporary workers based on the requirements of the project.

Legally, the provision of the Labour Law applies on both formal and informal workers. The law regulates the working relationship in terms of working hours, overtime, wages, days off (weekly, annual and sick), as well as official and religious holidays though a number of articles. Article 56 of the law stipulates that:

“The ordinary working hours shall be eight hours per day provided that the total working hours do not exceed forty-eight hours per week over a maximum of six days whereby the time allocated for meals and rest shall not be calculated. The working hours should not exceed such (total) except in the cases provided for in this law.”

Article 60 states that employees should be provided “a weekly day of and with full pay, unless s/he is working on a daily or weekly basis whereby he shall be entitled, in both cases, to the weekly holiday pay if he works six successive days prior to the day fixed for the holiday. He shall be entitled, out of this wage, to a proportion of the days he worked during the week if they were three days or more.’

As for Article 61, it said that “every employee is entitled to a fourteen-day annual leave with full pay for every year of service, provided that the period of the annual leave shall become twenty-one days if he remains in the service of the same Employer for more than five successive years. The official holidays, religious feasts and weekly holidays shall not be calculated of the annual leave unless it falls within same.’

The provisions of Article (65) stipulated the employee’s right to be entitled to a fourteen-day-sick leave with full pay per year based on a report from the physician approved by the establishment. It may be renewed for a further fourteen days with full pay if he is hospitalized in one of the hospitals and with one half pay if it is based on a report of a medical committee approved by the establishment and was not hospitalized in any hospital.

The results of the survey though showed that these laws are not always implemented and that informal workers are facing numerous violations. Workers thus described their working hours as being “very long”, while others said that they are forced to work overtime without pay or with lower wages if compared to their actual wage.

Moreover, the results showed that 56.1% of workers in informal enterprises are working more than 8 hours per day; 38.8% of whom are forced to work overtime. 50.7% of employers also said that their workers work more than 8 hours a day, while 40% of them admitted that they force their workers to work overtime. As for self-employed workers, 54.3% confirmed that they work over 8 hours a day to

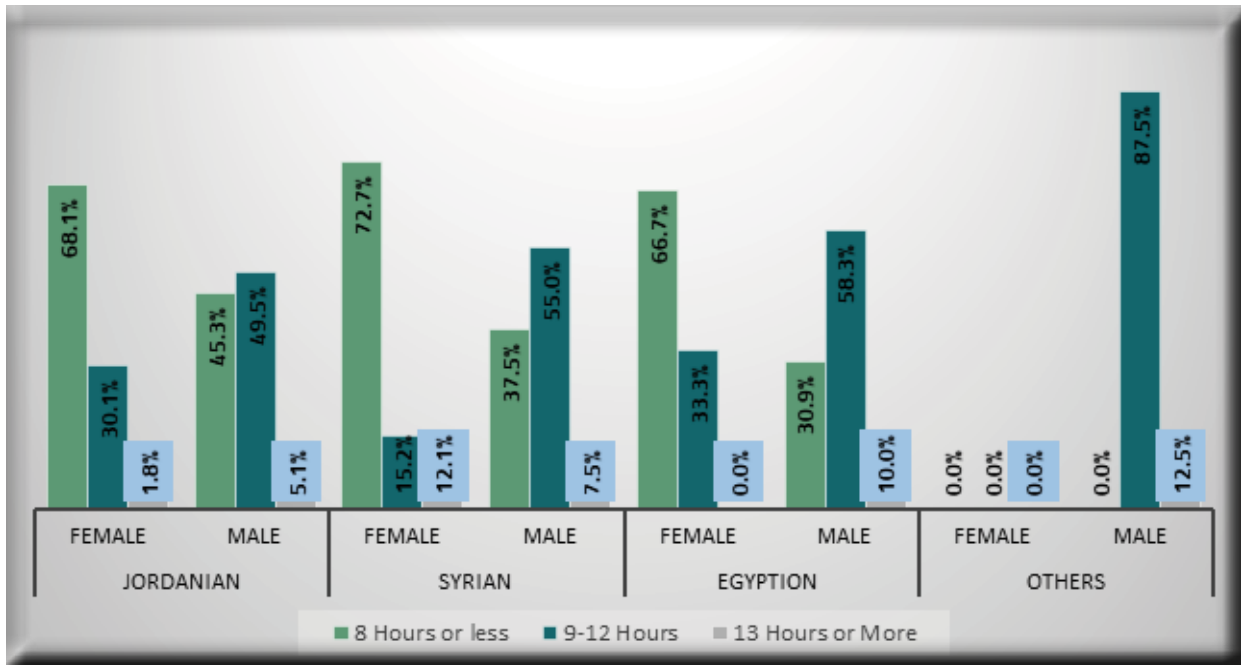
increase their income as much as possible and to compensate for the days they cannot work.

In terms of working hours for Jordanians, the results showed that the percentage of those who work for 8 hours or less is the highest at 53.2% of responders. The lowest was for those who said that they work for 13 hours or more at 4%. The results also showed that the majority of Jordanian females work for 8 hours or less, as they amounted to 68.1% of responses. 30.1% said that they work between 9-12 hours a day, while 1.8% said that their working days range between 13 hours or more. As for Jordanian males, 49.5% said that they work between 9 to 12 hours, and 5.1% of them responded that they work 13 hours or more.

As for Syrians, the highest percentage was for those working between 9-12 hours a day at 49.4%. 8.2% said that they work 13 hours or more, a difference of 3.1% compared to their Jordanian counterparts. In regards to Syrian females, the majority said that they work for 8 hours or less at 72.2%. 12.1% said that they work for 13 hours or more though, which is a very high percentage compared to Jordanian females at 1.8%. On the other hand, 55% of Syrian males said that they work for 9-12 hours a day, while 7.5% said they work for 13 hours or more.

Egyptians did not differ much, as the highest percentage was for those who said that they work for 9-12 hours a day at 57.7%. The lowest percentage was for those working 13 hours or more at 10.6%. The majority of Egyptian females said that they work for 8 hours or less at 66.7%; similar to the Jordanian and Syrian women. Meanwhile, the majority of Egyptian men said they work between 9-12 hours a day at 58.3%, and 10.8% of them said they work for 13 hours or more.

Figure: Distribution of the sample based on working hours, gender and nationality



Generally, the results show that a large percentage of informal workers are working for more hours than was stipulated upon in the Labour Law. Some of these workers are also not paid overtime, while others' wages are permanently or continuously delayed. The latter is a clear violation of the provision of Article 46 of the law, which obliges employers to "pay the wage within a maximum period of seven days from the date of its entitlement. The Employer may not deduct any part, thereof except in the cases permitted by the law." Article 77 also stated that "employers shall be penalized for every violation of any of the provisions of this chapter (Protection of Wages) by a minimum fine of 300 JODs and not exceeding 500 JODs.

Table 7: Distribution of the sample by sector, gender and working hours:

Sector work hours	Constructions			Services			Agriculture			Total
	Female	Male	Total	Female	Male	Total	Female	Male	Total	
less 6h	0	0	0	9.4	0.7	3.5	5.9	5.7	5.8	2.7
6h	0	1.7	1.7	6.3	2.2	3.5	14.1	9.8	11.5	5.1
7h	0	0.3	0.3	12.5	0.7	4.5	14.1	11.4	12.5	5.1
8h	0	34.6	34.6	34.4	24.8	27.9	40	26.8	32.2	32
9h	0	12	12	3.1	9.5	7.5	11.8	8.9	10.1	10.1
10h	0	29.2	29.2	14.1	22.6	19.9	14.1	17.9	16.3	22.8
11h	0	3.3	3.3	1.6	3.6	3	0	0.8	0.5	2.4
12h	0	13	13	9.4	24.1	19.4	0	12.2	7.2	13.1
more 12h	0	2	2	1.6	5.1	4	0	1.6	1	2.3
Unspecified	0	4	4	7.8	6.6	7	0	4.9	2.9	4.5
Total	0	100	100	100	100	100	100	100	100	100

As evident in the table, 55.2% of workers work overtime, and many of them are not being paid for it. There is also an insistence among employers not to pay wages on time or pay for overtime. Some workers have admitted that their wages are sometimes delayed for a period that ranges to up to 60 days, while a small group of them said it might last for 180 days.

In addition, there are 65.5% of workers who said that their overtime hours range between 1-4 hours, while 3.7% said that the overtime ranges between 5-8 hours, and 30.5% said that their overtime hours are unspecified. 80.2% of responders also said that they are not paid for their overtime, 49.3% of whom are working in construction, 28.3% in the services sector and 22.3% in agriculture. 16% of responders said that while they receive a wage for their overtime, it is unspecified, and only 3.7% said that their overtime wage is based on the provision of the law.

Table 8: Distribution of the sample by employment pattern, sector and overtime

Employment Pattern	Employer (who has workers) in the informal economy				Worker in an informal enterprise or project				Worker in a formal enterprise or project				Self-employed			
	Construction	Services	Agriculture	sum	Construction	Services	Agriculture	sum	Construction	Services	Agriculture	sum	Construction	Services	Agriculture	Total
Business owner	Workers are not granted any overtime															
	40.7	29.4	50	38.7	0	0	0	0	0	0	0	0	0	0	0	0
	The workers do not take overtime															
	48.1	52.9	25	48	0	0	0	0	0	0	0	0	0	0	0	0
The workers are granted overtime according to the law																
5.6	0	0	4	0	0	0	0	0	0	0	0	0	0	0	0	0
They are given a certain percentage for overtime																
5.6	17.6	25	9.3	0	0	0	0	0	0	0	0	0	0	0	0	0

	Worker					Self-employed		Total
	They are given a percentage for overtime	The workers do not work overtime	Overtime allowance is not granted	They grant them an overtime according to the law	Work overtime for their account	Does not work overtime		
	0	0	0	0	0	0	0	100
	0	0	0	0	0	0	0	100
	0	0	0	0	0	0	0	100
	0	0	0	0	0	0	0	100
	4.8	12.7	81.2	1.2	0	0	0	100
	4.6	35.4	55.4	4.6	0	0	0	100
	21.3	36	41.3	1.3	0	0	0	100
	11.3	25.8	61.1	1.8	0	0	0	100
	18.5	25.9	51.9	3.7	0	0	0	100
	10.5	26.7	57	5.8	0	0	0	100
	20	40	33.3	6.7	0	0	0	100
	13.3	28.1	53.1	5.5	0	0	0	100
	0	0	0	0	52.7	47.3	0	100
	0	0	0	0	36.4	63.6	0	100
	0	0	0	0	30.8	69.2	0	100
	0	0	0	0	41.7	58.3	0	100

• Wages

11.6% of those working in informal enterprises or informally in formal ones said that they receive a wage that ranges between 151-220 JODs. 3.3% of them said that their wages are below 150 JODs; 25.2% said that their wage is unspecified, and 9.6% said their wage ranges between 221-250 JODs. These numbers show that 50.2% of the respondents receive a monthly wage higher than 250 JODs.

On the other hand, the majority of self-employed workers said that their wages are higher than 250 JODs. These represented 49.6% of the respondents, while 37.8% said that they receive an unspecified wage and 12.6% said that their wage ranges between 151-220 JODs.

Table 9: Distribution of workers by sector, gender, and wages

Employment pattern	Worker in an informal enterprise or project									Worker in a formal enterprise or project								
	Constructions			Services			Agriculture			Constructions			Services			Agriculture		
Wage	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total
Less than 150	0	0	0	7.1	3.9	4.6	12.1	1.2	6	0	0	0	12.9	1.8	5.8	0	0	0
151-220	0	2.4	2.4	21.4	19.6	20	13.6	11.9	12.7	0	7.4	7.4	32.3	20	24.4	0	0	0
221-250	0	4.2	4.2	21.4	17.6	18.5	9.1	10.7	10	0	7.4	7.4	19.4	5.5	10.5	40	20	26.7
More than 250	0	67.3	67.3	14.3	41.2	35.4	27.3	35.7	32	0	74.1	74.1	25.8	61.8	48.8	60	80	73.3
Unspecified	0	26.1	26.1	35.7	17.6	21.5	37.9	40.5	39.3	0	11.1	11.1	9.7	10.9	10.5	0	0	0
Total	0	100	100	100	100	100	100	100	100	0	100	100	100	100	100	100	100	100

It was noted that 3.3% of responders (23.5% are Syrians and 76.5% are Jordanians) are receiving wages that are below the minimum wage. This is a flagrant violation of the Minimum Wage decision that was issued on 1/3/2017, which set the minimum wage at 220 JODs for Jordanians and 150 for non-Jordanians.

