



Impact of work permits on decent work for Syrians in Jordan

**Key Findings and Recommendations
Brief (September 2021)**

In 2016, the Government of Jordan, in partnership with the international community, committed to improving the living conditions, prospects and resilience of both Syrian refugees and Jordanian host communities. Through these efforts, the Jordan Compact was born. The Compact is a commitment from the international community not only to support Jordan in providing a regional and global public good by hosting refugees as best as it can, but also to support Jordanian citizens and the economy as a whole.

As part of the Compact, the international community agreed to make concessional trade and finance available to Jordan, on the condition that they formalise employment for 200,000 Syrian refugees. While decent work deficits remain a challenge in many of the sectors employing Syrian workers, work permits have provided a legal pathway for many to access and enjoy their rights.

Since the signing of the Jordan Compact, more than 230,000 work permits have been issued to Syrian refugees in Jordan.

A report by the International Labour Organization (ILO) and the Fafo Institute for Labour and Social Research (Fafo) explores the impact of work permit regulations on decent work outcomes for Syrians in Jordan.

The report focuses on sectors where large numbers of refugees work, including manufacturing, agriculture and construction. The study investigates how work permits affect the employment of Syrian workers and analyses gender-specific outcomes. It likewise explores if work permits have a bearing on wider labour market challenges in Jordan, including labour market segmentation, low labour force participation, and weak job creation.



General conclusion

The findings from the analyses show a clear positive impact of the work permit scheme with respect to improving decent work for Syrian workers in Jordan. The report has analysed a wide selection of decent work indicators, and most of these indicators show that Syrians holding a valid work permit experience more decent work than their counterparts without valid work permits. The analyses also show that in many areas of

decent work, Syrian workers have come closer to the standards of Jordanian workers over time, indicating a steady assimilation of Syrians into the Jordanian labour market, partly caused by the introduction of the work permit scheme. However, decent work for Jordanians is still considerably more prevalent compared to Syrians in most areas, and improvements should be made through more innovative work permits schemes.

Main findings

Impact on labour force participation rate and employment

Labour force participation and employment rates among Syrians have increased substantially since 2014. For all Syrians in Jordan, the labour force participation rate has increased from 28 per cent in 2014 to 33 per cent in 2018. Although attribution of this increase to work permits is not direct, the overall effect of work permits in incentivizing and providing the legal framework for Syrians' access to work is quite apparent. While labour market participation rates for Syrians increased over the past years, unemployment rates have also fallen from about 60 per cent to about 8 percent in 2018.

The construction and agriculture sectors have experienced increased participation and employment of Syrians in Jordan through the provision of work permits that have seen relatively flexible developments since their introduction in 2016.

► Labour force participation rates during 2014-2018 (%)

	2014	2018	2020
Syrians, total	28	33	46
Syrians, male	52	60	75
Syrians, female	4	9	23
Syrians, lowest education	27	25	52
Syrians, highest education	67	53	62

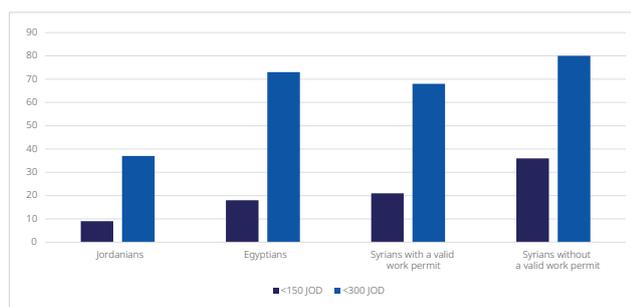
Impact on Wages

The general impression from analyses of the impact of work permits on wages is that holding a work permit has a positive effect on wages levels for Syrian wageworkers. While about 37 per cent of employed Syrians without a valid work permit earn less than 150 JOD per month, about 20 per cent of employed Syrians with valid work permits earn such low wages. The same trend can be seen for those Syrians earning less than 300 JOD per month. Compared to Jordanians, employed



Syrians with work permits still earn substantially less, while Syrians with work permits currently are at the same wage levels as Egyptians in Jordan. In 2014, employed Syrians earned far less than Egyptian workers. While 18 per cent of the Egyptians earned less than 200 JOD per month, as many as 39 per cent of the Syrians did the same.