Among those who received a wage less than the minimum were Syrians who are either working in informal enterprises or informally in formal ones. They worked in various jobs in the governorates that were targeted: a worker in Mafraq, agricultural workers in Balqa and a Kindergarten worker in Zarqa.

Jordanians who said that they receive wages less than 150 JODs represented 5.3% of respondents. 19.8% also said that they receive wages that are less than 220 JODs. They are disaggregated as follows: 7 agricultural workers in Balqa, 3 beauty salon workers in Amman, 2 sales workers in Irbid and Balqa, and a teacher in Mafraq.

As for the wages of the workers based on their gender and nationality, the results showed that 50.2% of the total sample said that they receive wages that are higher than 250 JODs: (42.2% Jordanians, 42.1% Syrians, 54.2% Egyptians, and 62.5% from other nationalities). As for those who said that their wage was unspecified, they represented 36.2% of the sample.

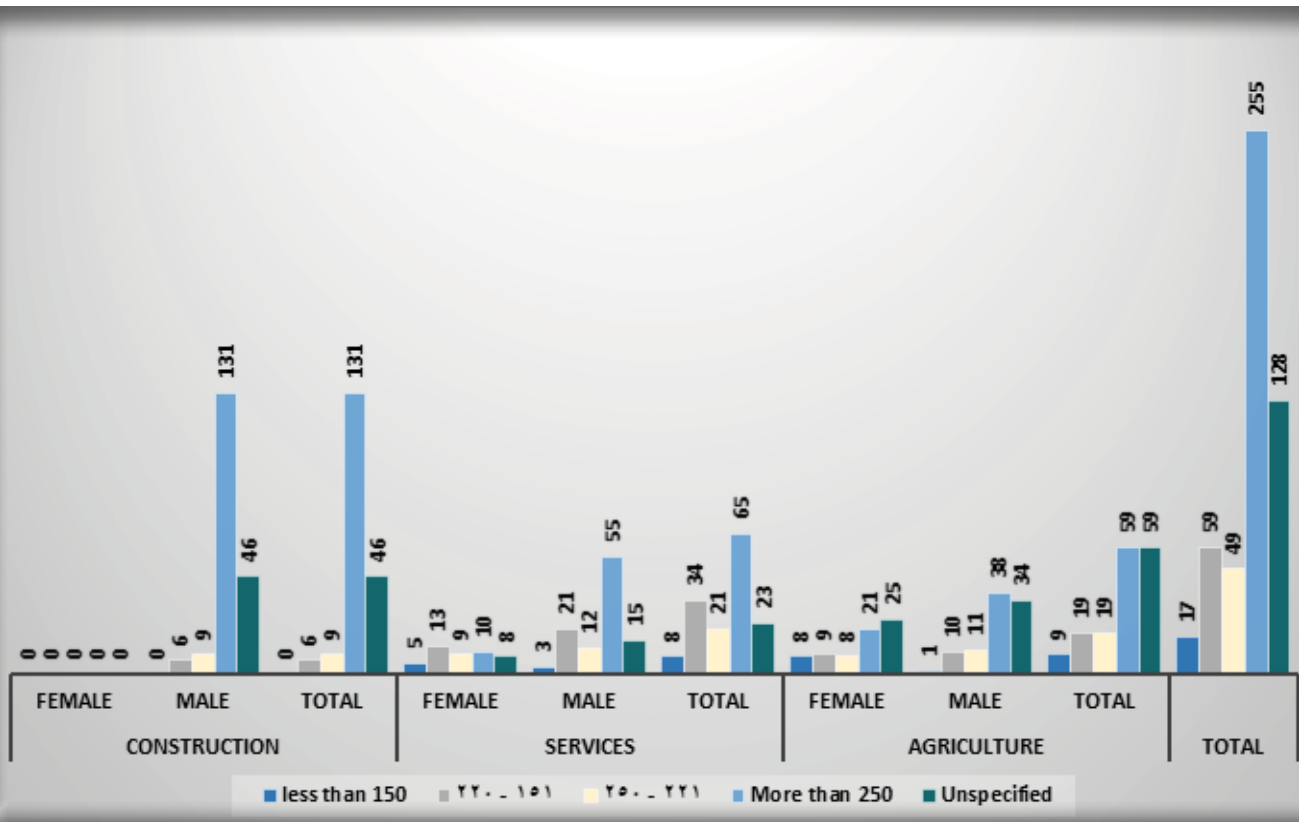
Females who said their wage was unspecified represented 38.4% of the female sample. 28.4% of them said that their wage was higher than 250 JOD: (33.6% Jordanians, 18.2% Syrians, and 33.3% Egyptians).

In terms of males, the majority said that they receive a wage higher than 250 JODs, accounting for 52.5% of the sample. 36.2% said that their wage was unspecified. The 52.5% was disaggregated among nationalities as follows: 46.7% Jordanians, 46% Syrians, 54.7% Syrians and 62.5% from other nationalities.

Disaggregating the 12.1% who receive wages between 150-250 JODs based on their gender, 27.9% of them were females and 10.9% were males. The nationalities for these respondents based on their gender was as follows: in terms of females: 29.2% were Jordanians, 21.2% were Syrians, and 33.3% were Egyptians. As for males, 19.2% were Jordanians, 13.5% were Syrians and 10.8% were Egyptians.

A Syrian, who works as a salesman in a clothes shop, said: I am 25 years old and have 7 years of experience. I work full time in the shop. I either work in the morning or evening shift for 10 hours a day. 2 of these hours are overtime but I do not receive any wage for them. My monthly wage is 250 JODs. I receive it regularly without any deductions. I am not registered under the umbrella of Social Security or have a health insurance.

Figure: Distribution of the sample according to Wages, Gender and Sector



With regards to the regularity of wages, 58.3% of workers said that they receive their wages regularly without delay, compared to 41.7% who said that they receive it irregularly. Meanwhile, 34.9% said that their wages are delayed between 1-7 days, as for those whose wages are delayed either between 8-15 days or 16-30 days, they accounted for 9% and 9.4% respectively. 42% said that their wages are delayed indefinitely, and 4.7% said that their wages are delayed for a month and up to 6 months sometimes.

Delays in the payment of wages are usually intermittent from time to time, as 60% of those whose wages are delayed said. 22% said that their wages are always delayed and only 18% responded by saying that their wages are not delayed.

On the other hand, employers and self-employed workers said that customers delay their payments. 40% of employers admitted that such delays are reflected in the wages of the workers. These delays usually range between 1-7 days. As for self-employed workers, 15% said that customers delay their payments; of whom 24% said the delay could range between 16-30 days. 63% though said that the delay period is unspecified and 57.4% said that these delays are infrequent and are usually intermittent from time to time.

A Jordanian construction worker in Balqa- Deir Alla said: I am 35 years old and have 15 years' experience in this field. I work in workshops for 8 hours a day, and sometimes I am forced to work overtime for 5 hours a day. I am not paid for my overtime. My monthly wage is 250 JODs and receive it without any deductions. I am not registered under the umbrella of Social Security or have a health insurance. My wage is sometimes delayed, but the delays are intermittent.

The Informal Economy is characterized by its explicit violations of the right of its workers. One such violation is wage deception, as 21% said that they were deceived about wages, of whom only 9.3% lodged a complaint. Employers with informal workers also admitted that they are sometimes deceived by their customers as well. 18.7% of the employers said that they were deceived in this manner and only 7.1% submitted a complaint. The same case also applies to self-employed workers, as 36.2% said that their customers deceived them, of whom 28.3% lodged a complaint.

Often, employers and workers who were deceived in terms of their wages do not submit a complaint. They explained that such complaints would not benefit them since they do not trust the authorities to retrieve their rights.

The majority of workers also admitted that they have the freedom to dispose of their wages in any way they see fit, without any interference by another party. They also said that they were never bargained by their employers to agree to a pay cut or to receive their wage in kind instead of cash, except 2.2% who refused to disclose any details. Employers also indicated that their workers have the full right to dispose of their wages. As for the self-employed workers, 3.1% of them said that they are unable to freely spend their wages.

As for any illegal deductions, only one case disclosed such a deduction. Many of the workers though said that they receive their wage by hand, and only 2% of them receive a pay slip that shows the wage details and any deductions.

A Syrian female teacher who provides courses for women in Mafraq said: I am 40 years old and have 1-year experience. I work full time for 8 hours a day, without any overtime. My wage is 220 JODs a month, without any deductions. I am not registered under the umbrella of Social Security or have a health insurance. I receive my wage without any delay.

A Jordanian female worker in a vegetables farm in Mafraq said: I am 45 years old and have 15 years of experience. I work seasonally in the farm for 8 hours a day. Sometimes, I am forced to work overtime between 2-4 hours. My monthly wage is not specified and nothing is deducted from it. I am not registered under the umbrella of Social Security or have a health insurance. Sometimes, my wage is delayed for a month.

▪ Vacations and Official Holidays

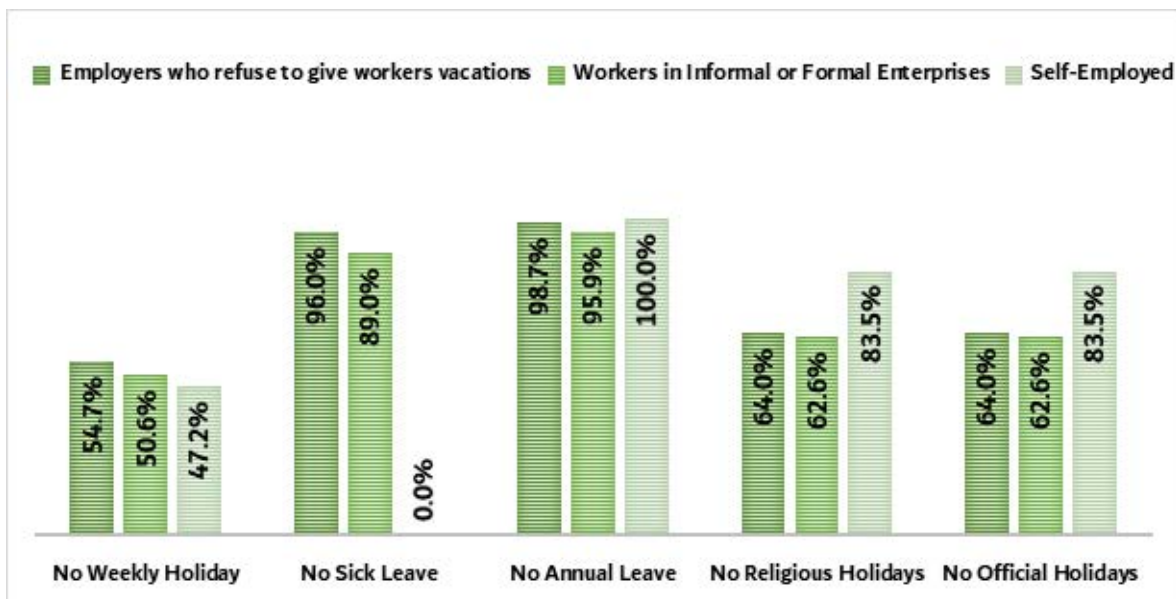
A Jordanian male construction worker in Irbid said: I am 26 years old and have 4 years' experience. I work on construction sites for 8 hours a day. I am forced to work daily, since the employer does not grant us any days off. If I take a day off, it is deducted from my salary and sometimes it could lead to a problem with the employer. When asked why the employer does not give them any paid vacations, he replied by saying that the authority is with those in power.

Most informal enterprises do not grant its employees any days off, whether weekly, annual vacations, or sick leaves. A large percentage of employers do not recognize the rights that were given to the workers in terms of these vacations or even official or religious holidays. Indeed, these employers force their workers to work on these days without giving them any overtime, as stipulated by the law.

56% of those who responded to the survey said that they are not given a weekly day off, which was mirrored by employers since 54.7% confirmed that they do not give their workers a weekly day off. Shockingly, 95% of workers also reported that they do not receive any annual days off, while 89% said that they are not given sick leaves. Moreover, 62.6% of workers said that they were denied from having a day off on national or religious holidays. As for employers, 98.7% admitted that they do not grant their employees annual leaves, 96% deny them from having sick leaves and 64% deny them from having religious or official holidays.

As for the self-employed, 52.8% said that they get a one-day weekly vacation, as a break from their work week. However, they also admitted that they do not get any annual leaves throughout the year but get sick leaves. 83.5% of them also said that they do not get days off on national or religious holidays since it impacts their monthly income.

Figure: Distribution of the sample based on type of informal employment and the possibility of getting a paid leave



Employers explained that the reason behind non-granting their workers their paid vacations and instead linking it to deductions from their salaries is due to work pressure. In their opinion, the workload would be affected by such vacations, which would lead to financial losses. Self-employed workers said that they avoid taking any days off except for absolute necessity. Workers had different opinions about why they are denied from taking days off. 7.7% said it is due to work pressure, 20.8% said that it is due to the employer who forces them to work and deny them their rights, and 71.4% said that they would take days off but it would lead to wage deductions.

A Jordanian female worker in a beauty salon in Amman said: I am 26 years old and have 3 years of experience. I work full time in the salon for 12 hours a day. The employer does not grant me any vacations because of the workload, especially on holidays or the summer because of the wedding season. Any day off I take is deducted from my salary.

A Jordanian male worker in a perfume shop in Amman said: I am 30 years old and have 3 years of experience. I work in the shop for 11 hours a day. I do not get any days off, even on religious or official holidays. Any day off I take is deducted from my salary. When asked why does not the employer give him paid leaves, he responded: There is no one to replace me in the shop. I do not have a written contract with the employer and we have a prior agreement on not taking any days off.

Article (70) of the Labor Law stipulates that:

“The working woman shall have the right to obtain a maternity leave totalling ten weeks with full pay prior to and after delivery provided that the period subsequent to delivery may not be less than six weeks. It shall be prohibited to put her to work prior to the expiry of such period.’

While Article 71 said that the working woman “shall have the right subsequent to the expiry of the maternity leave provided for under article (70) of this law, to obtain, within a year of the date of delivery, a period or periods not exceeding one hour in total per day with pay for the purpose of nursing her new born.’

However, the majority of women that were included in the sample, accounting for 97%, said that they denied their right of maternity leave and subsequently the nursing hour. These 67 workers said that they were denied their right either because their employer refused, or because they were daily workers.

An Egyptian female agriculture worker in Zarqa said: I am 23 years old and have 3 years of experience. I am a daily worker and work 9 hours a day. Due to my status, the employer does not give me any days off. It is also known among farm workers that we do not get any holidays or vacations and if I take one, I do not get paid.

As for employers, 86.7% of them said that their workers are male and the 9.3% who had female workers, said they are single. As for the 4% who employ married women, they said that they do not grant them any paid leaves, including a maternity leave, and that any day they take off is deducted from their salary.

A Jordanian worker, who works as a teacher in a private school in Amman said: I am a 26-year-old married woman. I work in the school for 7 hours a day. I got a paid maternity leave, as well as a nursing hour.

Summary

In spite of what is stipulated in the provisions of Article (77) of the Labor Law that employers shall be punished in the event that he commits any violation of any of the provisions of Chapter 8 "Regulating Work Provisions and Leaves" with a fine of not less than 300 JODs and not exceeding 500 JODs, it was noted that many violations occur regarding the rights of informal workers. These violations occur as a result of weak oversight, and a lack of knowledge among workers about their rights. It was also noted that the dominant feature of these violations is related to wage deductions in case they took a day off. Moreover, the majority of those that were interviewed are not given a salary slip with details regarding their wages.

In terms of the minimum wage, there are workers who earn less than the minimum wage. Others do not receive any days off, whether weekly, annual or sick leaves. Some workers are forced to work on official or religious holidays. A high percentage of these workers avoid submitting a complaint on their employers due to their fear of being arbitrarily dismissed. A number of cases were also noted about employers refusing to pay their workers overtime when they work on holidays.

A Jordanian worker in the agriculture sector cultivation and picking vegetables in the Balqa governorate - Deir Alla said: I am 36 years old and work 6 hours a day. The employer did not register me in Social Security since our sector is informal and is not covered by SSC. If I got a work injury, I have to pay for my own treatment. Thankfully, I have never got injured. I also do not have a health insurance.

Workers mentioned some of the violations they face at the hands of their employers regarding their inclusion under schemes of social protection. A large proportion of them reported that they do not have health insurance, and that they incur high costs for treatment. Others said that while they are included in social security, they bear the full deduction rate, since the employer does not pay the contributions that he should cover as provided for in the law.

According to the survey results, only 4% of employers have workers who are included in SSC, while only 2.9% of workers in informal enterprises are included. The results also showed that only 2.9% of informal workers in formal enterprises are included, any 2.4% of those who are self-employed.

The percentage of included workers based on sectors:

3.7% in construction

1.5% in services

2.9% in agriculture

In terms of the deduction rate for those subject to SSC from workers in informal enterprises, the sample included 14 workers. 64.3% of them said that the permissible percentage is deducted from them in accordance with the law. The remaining 35.7% said they bear the full subscription and that the employer does not pay anything.

Regarding health insurance, the results show that the majority of those who were interviewed do not have it, except 13 Syrian workers who have an insurance policy. They also said that they are treated in case they got an occupational disease or injury through it.

Figure: Distribution of the sample according to the types of informal employment, their SSC coverage, and the percentage they incur



A Syrian female seamstress in Amman said: I work 8 hours a day. The employer did not register me in SSC and he refuses to issue a work permit for me. I do not have a health insurance either and in case I got injured at work, I get treated on my own expense.

Third: Slavery: Exploitation, Restriction of Freedoms, Confiscation of Documents, Discrimination

Exploitation:

An Egyptian male worker in a coffee shop in Amman said: I came to work in Jordan after coordinating with a Jordanian broker through an Egyptian worker. The broker issued me a work permit for 2,000 JODs. I was prompted to do it because I was seeking to earn a livelihood.

The struggles of many workers start when their poverty and the need to financial sustenance leads them to succumb to situations where they are exploited. As a result of exhausting economic situation and high unemployment rates, these workers accept such a situation out of their need, even if the working conditions include practices like: forced labor, human trafficking, threats, violence, coercion, deception and exploitation.

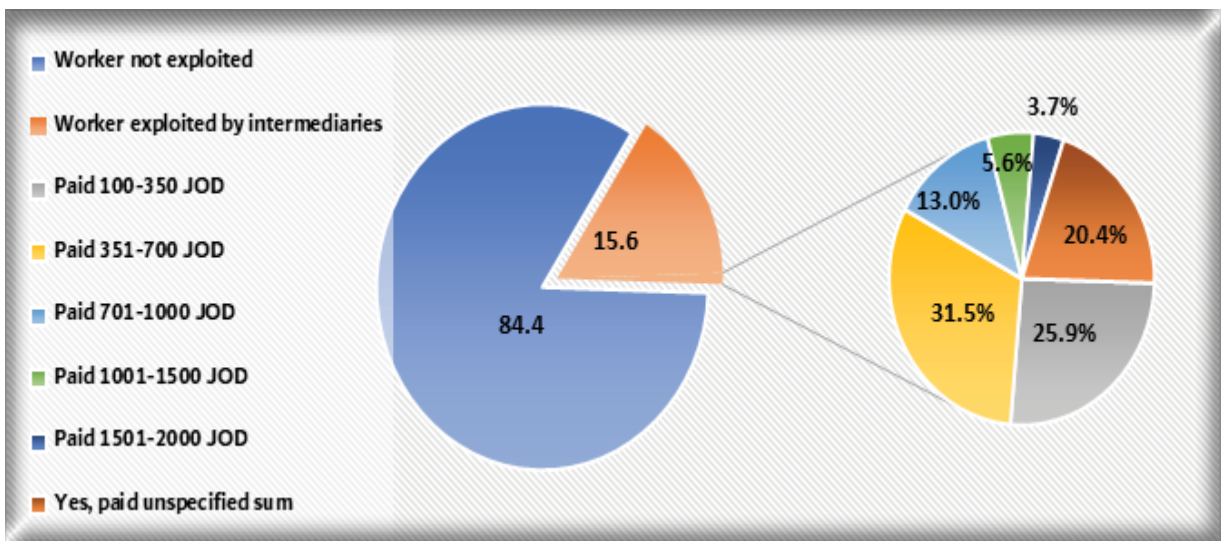
Migrant workers are considered the most vulnerable to the various forms of modern slavery and exploitation. These exploitations could be in the form of low wages, and long working hours even for women and children. The most common form of exploitation that Migrants are subjected to is financial through work intermediaries or brokers. In some cases, these practices could even be considered cases of Human Trafficking as defined in Article (3) of the Anti-Human Trafficking Law.

The survey results showed that 15.6% of the migrant workers who were interviewed were subjected to financial exploitation by brokers to obtain work permits in Jordan. The workers paid the brokers varying amounts of money, ranging from 100 to 2000 JODs. According to the results, 31.5% paid an amount between 351-700 JODs, and 25.9% paid between 100-350 JODs. 51.9% of these migrants work in

construction, 16.7% in the services sector and 31.5% in agriculture.

An Egyptian worker male construction worker in Irbid said: I came to work in Jordan after coordinating with one of my Egyptian acquaintances, to help me issue a work permit. He told me I had to pay 650 JODs as expenses for the issuance of the permit and I agreed.

Figure: Distribution of Sample based on amounts paid to intermediaries:



It was also noted that 84.4% of workers said they came to Jordan without an intermediary, most of them were Syrians at 66.9% since they came as refugees. Some of them said that they came before the crisis with the help of their acquaintances and relatives working in Jordan. Another group of Egyptians admitted that they are working illegally after coming to Jordan. They added that did not use an intermediary and benefited from the fact that Egyptians can come without any restrictions or visas to the kingdom.

An Egyptian male worker in the construction sector in Irbid said: I came to work in Jordan after coordinating with an Egyptian acquaintance and a Jordanian. I paid each of them 200 JODs so they could issue me a work permit.

Restriction on Freedoms:

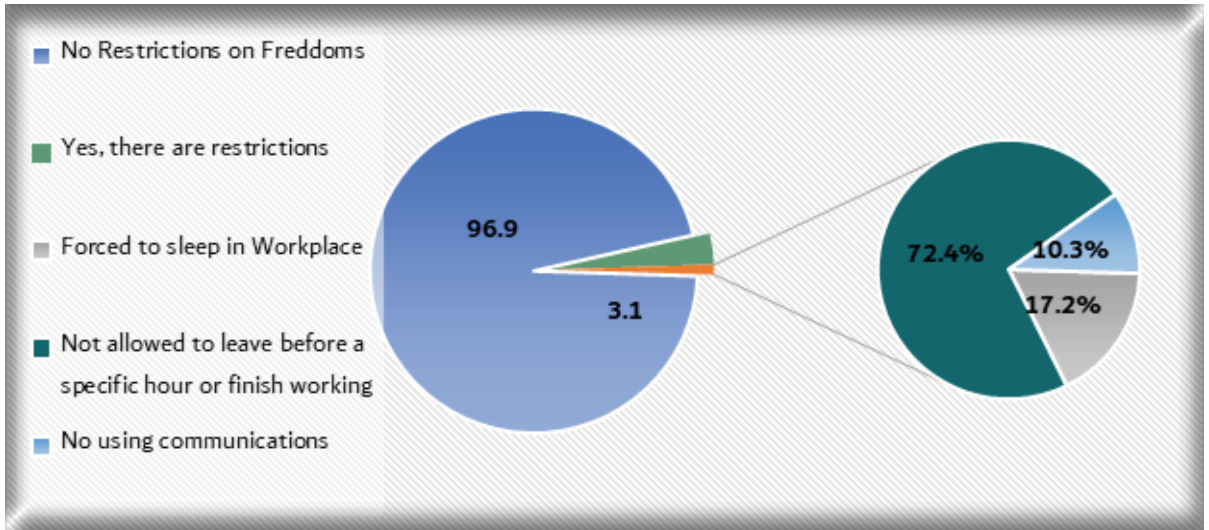
An Egyptian male construction worker in Zarqa said: The employer always forces me to sleep in the workshop to guard it and the construction material that we use.

Employers restrict the freedom of their workers by forcing them to stay overnight in the workplace, forbidding them from leaving till they finish their work or after a specific hour or by forbidding them to use means of communication. Survey results showed that the freedom of 3.1% of the respondents was restricted. 4% said that their employers force them to stay overnight in the workplace to guard it. 8.7% of those who are self-employed said that customers restrict their freedom by preventing them from leaving till they finish their work or are allowed to leave after a specific hour.