► **Share of populations that earned less than 150 JOD and less than 300 JOD from their main work during the month of January 2020 (Household survey)**



Impact on stability of work

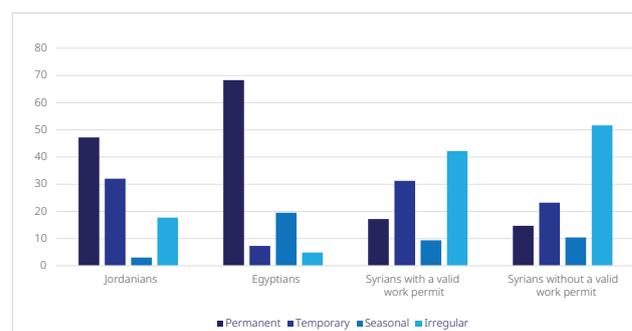
Analyses of working hours and the length and stability of work arrangements among Syrian and Jordanian workers show that Syrians with work permits do have more stability of employment compared to those without work permits. In 2020, Syrian workers without work permits were more often temporarily out of work compared to permit holders, and the ones who were working worked more hours than the permit holders. This might indicate that holding a work permit leads to more stability of work and that not holding a work permit leads to more excessive hours of work. However, compared to the situation in 2018 it seems that the prevalence of excessive hours has decreased for both workers without work permits and for permit holders in particular.

With respect to working days per month, more

work permit holders are within the “normal” range of 20-26 working days compared to those without work permits. If we use the workdays pattern of Jordanian workers as a benchmark for the “normal” situation in the Jordanian labour market, we see that Syrians holding work permits are closer to that “normal” compared to those without work permits. Syrians work significantly fewer months of the year compared to both Jordanians and Egyptians. However, more Syrians with work permits work all months of the year compared to those without permits, who also work fewer months of the year in average.

While 48 per cent of Jordanian workers, and nearly 70 per cent of Egyptian workers, were in permanent work arrangements, only around 15 per cent of the Syrian workers were in permanent employment in 2020. However, the results also show that slightly more Syrians with work permits were in permanent employment (17 per cent) compared to Syrians without work permits (15 per cent). On the other end of the work regularity scale, more than 50 per cent of Syrian works without work permits were in irregular types of employment, including working as day labourers, while about 41 per cent of Syrians with work permits were in these types of employment.

► **Share of wagedworkers by regularity of employment and population group (source: 2020 Phone survey)**





Impact on formality of employment

Formality of employment refers to whether workers obtain the benefits embedded in the rules, regulations and standards for employment. This includes having a clear contract with their employer, being covered by social security schemes and health insurance, and having access to paid annual leave, maternity leave, and other social benefits.

About 13 per cent of Syrian workers in Jordan had written contracts with their employer in 2020. However, the data also showed that 25 per cent of the Syrians holding a valid work permit had written contracts, compared to only 9 per cent of the Syrians without a valid work permit. With respect to social security coverage (typically insurance for work injuries, access to retirement pension, right to maternity leave, and insurance against unemployment), we find a similar gap between Syrian work permit holders and those without work permits. While 18 per cent of Syrians with a valid work permit were covered by social security in 2020, only 9 per cent of those without a valid work permit were covered.

In 2020, only 3 per cent of Syrian workers had access to health insurance through their job, 5 per cent had access to paid annual leave, while 7 per cent had access to paid sick leave. In addition, there is a relatively large gap between work permit holders and those without work permits. While less than 3.5 per cent of Syrians without work permits have access to these benefits, between 11 and 18 per cent of work permit holders have access to such benefits.

► Other social benefits for workers, by nationality and work permit status, 2014, 2018 and 2020 (2020 Phone survey)

		Health insurance	Paid annual leave	Paid sick leave
2014	Jordanians	39.0	52.0	63.0
	Syrians in total	7.0	7.0	11.0
	Syrians with a valid work permit	ND	ND	ND
	Syrians without a valid work permit	ND	ND	ND
2018	Jordanians	ND	ND	ND
	Syrians in total	9.0	7.5	5.0
	Syrians with a valid work permit	7.0	9.5	8.9
	Syrians without a valid work permit	9.0	6.5	3.0
2020	Jordanians	30.0	49.0	55.0
	Syrians in total	3.0	5.0	10
	Syrians with a valid work permit	11.0	17.0	18.2
	Syrians without a valid work permit	1.0	1.4	3.4

Impact on social cohesion

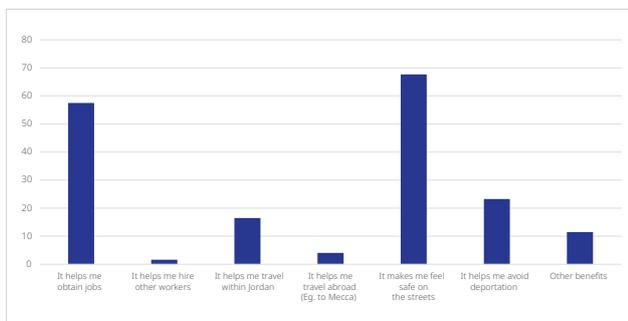
Almost 70 per cent of Syrian work permit holders state that holding a work permit makes them feel safe in public spaces, while 23 per cent state that it keeps them safe from being deported from the country. These expressions reflect that many Syrians without work permits live in fear of being caught for illegal employment or stay in Jordan, and that obtaining a work permit promotes social cohesion and increases the wellbeing for Syrians in general.