As for workers in informal enterprises, all of them said that their freedoms are not restricted in any way. Some of the workers even said that employers provide them with housing to stay in and they have the choice to live in it or choose somewhere else, but pay its rent.

A Syrian female worker in the agriculture sector in Zarqa: The employer forces me and my family to sleep in the farm. He provides us with a room to sleep in but forbids us from leaving, as we are both workers and guards.

Figure: Distribution of the sample according to the whether their freedom is restricted and the types of restrictions on freedom



A Syrian female sales worker in Amman said: The employer forbids me from using my phone. He gets crazy if he sees me using it, even if there were no customers in the shop.

A Jordanian electrician in Amman said: The employer prevents me from leaving the workshop unless I finish the tasks I was assigned each day, no matter what.

Confiscation of Personal Documents

A Syrian male who is employed as a cleaner in a gallery in Jerash said: The employer confiscated my work permit a day after it was issued. I do not know why but I think he wants to preserve his rights and prevent me from leaving.

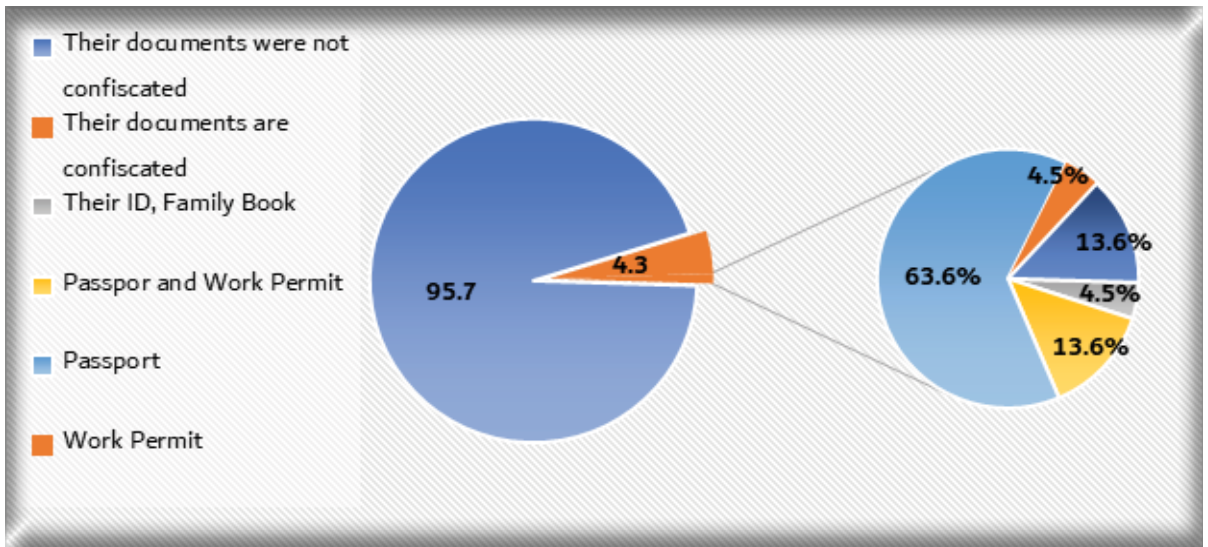
Article (77) of the Labor Law penalises employers for every violation that is related to forcibly recruiting an employee, or make them work under threat, coercion or manipulation including the confiscation of documents by a minimum fine of 500 JODs and not exceeding 1,000 JODs. The Jordanian Passports Law No. (5) of 2003 and its amendments also stipulate in Article (24) that anyone found in possession of a passport or travel document illegally shall be imprisoned for a period between 6 months to 3 years or by a minimum fine of 500 JODs and not exceeding 1,000 JODs or with both penalties.

Employers usually resort to seizing the identity papers of their workers under a number of pretexts. They include the claim that it is the only guarantee to preserve their rights or to keep workers working for them and not return to their countries. 4.3% of workers in informal enterprises said that their personal documents are confiscated by their employers. 36.4% of whom are working in construction, 40.9% in services and 22.7% in agriculture.

77.3% of those whose documents are confiscated added that their documents are still with the employer, while 22.7% said that these documents were later returned to them. 86.4% of workers whose documents were confiscated added that the employer took their documents to preserve their rights and prevent them from leaving, while 13.6% said that it was because they wanted to keep it safe from being lost or stolen.

An Egyptian worker in a coffeeshop in Amman said: My employer confiscated both my work permit and passport. I do not know why but he said he was keeping them safe from being lost.

Figure: Distribution of the sample based on the number of workers whose documents were confiscated and types of documents



A Jordanian worker in construction in Irbid said: My employer has my identity card and family book with him. He also made me sign an insurance policy of 50,000 JODs when I signed the contract to protect his rights.

Discrimination

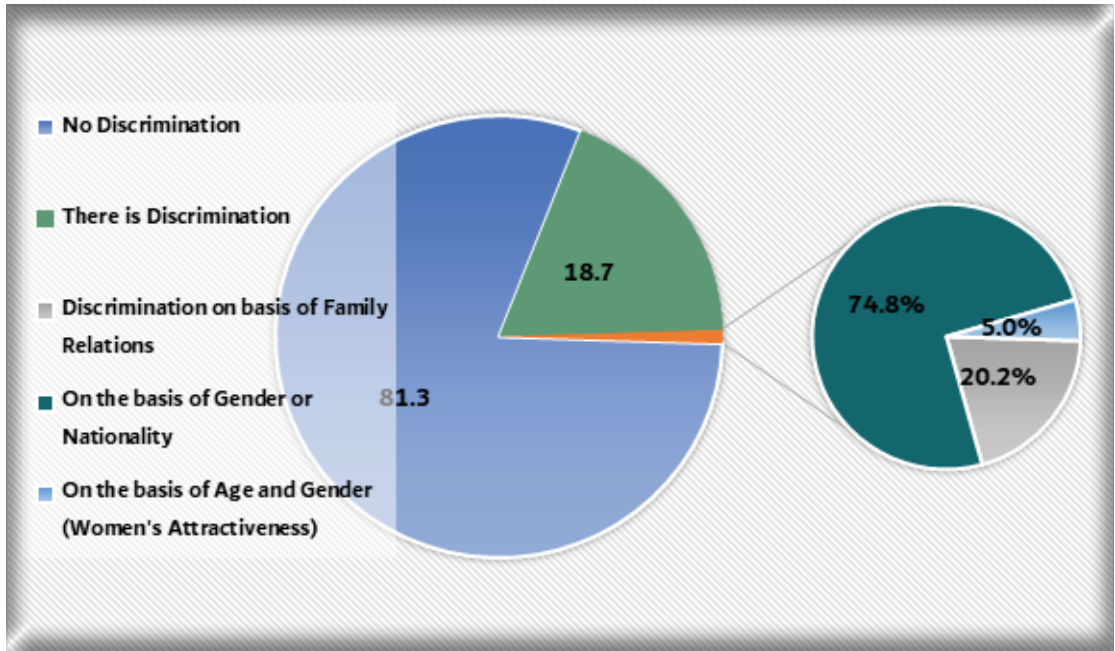
A Syrian female worker in agriculture in Mafraq said: the employer sometimes discriminates with pretty young girls, regardless of their nationality. He gives them breaks from work, unlike us, and treats them better.

Jordan has ratified international conventions on the elimination of discrimination, including International Labor Convention No. (111) regarding discrimination in employment and occupation. Despite that, the Jordanian Labour Law does not explicitly include the issue of discrimination in terms of employment and recruitment, with the exception of referring to wage discrimination between males and females.

The survey results showed that 81.3% of self-employed workers or those that work in informal enterprises have been subjected to a form of discrimination at work, whether on the basis of gender, race, religion or otherwise. On the other hand, 18.7% reported that they were subjected to discrimination at work, and 74.8% indicated that the discrimination was based on wage as Jordanian workers received a higher wage than them. They also added that the employer treats Jordanian workers better compared to workers from other nationalities.

Moreover, 20.2% reported that employers distinguish their relatives over the rest of the workers in terms of treatment, and are given longer breaks and other types of privileges. 5% said that employers prefer young and pretty females who are given light work and longer breaks.

Figure: Distribution of the sample and cases of discrimination



The surveys also show that discrimination at the workplace affect workers from all nationalities, whether: Jordanians, Syrians or Egyptians. Most of the cases that were reported were discriminations based on gender, nationality, wage or treatment. The data shows that in the sample, Egyptians are the most vulnerable to be discriminated against at 95.7%, followed by Syrians at 77.8% and Jordanians at 65%.

A Jordanian worker in the agriculture sector in Balqa said: The employer discriminates between Jordanian and Egyptian workers in terms of their wages. Jordanians are paid better than Egyptians.

A Syrian worker in electrical installations in Mafraq said: The employer discriminates in favor of Jordanian workers. He gives them their wages upon request, while I get threatened or sworn at when I ask for my rights.

Summary

It was noted that there are Jordanian brokers who financially exploit Migrant workers who want to work in Jordan. These workers are also exploited by intermediaries from other nationalities who exploit their need to work or their ignorance of laws. These workers are also afraid to submit any complaints and are thus pressured to accept these violations. These practices occur due to the weakness in deterrence measures by officials” which led to the expansion of brokers’ work and even the development of their practices.

As for restrictions on freedoms and the confiscation of documents” as well as discrimination” it was noted that they are individual practices by employers. However” workers maintained that these practices are limited” though their levels of awareness and understanding of the law should be considered when looking at their statements.

Fourth: Assault on Workers, Disputes and Disciplinary Actions

An Egyptian construction worker in Zarqa said: I have been beaten and insulted by my employer on more than one occasion. It happened in front of my colleagues. I never reported it because I did not want to jepordise my livelihood.

Informal Workers are subjected to abuse by employers in the form of: beating, insults, sexual assaults especially on female workers, among other forms. Conflicts may also arise between workers and employers, caused by one of them neglecting his duties towards the other. Disciplinary measures against disputed workers may be unlawful, or in violation of the Labour Law which includes provisions regulating the relationship between the two parties in these cases. Article 29 of the Law stipulates that:

“The Employee may quit work without notice and still retain his legal rights for the termination of service as well as the damage compensation accruing to him in any of the following cases.

- a) His employment in a job which distinctly differs in type from the work agreed to be employed in pursuant to the work contract.
- b) To employ him in a form that entails him to change his residence unless stated otherwise in the work contract.
- c) His transfer to another job in a lower grade than the job agreed to employ him in.
- d) Reduction of his wages provided that due observance is made to the provisions of article (14) of this law.
- e) If it is sustained by medical report issued by a medical authority that his continuation in the work would threaten his health.
- f) If the Employer or whoever represents him assaults him during work or due thereto by beating or humiliation.
- g) If the Employer fails to execute any of the provisions of this law or any regulation issued pursuant thereto provided that

he had already received notice from a competent party in the Ministry requesting him to comply with such provisions

A Jordanian female worker in a beauty salon in Zarqa said: I have been harassed by the employer. The harassment occurred on multiple occasions but I never complained because I did not want to be fired or for people to talk about my reputation and honour.

The survey results showed that 90% of workers were assaulted by either their employers or customers. 4% of employers and 5.5% of self-employed workers were also assaulted by customers. 10.6% of workers in informal enterprises were also assaulted by their employer or another colleague either by yelling, insults, sexual harassment, threats of deportation for migrants, or by physical abuse.

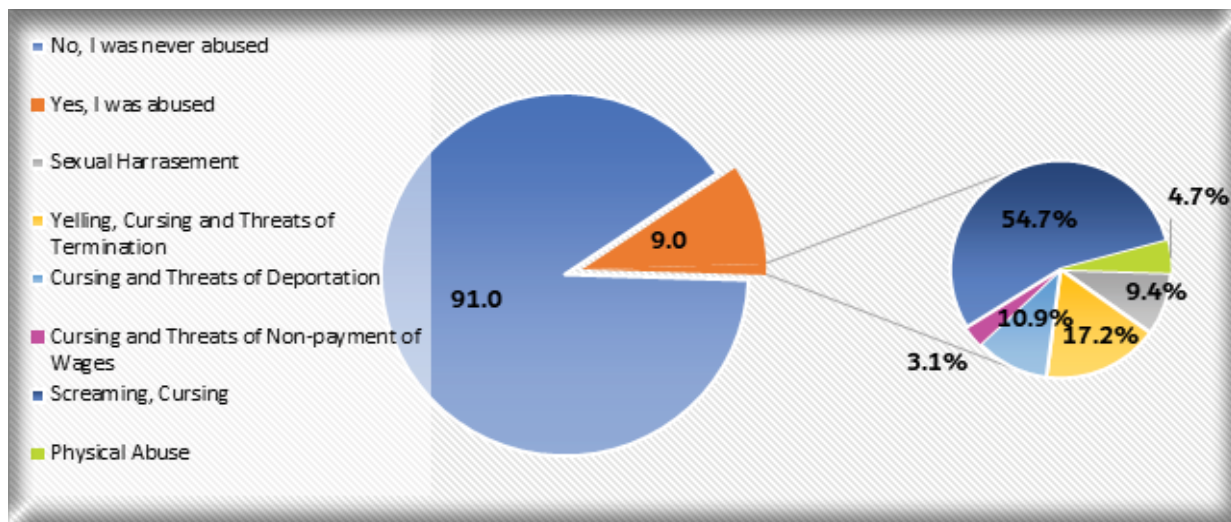
78.1% of the sample who were assaulted said that they did not report their assaults, while 6.3% said that they reported them to the Ministry of Labour. Meanwhile, 4.7% of the sample said that they quit their jobs, and 10.9% said that they amicably resolved the issue with either their employer or customer.

In terms of procedures taken by governmental stakeholder, 4 workers submitted official complaints. 3 of them said that no action was taken regarding their complaints, while the 4th said that he complained about a colleague who sexually assaulted a female worker which led to the dismissal of the male worker.

A Jordanian worker in a farm in Zarqa said: I am constantly harassed by employers. These continuous harassments led me to quit my job multiple times.

46 workers in informal enterprises said that the assaults they face are recurrent as 46,9% pointed out that these assaults are by the employer and 4.7% added that they quit their jobs because of them.

Figure: Distribution of the sample according to the cases of abuse, and their type



Regarding disputes between employers and workers, the results of the survey showed that 3.1% of workers had encountered problems with employers regarding their labor rights, or because of workflow procedures. They added that they faced disciplinary procedures because of these disputes, including pay deductions. 18.8% reported that they complained to the concerned authorities but no action was taken.

It is noteworthy that Article 48 of the Labour Law states that:

“The Employer may not take any disciplinary action or impose a fine on the Employee of a violation not provided for in the penalties list which is approved by the Minister, with due observance to the following:

Not to impose a fine on the Employee in excess of three days wage per month or to suspend him from work without pay for a period exceeding three days per month as well as be given the opportunity for his defense statement to be listened to prior to imposing the penalty against him. The Employee should have the right to object to the penalty imposed against him before the labour inspector within one week of his notification thereof.

No discipline action to be taken or a fine imposed against the Employee for any of the violations provided for in the approved penalties list subsequent to the lapse of fifteen days from the commitment thereof.

The fines imposed pursuant to this article should be recorded in a special register wherein the name of Employee, amount of his wage, reasons for imposing the fine against him should be stated. These fines should be allocated for the realization of social services to the Employees as decided by the Minister.

On the other hand, 27.7% of the sample said that in case a wage or labour dispute occurred between them and their employer or customer, they would resort to the authorities. However, the larger group, which represented 72.3% of the sample, said they would not resort to them as they prefer to amicably resolve such issues. Others said they would not due to their fears of retaliation or being fired.

An Egyptian worker in the construction sector in Mafraq said: I am always subjected to insults, threats and abuse by my employer due to my illegal status, which also prevents me from complaining.

Summary

Cases of insults, abuse and harassment of informal workers were reported, though these cases represent only a fragment of what actually happens in the Labour Market. Other workers also reported being threatened or blackmailed, especially when they request to be transferred to another employer or job, or when they ask for their rights. Clearly, there are legislative deficiencies, as well as an absence of deterrent penalties in cases of forced labor, sexual harassment, beating or insulting of workers.

Fifth: Work Permits and Contracts for Migrant Workers

A large percentage of migrant workers in the informal sector are exposed to violations by employers, especially with regard to their contracts and work permits. Article (12) of the Labor Law stipulates that “non-Jordanian employees must obtain a work permit prior to his recruitment or engagement. The permit may not exceed one year in length, renewable. Employers will be charged the fee for the issuance or renewal of the work permit for every non-Jordanian employee

Article 15 also stated that work contracts “shall be prepared in Arabic and in a language understood by the worker in a minimum of two copies and each of the two parties shall retain one copy therefore. The employee may substantiate his rights, if the contract is not prepared in writing, in all legal substantiation methods.’ Employees who are found in violation of their contract’s conditions may be deported and prevented from returning to the Kingdom for a period of three years.

As clearly stipulated in the above provisions, work permits and residency permits are a pre-requisite for any non-Jordanian who wants to work in Jordan. However, these two documents are sometimes used as a tool to subordinate the worker, in matters related to wages, working hours and preventing them from quitting.

Contracts

The survey results showed that 91.3% of workers in the informal Economy, whether Jordanians or non-Jordanians did not sign a work contract with their employer. Even though 27 mentioned that they signed a contract, they admitted that they did not read them, as they were asked to hastily sign them for the purpose of issuing them a work permit. Some migrants said that their employers signed the contract on the behalf of both parties. Indeed, only 3.3% of the sample said that they signed a contract and have a copy of it. As for the employers, 96.0% of them said they did not sign work contracts with their workers, while 4% said that they did.

Work and Residency permits for Migrants:

A Yemeni seamstress in Mafraq said: I do not know anything about work contracts. I pay for my work and residency permits to the employer. I also pay for my medical checkup.

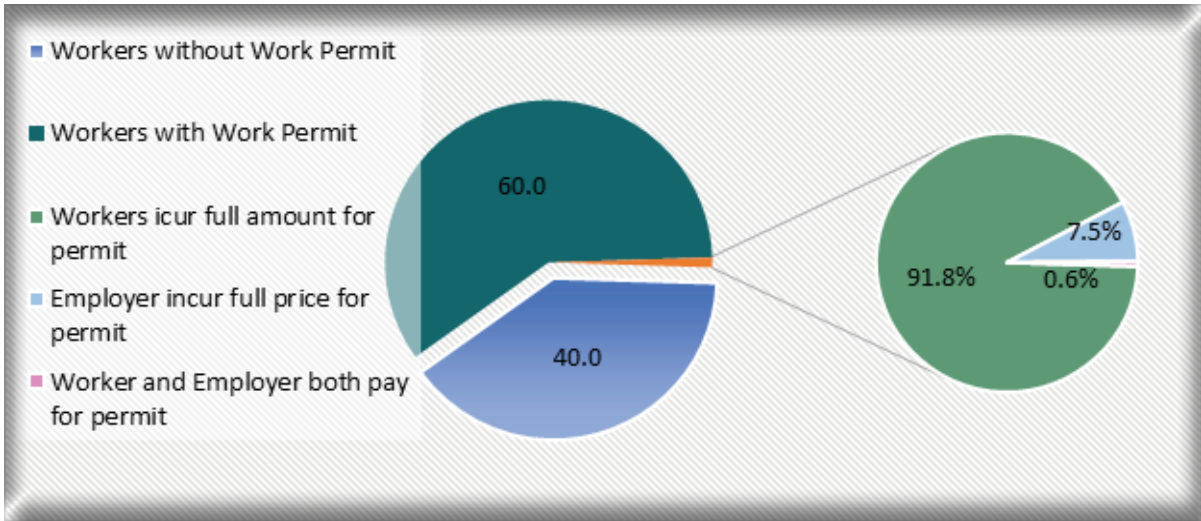
Survey results showed that 40% of Migrants in informal enterprises are working without a work permit. On the other hand, 60% have a work permit, though 91.8% of them said they pay for it. The remaining 7.5% said that the employer bears the full costs of issuing a work permit and 0.6% said they partially pay for their permit.

An Egyptian construction worker in Zarqa said: I do not know anything about work contracts. I bear the full costs of my work permit. I work with tiles but my permit is in another profession.

It was also noted that 35.8% of self-employed Migrants do not have work permits. As for employers, 36.8% said they do not issue permits for their workers, while 57.9% said that the permit cost is paid by the workers themselves. Only 5.3% of employers said that they issue work permits for their workers and bear its costs.

An Egyptian construction worker in Irbid said: I do not know anything about work contracts. I partially bear the cost of my work permit, while the employer covers the rest. He then handles the procedures and I just get my permit.

Figure: Distribution of the sample on whether they have a work permit, and the value that was incurred by them



A Syrian construction worker in Amman said: I work without either a work permit or contract. The employer only cares about the work and he never said anything about permits.

Summary

Migrant workers in the informal Economy struggle due to the instability of their relationship with their employers. As a result, many employers do not commit to issuing these workers work permits or provide them with contracts. Such practices hinder the ability of these workers to seek their legal rights in front of concerned authorities or in the judiciary in cases of disputes. There are employers who write contracts but only as a formality to issue the work permit, and the workers do not even sign them.

Many employers charge workers the costs of issuing their permits and its related procedures like the medical check-up. Others partially bear these costs, and there are some of them who abide by the law and bear the costs.

The Labour Law obligated employers to issue work permits and bear their costs. It also fined those who violate this an amount ranging between 200 – 500 JODs. However, violations related work permits are still practiced on a large scale, as a result of weak verification and follow-up mechanisms. The law also contains a gap as it does not have a clear provision that fines employers who makes their workers bear the cost of the permit.

The fines that the law stipulated upon are also not a deterrent, since their value is less than the value of issuing a work permit. This encourages employers to not issue these permits. Thus, it is imperative that these fines are increased, as well as strengthening the law to have severe penalties on violating employers. Workers should also not be held responsible for such behaviour or be deported as a result of it.

Sixth: Prevention and Protection of Workers

Prevention and Protection of Workers

The Labor Law included a special chapter on occupational safety and health. A number of regulations and decisions were also issued later on the same topic. Article 78 of the Labour Law states:

“The Employer must:

1. Provide the necessary precautions and measures to protect the Employees from the hazards and diseases that may result from the work as well as from machines used therein.
2. Provide Employees with personal protection and prevention means from the hazards of work and occupational diseases such as clothes, eye glasses, gloves, shoes and the likes as well as instructing them on the method of its use, maintenance and cleaning.
3. Inform the Employee prior to engagement of the risks of his occupation and methods of protection to be taken by him. Instructions and directives showing the occupational risks and methods of protection there according to the regulations and decisions issued in this respect should be placed in a conspicuous place.
4. Provide medical emergency facilities and equipment to Employees in the Establishment according to the levels determined by a decision of the Minister subsequent to seeking the opinions of the competent official authorities.

Article (80) also requires the employer to “take the precautions necessary for the protection of the establishment and its Employees from the hazards of fire and explosions or storage, transporting or handling the inflammable dangerous materials and provide sufficient technical facilities and equipment according to the instructions of the competent official authorities.’

Other articles include 82 which obliged employees to “comply with the provisions, instructions and decisions pertaining to prevention precautions, safety, occupational health, use and maintenance of equipment relating thereof, refraining from any act, which would obstruct the execution of such provisions, decisions and instructions as well as refrain from tampering or causing damage or destruction thereto under being subjected to the disciplinary penalties provided for in the establishment’s internal regulations.’

Article 84 also included penalties for employers who violate these provisions, which include: closing down the establishment by the Ministry, either wholly or partially or stop any machine therein or the imposing of a fine that ranges between 100-500 JODs, though the fine might be increased in cases of repeated offences.