Data reflecting social cohesion of Syrians in Jordan also shows that Jordanian workers' trust in Syrians, and vice-versa, has increased significantly from 2014 to 2018. The same positive trend can be seen for Jordanians' perceptions on how Syrians influence the wage levels in the labour market.

The status of Syrian workers when it comes to being hard working and reliable in the Jordanian labour market also seems to have turned more positive since 2014. In 2014, Jordanian workers perceived Egyptian workers to be the most hardworking group of workers, while only 14 per cent of Jordanians perceived Syrians to be the most hardworking. In 2020, the status of Egyptians decreased and the status of Syrians increased in the eyes of Jordanian workers. About 20 per cent of Jordanian workers perceived Syrians to be the most hardworking in 2020. The same trends can be seen for Jordanians' perception of the most reliable groups in the labour market. The status of Egyptians has decreased, while the status of Syrians has increased.

► **Social integration benefits from having a work permit expressed by Syrian workers, Per cent of all workers, 2020 Phone survey**

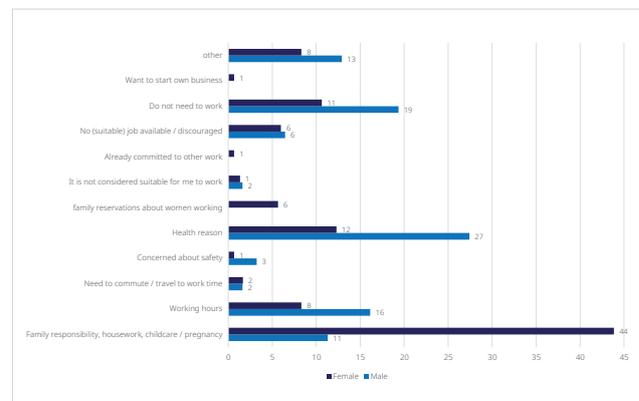


Impact on women in the labour markets

Female labour force participation remains generally low particularly in the Middle East and North Africa region. While participation rates remain relatively low, they have however seen a steady increase in the past few years particularly for Syrian women in Jordan. For instance, the participation rate in 2014 was about 4 per cent while it reached about 9 per cent in 2018.

The general reasons for the relatively lower female labour force participation rates include family responsibility (44 per cent), inconvenient working hours (8 per cent) and lack of suitable jobs (6 per cent). Despite these challenges, our findings indicate that female labour market participation can potentially be increased through various incentives such as provision of jobs with closer proximity, free transportation, safe working environment and childcare services.

► **Reasons for out of labour force persons, 2021 Phone Survey Data disaggregated by gender (Per centages. Sample size=363)**





While incentives can be instrumental, addressing prevailing norms and attitudes are essential to tackle the social barriers. For instance, attitudes towards what occupations are suitable for women are prevalent in that any programmes intended to create jobs for women should consider what is generally acceptable.

Finally, from a policy perspective geared towards

refugees, work permits play an important role not only in providing formal mechanisms for access to labour markets but also in addressing the constraints that Syrians face when living in Jordan. While work permits provide a legal framework for work, they also have an added value in terms of facilitating other constraints such as mobility and increasing a sense of safety for women at work.

Recommendations

The report has confirmed that easing access to the labour market for Syrians has positive effects on their income, stability of employment, and other decent work outcomes. To further increase the number of refugees who have access to work permits, the study recommends the following:

In the short term:

- Streamline the procedures in a one-stop shop to ease the uptake of work permit, using digital solutions that help to decrease the complexity and delays.
- Disseminate widely the information on the new changes of work permits regulations related to the new open occupations as well as the social security coverage regulation through different channels, especially social media targeting workers and employers.
- Utilise the MOL/ILO employment centres to help disseminate information and help increase compliance with work permit procedures.
- Take proactive steps to increase the uptake of work permits by women, including by:

- a) developing a campaign targeting women to encourage them and their employers to apply for work permits;
- b) developing and implementing an induction training programme for new women entrants on the labour market; and
- c) paying and subscribing for social security.

In the medium and long term:

- In the light of the absence of a political solution in Syria in the near future, the young generations of Syrian refugees who started graduating from universities need additional opportunities beyond the traditional sectors and beyond the worker status that include more professional occupations, such as engineers, teachers, doctors, nurses, etc.
- Promote a one refugee approach by supporting the Government of Jordan to expand the work permit scheme applicable for Syrians to workers of other refugee backgrounds, including Palestinians from Syria, Yemenis, Sudanese and others.



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