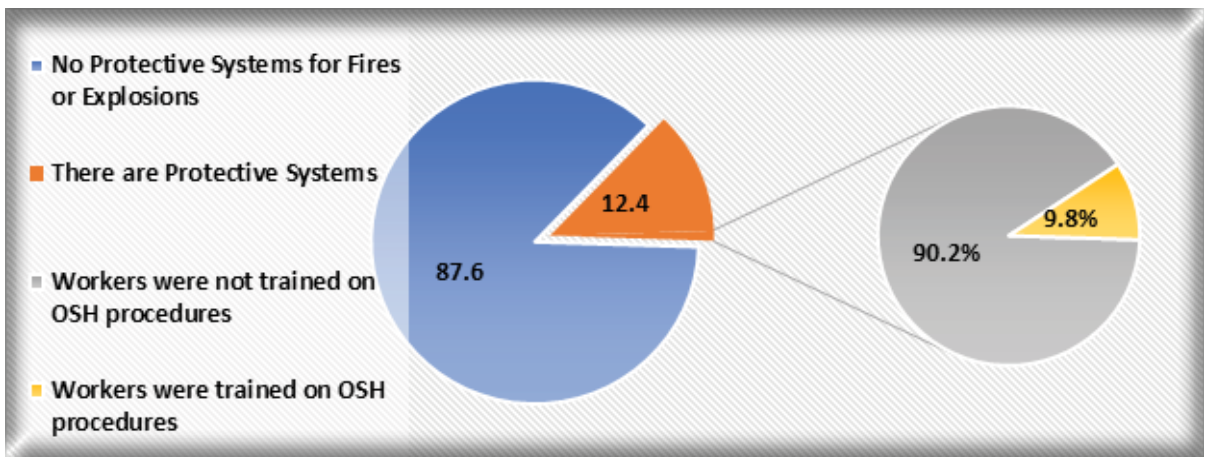
However, the survey results showed that only 23.5% of the sample are provided with occupational safety and health equipment or have first aid kits available. 33.3% of employers said that they provide the workers with personal protective equipment, as well 5.7% of self-employed workers. As for workers in informal enterprises, 21.5% of them said that they are provided with these tools.

The construction sector is considered a dangerous sector, where workers are exposed to injuries, especially those who are not provided with occupational safety and health tools. The results showed that 56.2% of the sample are not provided with protective or safety gear or with a first aid kit. 25.7% of workers in the agriculture sector also said the same thing. The figures though show that the service sector is where this violation is least prevalent, as 18.1% of the workers said they are not provided with safety tools.

A Jordanian blacksmith in Zarqa said: In terms of occupational safety and health tools, we always wear gloves and use protective gear. As for first aid kit, we do not have one in the workshop. Moreover, we do not have any fire alarms or explosive protection systems. We only have one restroom in the workshop, and we do not have a designated place for food or rest.

It was also noted that the majority of enterprises are not provided with fire alarms, or storage places for hazardous material. Employers in the construction sector who usually use such things, who represent 72% of the sample, affirmed that they do not need such measures since they are contractors. Moreover, 87.6% of informal enterprises said that they do not have fire extinguishers, alarms, smoke detectors or emergency exits. 12.4% of those enterprises said they have it, though 90.2% of that group admitted they do not know how to use these tools. The workers added that they were never trained on how to use them or how to act in cases of emergency or fires, and that there are no written instructions either.

Figure: Distribution of the sample based on the types of protections they are provided

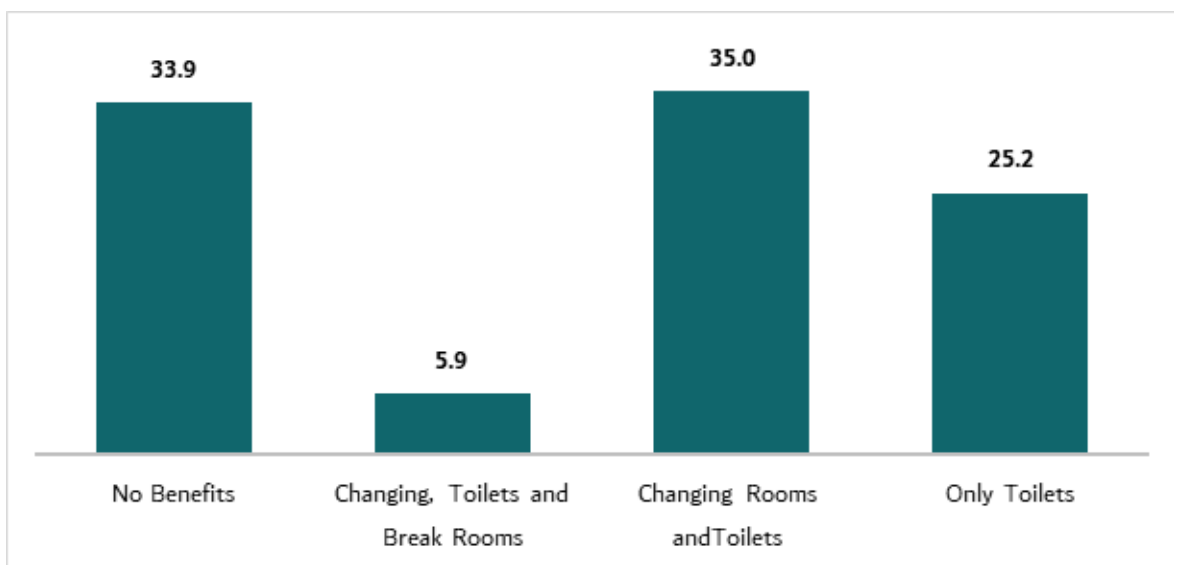


Work Benefits

A Syrian worker in a coffee shop in Mafraq said: Nothing is available, no public safety tools, no first aid kits, no changing rooms, or a break room. There is a washroom though and the employer provides us with food.

In terms of benefits provided by enterprises to workers, like changing rooms, places to eat or lockers, the results showed that 66.1% of enterprises offer some of these amenities. It was noted that the highest percentage in terms of sectors that provide such benefits are available is the agriculture sector. 49.1% of employers in that sector said they provide private rooms for their workers and their families since they work and live in the farm. It was followed by the service sector at 44% and the construction sector at 6.8%.

Figure: Distribution of the sample based on the types of benefits they are provided

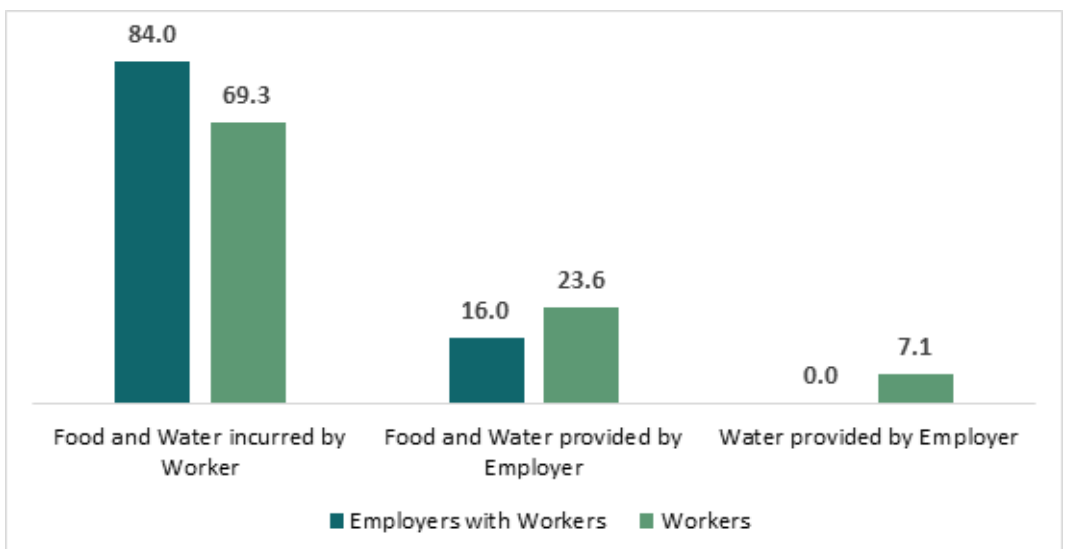


Further results show that 16% of employers provide their workers with one meal a day, while 69.3% of workers in informal enterprises said they bear the cost of their food and water. It was noted that the highest percentage of employers who bear the cost of meals is in the construction sector at 46.7%. It was followed by employers in the service sector at 37.5% and finally the agriculture sector at 15.8%.

On the other hand, 55.6% of workers in the service sector said that their employer only provides them with water, as well 38.9% of workers in agriculture and 5.6% in construction. Others revealed that they bear the cost of everything.

A Syrian worker in the agriculture sector in Mafraq said: Nothing is available, no public safety tools, no first aid kits. There is a private room in the farm where my family and I live, as well as a bathroom. Sometimes, we eat from the farm and others we buy our own food

Figure: Distribution of the sample based on informal employment patterns and the provision of meals and drinks for workers



A Syrian female teacher in Mafraq said: All Occupational Safety and Health tools are provided, as well as a first aid kit and a fire extinguisher. We were trained on how to use these tools. There is also a break room where we can eat and rest, and a washroom. The employer provides us with water, while we pay for our own food.

Summary

There is a great deficiency in informal enterprises when it comes to their implementation of occupational safety and health guidelines and procedures. It is accompanied by a weakness in labour investigations and accountability. Awareness campaigns are also not sufficiently conducted on these topics to enterprises, whether formal or informal, especially in the sectors of agriculture and construction.





The Fifth Chapter

**Social Protection
for Workers in the
Informal Economy**



First: Social Protection

Social protection, or social security, is a human right and is defined as the set of policies and programmes designed to reduce and prevent poverty and vulnerability throughout the life cycle. Social protection includes benefits for children and families, maternity, unemployment, employment injury, sickness, old age, disability, survivors, as well as health protection.³⁸

Social protection plays a key role in achieving sustainable development, promoting social justice and realizing the human right to social security for all. As a result, it has been forefront in various Human Rights conventions, starting with the Universal Declaration of Human Rights. Article 22 of the declaration stipulates that:

“Everyone, as a member of society, has the right to social security and is entitled to realization, through national effort and international co-operation and in accordance with the organization and resources of each State, of the economic, social and cultural rights indispensable for his dignity and the free development of his personality.”³⁹

Paragraph (3) 9of Article 23 also declared that: “Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection.”⁴⁰ The International Labour Organization (ILO) has worked to promote the principles of social protection since its establishment in 1919. Since then, it has gradually expanded the scope of protection by adopting a series of international standards. It also developed a normative framework for the right to Social Security, which today includes 16 modern social security standards that guide national

38 ILO, World Social Protection Report 2017–19 Universal social protection to achieve the Sustainable Development Goals, 2017. Found at: https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_604882.pdf

39 <https://www.un.org/en/universal-declaration-human-rights/index.html>

Ibid

social protection policies.⁴¹

According to these criteria, national social protection programs should include at least four main social guarantees that should be provided to all residents and children, as specified in each national law and related regulations; and in accordance with applicable international obligations. These guarantees are:

1. Access to essential health care, including maternity care;
2. Basic income security for children, providing access to nutrition, education, care and any other necessary goods and services;
3. Basic income security for persons in active age who are unable to earn sufficient income, in particular in cases of sickness, unemployment, maternity and disability;
4. Basic income security for older persons.⁴²

These guarantees were enshrined in the ILO's Recommendation on Social Protection Floors Recommendation, 2012 (No. 202), which is the most recently adopted standard by the organisation on this field. The recommendation reflects the global commitment to guarantee at least a basic level of social security to all in the form of a nationally defined social protection floor. This commitment is also reflected in the 2030 Agenda for Sustainable Development. Most prominently in SDG 1.3 which calls upon countries to implement nationally appropriate social protection systems for all, including floors, for reducing and preventing poverty. Furthermore, the importance of social protection for sustainable development is reflected in several other goals, including universal health coverage (SDG 3.8), gender equality (SDG 5.4), and decent work and economic growth (SDG 8.5).⁴³

41 ILO, Declaration on Social Justice for a Fair Globalization, 2011, Found at: https://www.ilo.org/wcmsp5/groups/public/---dgreports/---cabinet/documents/genericdocument/wcms_371208.pdf

42 ILO, *Social Protection Floors Recommendation, 2012 (No. 202)*, 2012. Found at: https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_INSTRUMENT_ID:3065524

2030 agenda/<https://sdgs.un.org>

Despite the widespread recognition of the need for social protection, the right to social security is still not guaranteed to a large proportion of the world's population. While countries continue to establish social security programs and institutions, the effectiveness of these programs in terms of their coverage remains low.

The reality in Jordan is no different from the rest of the world with regard, as social security is provided to formal workers in the public and private sectors, while excluding other groups like informal or Migrant workers, despite their inclusion in the law. Moreover, low female participation rate in the labour market and high level of unemployment have contributed to the poor coverage of workers in the kingdom.

The Social Security Corporation (SSC) has been trying to encourage workers to be included under its umbrella by implementing awareness campaigns. One such campaign focused on the Maternity and Unemployment Insurances, while the other included the launch of its Optional Subscription that allowed more categories to join. The latter program resulted in an increase in the number of insured beneficiaries, reaching one million and 328 thousand insured, which constitutes 73% of those working in Jordan. ⁴⁴

Second: Social Protection for Workers in the Informal Economy

As aforementioned in the previous chapters, workers in the informal sector are subjected to difficult working conditions, and they lack the protection that their counterparts in the formal sector have. These workers are thus unable to join the SSC and work in

44 <https://www.almamlakatv.com/news/29766-%D9%85%D9%84%D9%8A%D8%A7%D8%B1-%D8%AF%D9%8A%D9%86%D8%A7%D8%B1-%D9%86%D9%81%D9%82%D8%A7%D8%AA-%D8%AA%D8%A3%D9%85%D9%8A%D9%86%D9%8A%D8%A9-%D9%81%D9%8A-10-%D8%A3%D8%B4%D9%87%D8%B1> (In Arabic)

working environment that do not abide by decent work standards or occupational safety and health.

Due to the expansion of the informal sector in the Arab world, the Arab Labour Conference issued Recommendation No. (9) related to social protection for workers in the informal sector in its 41st session of the Arab Labour Conference, held in September 2014.⁴⁵ The recommendation affirmed that these workers have the right to:

1. Minimum levels of social protection, including basic education and health care, benefits and pensions in cases of disability, death and old age.
2. The ability to unionise and join labour unions or organisations that represent them and defend their rights.
3. Guaranteeing the right of working women and children affiliated with this Economy, especially their right to enjoy decent working conditions and environment.
4. Development of legislations, mechanisms and procedures that help integrate the informal Economy into the formal economy.

However, this recommendation, like many others, was not implemented. On the contrary, the informal sector continued its expansion as unemployment levels soared and the inability of economies to generate new jobs for those seeking them. These conditions are much worse for women due to their low economic participation levels. These levels reached 14% in Jordan according to the latest data issued by the Department of Statistics for the first quarter in 2020.⁴⁶

45 https://alolabor.org/wp-content/uploads/2015/02/Recommendation_9.pdf (In Arabic)

46 http://www.dos.gov.jo/owa-user/owa/emp_unemp.show_tables1?lang=A&-year1=2020&ROUND=1&t_no=17

Informal workers include those who are working in informal enterprises, as well as those working in formal enterprises but are informal themselves. The latter category usually comprises of Small and Medium Enterprises (SMEs), which are considered one of the most important contributors to the Jordanian economy. According to 2015 statistics, there are 187,000 such enterprises in Jordan, 90% of which are micro-enterprises and are working in the various service and industrial sectors.⁴⁷

The problem of including these workers under the umbrella of SSC is due to the Corporation's system which deals directly with enterprises whether those in the public or private sectors. Thus, it becomes the enterprise's duty to include its workers in the SSC, which fills out its information, including its registration, and other relevant data related to the nature of their work and the numbers of its employees. However, unregistered enterprises lack such information and are thus unable to include their workers. In turn, these workers are deprived of their right to benefit from the insurances offered by the SSC. The exclusion happens despite their urgent need for such protections, because of the numerous occupational risks that they are exposed to in their work, resulting from non-compliance with OSH standards and conditions.⁴⁸

In recent years, several propositions have been made to address this issue. The most notable of which is voluntary subscription in the SSC, whereby workers are included in key insurances such as: Old age, disability and death. However, this type of subscription does not include the work injury insurance.⁴⁹

47 <http://alrai.com/article/10509066/%D9%83%D8%AA%D8%A7%D8%A8/%D8%A7%D9%84%D9%85%D8%A4%D8%B3%D8%B3%D8%A7%D8%AA-%D8%A7%D9%84%D8%B5%D8%BA%D9%8A%D8%B1%D8%A9-%20%C2%A0%D9%88%D8%A7%D9%84%D9%85%D8%AA%D9%88%D8%B3%D8%B7%D8%A9> (In Arabic)

48 shorturl.at/dpUZ7

49 shorturl.at/moMUX

Third: Social Protection and the Corona Pandemic

In May, 2019, the Jordanian government launched its National Social Protection Strategy 2019-2025. The strategy included 4 main components: labour market policies, social insurances, social services and social assistance. Unfortunately, the strategy was not implemented on the ground.

The Coronavirus (COVID-19) pandemic then hit the world and further revealed the fragility of social protection and the shortcomings its coverage in Jordan. As the crisis persisted, its economic and social impact began affecting the lives of people around the world, particularly vulnerable groups like migrants and refugees.

Like the rest of the world, the Jordanian government began enacting numerous precautionary measures to curtail the spread of the virus. The most important of the decisions it took is the declaration of the Defense Law of 1992 and its amendments. Based on it, it enacted a number of decisions, including the announcement of the curfew in the Kingdom on the 21st of March, 2020.

The Defence Order stopped the movement of citizens and residents, as well as the movement of vehicles, except in a very limited scope related to those working in vital sectors like the security forces and health services. All the public and private establishments were also closed, as cities were sealed off from one another and life was put on hold. These measures had severe repercussions on workers in non-vital sectors, especially those in the informal sector and daily workers.

Throughout the curfew, Tamkeen monitored the status of workers in various sectors including those working in restaurants and bakeries; private teachers, agriculture, construction, Home based Businesses, factories among others.

One of these sectors was agriculture, where workers were allowed to resume working a week after the curfew was imposed. Despite the importance of this sector, its workers are considered one of the most vulnerable as a result of their legal status. Even though the Labour Law was amended in 2008 to include them, it conditioned their inclusion with the issuance of a system to regulate their work but the system is still not issued.

As a result of this legal loophole, workers in the sector are subjected to numerous violations. They include: low wages; no written contracts, weakness in occupational safety and health procedures and not being registered in SSC.

During the pandemic, many agricultural workers were unable to reach their workplaces, which led to the destruction of crops and the death of some livestock. Others were unable to sell their crops or deliver them to the central market, or sell them to markets or hotels after they all closed down.

As for those who were able to resume working, their working conditions, particularly those related to occupational safety and health were bad. These conditions included being transported in small or medium vehicles that are either unsuitable for this purpose or are filled beyond their capacities. This transportation method thus violates social distancing protocols that are set due to the pandemic. Jordanian and Syrian workers in Azraq, Mafraq, Deir All and North Shouna reported that they are also not provided with masks, gloves or sensitizers by their employers.

Another sector that was monitored is the construction sector. Workers in the sector are employed in numerous contexts and varying working conditions. They could be working for their own account in various projects; or employed with different employers at the same time and receive daily wages based on their work. Others work in workshops, through contractors where they get paid after the

work ends or on a daily basis. Meanwhile, another group consists of those who are employed in construction companies, either through temporary oral or written employment contracts that extends for a number of months, or in some cases to even annual contracts.

Regardless of their status, workers in the sector were not allowed to work due to the curfew. Consequently, these workers were unable to secure their livelihoods, as reported by 314 workers to Tamkeen. 110 of these workers are Jordanians and 170 are Syrians; in addition to 19 Palestinians, 9 Egyptians, 4 Iraqis and 2 Yemenis.^{50]}

Other informal workers are employed in other sectors that include:

- Daily Workers
- Transportation and Taxi Drivers
- Barbershops and sewing
- Wholesale and retail of clothes or home appliances
- Tourism, restaurants, entertainment

According to the Ministry of Social Development, these workers are providing for 300,000 Jordanian families. The estimation was based on the Unified National Registrar, which compiles its data from 86 official and public stakeholders that uses the governmental targeting system adopted by the National Aid Fund. The data was then reviewed by the Social Protection Team, which was formed by the government after the Defence Law was enforced. The team consists of: The SSC, The Hashemite Zakat Fund, the Jordanian Red Crescent, the National Aid Fund, Takiyet Um Ali, the Jordan Hashemite Charity Organization, the Ministry of Youth, Nisreen Barakat and the Minister of Social Development.⁵¹

50 Tamkeen for Legal Aid and Human Rights, Under Curfew 11: Work Disruption in Construction.... Worsened the living conditions of its workers, 2020. Found at: https://tamkeen-jo.org/upload/Under_Curfew_11-_Work_Disruption_in_Construction%2C_Worsened_the_living_conditions_of_its_workers.pdf

51 shorturl.at/nTXZ2

Fourth: Governmental Procedures on Social Protection and the Informal Sector

In light of the pandemic, the government announced a series of decisions to provide benefits to a number of categories. These included: the poor, daily workers, the elderly, in addition to Palestinians and Gazans. The government said that these benefits were provided to compensate for the impact that the governmental measures that were taken to reduce the Corona virus on them. These procedures included the launch of a number of platforms that offered electronic services or targeted specific categories like the elderly and daily workers.⁵² A special account was also created to collect donations that would then be distributed to informal workers.⁵³

However, it was noted that neither the measures announced by the Social Security Corporation nor by the National Aid Fund mention migrant workers, refugees or even the children of Jordanian women who do not have a Jordanian nationality.

These measures are thus in violation of Article 11 of the International Covenant on Economic, Social and Cultural Rights (ICESCR), which stipulates in its 1st paragraph that:

“The States Parties to the present Covenant recognize the right of everyone to an adequate standard of living for himself and his family, including adequate food, clothing and housing, and to the continuous improvement of living conditions. The States Parties will take appropriate steps to ensure the realization of this right, recognizing to this effect the essential importance of international co-operation based on free consent.”⁵⁴

52 <https://service1.ssc.gov.jo/sscaid/>

53 <shorturl.at/wGVWY>

54 <https://www.ohchr.org/en/professionalinterest/pages/cescr.aspx>

The Ministry of Social Development explained that its programs will be divided into 2: the first contains immediate measures that include previous initiatives; while the second program will have a specific time frame that will be set based on the available funds and would be announced under Defence Order 9.

It should also be noted that the announced programs relied on E-Wallets to deliver assistance to the beneficiaries. These wallets are financial services provided by a number of companies in Jordan, under the supervision and control of the Central Bank of Jordan. It allows users the opportunity to manage all their financial transactions from their own mobile phones in an easy, safe and fast way.⁵⁵

Even though this step might look positive, it in fact does not consider the realities of many of the beneficiaries it aimed to serve. While these wallets do facilitate the process of transferring money, they require the user to have a modern smart phone that could be compatible with the application's operating system; as well as an active internet connection. However, those targeted in these programs are in financially tight situations. Thus, some of them might not have the phone or the active internet connection, or both of these things.

Defence Order 9

On Thursday the 16th of April, 2020, the government announced Defence Order 9 to support workers in the informal sector. The Order launched 3 assistance programs are under the auspices of the SSC and they are:

1. Tadamun (Solidarity) Program (1): The program targets workers whose establishments are covered by the provisions of the Social Security Law whose work was fully or partially stopped during April and May 2020. These workers would be allocated (50%) of the deductible salary of the insured employee by the SSC. The amount of the salary shall not be lower than

JDs 165 per month and not more than JDs 500 on condition that the establishment shall pay to SSC an amount equal to 20% of the deductible salary of the insured employee but not exceed a maximum of JDs 250.

2. **Tadamun (Solidarity) Program (2):** Beneficiaries of this program are establishments which are not covered in Social Security Law provisions. These establishments shall submit a request to include all their employees in work suspension insurance on condition to pay an amount of JDs 140 once non-recurring per each employee to be included. These workers will then receive JDs 150 as work suspension insurance. The SSC shall pay JDs (100) out of this amount, and the establishment shall pay JDs (50).
3. **Musaned (Supporting) Program:** The program has 3 sub-programs that allow insured Jordanians and non -Jordanians residing in the Kingdom to receive advance payments and their temporary unemployment credits from the corporation that does not exceed JDs 450 to be distributed over 3 months. ⁵⁶

An analysis of these programs show that they excluded Migrants and refugees, except Musaned. The omission of these categories is worrying as many of them work in the formal sector and are in fact registered under the umbrella of Social Security. Besides, these categories are considered among the most vulnerable in the Jordanian society as they continue to be exploited in terms of their decent work conditions and social protection. Others are either working informally or unemployed and struggling to cope with the COVID-19 crisis.

It should be noted here that the number of actively insured people under the umbrella of Social Security is 1.317 million, of which 163 thousand are not Jordanians, which means that 12.4% of active subscribers in SSC are non-Jordanians.

56 <https://betterwork.org/wp-content/uploads/2020/04/Defence-Order-no.-9-for-2020-English.pdf>

In terms of Informal Workers, they were included under another program under the auspice of the National Aid Fund. At the time, Social Development Minister Basma Ishaqat said that 200,000 families are expected to benefit from its first phase. These families were selected through the government targeting system, which relies on measuring 57 indicators related to determining the standard of living and need for families. These families are then arranged from poor to poorer to poorest. The program thus excluded migrants and refugees, as it relied on the targeting system which only includes those who hold a national number. It did though include Gazans and children of Jordanian women.⁵⁷

Through the program, families with two members will receive JD70 for one month, while households with more members will receive JD136. The application conditions included the following:

1. The applicant should be the head of the household as stipulated in a family book or another official document.
2. The applicant should not be covered under the Social Security Law
3. The income of the family should have stopped due to his work in the informal sector
4. The applicant should not have another source of income.
5. The overall income of the family should not exceed JDs 350 a month

The analysis of these conditions leads to a number of conclusions. In addition, the abovementioned exclusions, the program also excluded single informal workers, divorced or separated mothers who support their children.

57 <https://www.jordantimes.com/news/local/govt-issues-defence-order-no-9-support-non-working-employees-employers-daily-wage-workers>

Although Defense Order No. (6) confirmed the government's endeavour to provide support to informal workers, provided they join the SSC as was mentioned in paragraph 7, which said that: "The Government is aiming to secure basic life essentials for Jordanian day labourers, who are not included in the social security system, provided that they subscribe to social security in accordance with a mechanism to be announced in due course."⁵⁸

Instead of utilising this opportunity though to transition informal workers into the formal sector by allowing them to join the SSC in exchange for paying small contributions, as several entities suggested, the government resorted to providing them with a financial aid instead.

It was also noted that the program did not refer to owners of small shops like barbers, mechanics, and handymen, even though they are considered daily workers and were badly hit by the crisis.⁵⁹

58 <https://www.jordantimes.com/news/local/pm-issues-defence-order-no-6-stipulating-labour-rights-under-defence-law>

59 <https://alghad.com/%D8%A3%D9%85%D8%B1-%D8%AF%D9%81%D8%A7%D8%B9-9-%D9%87%D9%84-%D9%81%D9%88%D8%AA%D8%AA-%D8%A7%D9%84%D8%AD%D9%83%D9%88%D9%85%D8%A9-%D9%81%D8%B1%D8%B5%D8%A9-%D9%86%D9%82%D9%84-%D8%B9%D9%85%D8%A7%D9%84/>





Conclusions and Recommendations

Legislatively

The national legislations are somewhat incompatible with international instruments that govern a number of important issues related to workers' rights. These issues include: Forced Labour, Slavery and Discrimination. People who commit such acts are still unaccountable for their actions, whether in the Penal Code or other related legislations. Instead, the Jordanian legislature limited its criminalising for a number of acts that include: coercion, threats, and confiscation of travel documents. As a result, we recommend the following:

- The necessity for national legislation to become compatible with the requirements of international standards by embarking on harmonised legislative reforms. These reforms need to take into account the legislative philosophy of laws; and encourage workers in the informal economy to join the formal economy, which in turn needs to be developed as well.
- Texts of national legislations: The Penal Code and Labour Law, need to include clear definitions for the terms: forced labour, compulsory labour and discrimination. These laws must also criminalise these phenomena by including criminal penalties that are consistent with the gravity of the acts committed and international standards. It is also necessary that they include an accurate identification of the most important means and patterns of behaviour that lead to such acts.
- The amendment of the Social Security Law to include informal, agricultural and self-employed workers under its umbrella. A system also needs to be developed for the mechanism of their inclusion and the financial contribution to be made by the government to encourage them and lower the subscription rate. The capacity of the SSC and Ministry of Law should also be enhanced to be able to enforce the law.

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- A law on trade unions should be developed that enable unions and specialised labour organisations to be formed based on their economic activities. These unions should represent the best interests of workers, whether male or female, including those who work in the informal economy and defend their rights. The unions should also represent these workers in collective bargaining. These unions must also include migrant and refugee workers.
- Development of a law that enable small business owners to form cooperatives that provide them with legal assistance and technical advice. These cooperatives would also help employers solve their issues, and play an intermediary role with the governmental entities to create possible solutions to the challenges faced by these employers, with an ultimate goal of integrating these employers in the formal economy.
- Stop the exclusion of workers from any type of protection provided for in the Labour Law, especially agricultural and domestic workers. Also ensure that principle of equality between workers is guaranteed, whether these workers are male or female, Jordanian or non-Jordanian.

Economically and Statistically

The expansion of the Informal Economy, within the various economic activities inside Jordan in the past years constitute a source of concern. Currently, the formal economy is known to be unstable and unable to absorb all the activities in the informal economy.

The expansion of the informal economy is due to a set of obstacles that are reflected in public policies in the business sector. They include the complexities of enacted legislations and procedures; the high costs of registration with official authorities and contributions to the SSC; as well as the high prices of goods and services. Moreover, the low wages in the public and private sectors, the limited available

job opportunities and the increase in rates of unemployment are also contributing factors. There is also a clear absence of an organisational and strategic vision in terms of the labour market. Information and data are scarce, including studies on the size of the informal economy and its implications for the overall economy. Also, there is no clear data on the rates of tax evasion and smuggling. Thus, we recommend the following:

- Positively engage with the informal economy, with the aim of supporting business owners to develop their businesses and then allow them integrate them into the formal economy. Institutions capacity should also be developed, including trust building between business owners and the governments, as well as the development of policies that encourage partnerships between both parties
- Encourage small and medium size enterprises. Seriously pursue easing restrictions and controls, removing administrative, legal and tax obstacles that hinder their growth and ability to generate new jobs. Registration and SSC subscription rates should also be lowered, as well as facilitate credits and provide them with consultations services in exchange for the requirement to register their business and its workers at the relevant government agencies.
- Review Loan and Financing Policies and strengthen the role of the SSC and Loan institutions that provide loans for small enterprises
- Review the policies related to vocational and technical training. Enhance the role of the Vocational Training Corporation in providing training programs to develop workers' skills in the various activities of the informal sector, to keep pace with the requirements of the labour market that is affected by economic and technological changes. The VTC should also offer free training courses in the fields of management, marketing and accounting in line with the characteristics of projects and enterprises in the informal economy.
- Establish cooperatives or coalitions that provide raw materials and tools at a lower cost. These cooperatives could also facilitate the marketing process beyond the limits of familial relationships or

acquaintances.

- Enhance the role of commercial and industrial complexes, as they could play the role of an incubator for businesses and projects in geographically faraway areas.
- The government should pay attention to data related to the informal economy. The Department of Statistics should conduct comprehensive and periodic field survey on the economy and its components. A database should also be developed that will be used to properly plan or develop numerical data on the economy's activities according to the standards of the International Labour Organization.
 - Expand the services provided by the E-Government to facilitate the process of registering an enterprise. Also, expand the Electronic Tax System to include all economic activities, regardless of its size.

In terms of Decent Work and Awareness

Establishments and projects in the informal economy are characterised as being highly flexible. They are able to respond quickly to the various variables. This is a result of the poor and precarious conditions experienced by workers in this economy. These workers work for long hours, receive poor wages, deprived of their holidays and vacations, have no coverage in SSC or application of occupational health and safety measures. Their awareness levels are also poor and are unaware of ways to protect themselves. Therefore, it is imperative to pursue social and legal policies related to work as follows:

- Take measures to improve working conditions, develop plans and programs aimed at eliminating all discrimination, and ensure equality of opportunities and treatment for all workers in terms of access to work, working conditions, wages and income, and in vocational guidance and training.
- Consider providing social protection for informal workers

a national priority, provided that it includes (health, work injury, unemployment insurance, maternity care, disability, old age and retirement pensions, and deaths), provided that the value of the contributions is at an encouragingly low price or for free.

- Establish cooperatives or coalitions for similar projects that contribute in raising the level of workers' awareness in the informal economy on the importance of providing public safety measures, and develop mechanisms to oblige its members to provide an acceptable limit of these measures

- Organise workshops that are devoid of public safety requirements and find a way to legalise the status of those that working illegally so they can join the formal economy.

- Collective bargaining should include workers in the informal economy, as well as agricultural workers. Dialogues should be organised with Trade and Industry Chambers on the rights of these workers and to address issues faced by self-employed workers and supporting entrepreneurship.

- Launch a large-scale awareness campaign on "Providing Social Protection for workers in the Informal Economy and Agriculture Sector," that should be effectively implemented locally. Media messages should also be increased to raise awareness on this topic, and mobilise support for it, provided that local community institutions and trade unions play a leading role in this.

- Spread the concepts of labour culture among workers in the Informal Economy to demonstrate the advantages of engaging in union organising and broadening the representative base of trade union movements. Migrants and Refugee workers should also be included in these unions, which will improve the negotiating position of the labour movement, and significantly limits the exploitation of these workers.

- Create awareness among the owners of small and medium enterprises of the importance of coordination among themselves to create specialised networks or bodies that represent them. The government should involve them in public policy dialogues, and to take their interests into account when designing policies. It also

needs to provide services and infrastructure for them that will help raise their level of efficiency and effectiveness.

In terms of Inspection

The problem of non-compliance with the legal provisions that regulate the rights and protections of workers and the limited enforcement of laws in the informal economy is one of the most important obstacles that stand in the way of achieving justice and organising the relationship between the parties in the market. Non-compliance must be addressed as it will lead to improving the working conditions and environment. In order to do so, the following is recommended:

- The Ministry of Labour must develop a compliance model for work in the economy that ensures respect for occupational safety and health conditions, and protects wages as well as other relevant international labour standards.
- Strengthen the work of the supervisory authorities in the MoL, specifically labour inspectors, by intensifying inspection visits, to uncover sites where violations are spread; facilitate the reception of labour complaints; and verify working conditions and the extent of implementation of laws and regulations in force. Detected violations should also be referred to the competent judicial authorities to ensure the effective and serious implementation of the penalties stipulated in the laws criminalising these violations.
- Take measures to ensure that the additional tasks assigned to labour inspectors (enforcement of provisions on conditions for employment of migrant workers) do not interfere with the performance of their basic duties; enhance the resources and capabilities of labour inspectors and ensure that they are provided with material resources and transportation facilities to perform their duties effectively.
- Civil Society Organisations and Trade Unions should continuously pressure the government to increase its inspection efforts on enterprises, whether in the formal or informal economy and ensure that legislations are implemented.

In terms of Social Protection

- Build a detailed database about the informal economy and its various groups of workers in a way that enables decision-makers and the competent authorities to reach them, provide deserving groups with direct support from any fund allocated for this purpose. It is important that the available data is utilised by the competent official authorities such as the Department of Statistics, the Social Security Corporation and the National Aid Fund.
- Strengthen the capacities of social safety nets and direct them to various vulnerable groups of citizens, including those working in the informal economy. These measures should contribute to improving the conditions of these groups, through offering them reschedules for their loans in commensuration with the expected impact of the pandemic. Health insurance coverage should also be expanded to include everyone who does not have official or private insurance.
- The immediate inclusion of workers in the informal economy in the SSC, whether they work with an employer or not. The voluntary participation rates should also be reduced to the extent that is commensurate with the capabilities of these workers.
- It is necessary to establish national funds to share the burdens of insuring unable citizens, or those working in the informal economy.
- Workers in the agricultural sector should also be immediately included under the umbrella of the SSC. Also, the immediate issuance of the Agriculture Workers System, that has not been issued since 2008.
- Strengthen the capacities of social safety nets, increasing their allocations and directing them to vulnerable groups, including those working in the informal economy. Such funds should assist these group with cash and in-kind assistances and accelerate the speed of their disbursement. The benefited groups should also be expanded to include those who lost their jobs low-income families, as well as migrant and refugee workers.

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Work in Volatile Situations

Status of Workers in the Informal Economy

This study was conducted as part of the Socio Economic Development for Marginalized Workers in Jordan. The project was implemented with support from the Kingdom of Netherlands represented by the Embassy of the Netherlands in Jordan. The project targeted workers in the sectors of Agriculture, Construction as well as Informal Workers.

This study highlights the status of workers in informal sectors, as it sheds light on their working conditions, the violations they face. It also provides a look to relevant labour laws.

We wish that this study provides a cornerstone for further attention to these workers, who play a vital role in supporting the national economy. Therefore, they deserve to be provided with social protections as well as their labour rights.

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