

# PROMOTING EFFORTS AIMING AT INCREASING THE ECONOMIC PARTICIPATION OF JORDANIAN WOMEN

By:

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## FORWARD:

The extent of economic participation of women has remained at a standstill for the last two decades in Jordan despite efforts exerted by the Government to increase their participation. This dilemma continued despite introducing legislative reforms, governmental endorsement of the National Strategy for Women 2012-2015, studies conducted to investigate environmental barriers, and efforts made by Jordanian civil society and international organizations to improve women's economic role.

The recorded average unemployment rate of women was 23% in the Hashemite Kingdom between 2003 and 2012 <sup>1</sup>. Women are not only underrepresented in employment, but they are a vulnerable population in Jordan excluded in many other ways from economic participation. This policy paper is prepared to examine their participation and to explore avenues in which to enhance their productive capacity and contribution.

This policy paper aims to present an objective reading of the main reasons for a continuous decline of economic participation of women in light of the available studies, research, and reports made in this regard, in-depth interviews conducted by many economic experts, and with due consideration of outcomes from focus group sessions conducted in many Governorates in the Kingdom. Furthermore, this paper recommends alternative policies facilitating their economic participation to more closely trend with international objectives. It is the premise of this paper that economic empowerment of women drives progress and prosperity for all Jordanian citizens.

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# INTRODUCTION

Women's economic participation has been among topics catching the attention of many parties concerned with development issues in Jordan. It has been a top initiative for many women's organizations due to the fact that effective exercising of women's economic role leads to activating their role in the community at various levels. Despite increasing focus in recent years by successive Jordanian Governments and Jordanian civil society organizations to bolster women's economic participation as a part of overall economic productivity, their activity remains weak. The decline in the rate of women's economic participation is seen as one of the main imbalances experienced by the Jordanian economy whereby the revised general economic participation rate (labor force in relation to population of 15 years old and over) reaches 36.4%<sup>2</sup>; while the revised women's economic participation rate reached 12.1%, a rate which has not changed significantly for nearly twenty years, as it had reached 12.4%<sup>3</sup> in 1993, while the revised men's economic participation rate stood at 60.0%.

These rates are considered too low in comparison with those in most world countries. Comparative figures indicate that economic participation of both genders in the world reached 64.1% in 2012, while in the Middle East it reached 48.1% and 49.1% in North Africa. The world rate of economic participation of men reached 77.1%, while in the Middle East and North Africa it reached 74.3%<sup>4</sup>. The world rate of women's economic participation stands at 51.1%, while it stands at 18.7% in the Middle East and at 24.4% in North Africa<sup>5</sup>. In general, the rate of economic participation in the Arab World is considered low due to the participation of women in the work force, as they represent 26% thereof<sup>6</sup>; whereas unemployment among females in the Arab World reached 17.4%, it reached 26.8% among females in Jordan in the third quarter of 2013 compared to 11.3% for males<sup>7</sup>; figures of the fourth quarter 2013 however, showed 18.7% among females and 9.5% among males<sup>8</sup>. During the second half of 2012, the net job opportunities created reached 28 thousand out of which 20 thousand were for males and 8 thousand for females<sup>9</sup>, illustrating the decline in women's participation rate. Women in Jordan work mainly in specific jobs and professions such as education, health and social work; as 43.2% of them work in the education sector, while 14.9% of them work in health and social work sectors, and 7.4% work in the sector of transformative industry<sup>10</sup>. Furthermore, 48% of female workers work in the public sector while the rest work in the private sector. This may be attributed to an attempt by women to preserve their traditional role through assuming occupations considered more suitable for women according to social parameters. It is noted that the work atmosphere in the public sector is considered attractive for women due to the fact that it takes into account women's needs and requirements more than the private sector<sup>11</sup>, and the public sector work atmosphere considers separation at work according to gender.

In entrepreneurial terms, females own a share estimated at 5.3% of small and medium sized enterprises. Women who owned businesses in 2010 accounted for 2.1% of the total number of working women; while women who worked for their own business reached a percentage of 2.4%<sup>12</sup>. Women represented 17% of land owners, 22.1% of apartment owners, and 43.1% of financial securities (shares), the total value of financial securities owned by women reach approximately 22%<sup>13</sup>.

## THE CHALLENGE:

Weak economic participation of women is considered among the major obstacles facing socio-economic development efforts in Jordan. Weak economic participation of women is indicative of limited production potential in the overall development process. Such weakness reflects negatively on rates of economic growth and thus low living standard of citizens. Increasing economic growth rates at the macro level cannot be achieved without effectively mobilizing all human resources, particularly women as they represent 48.5% of the national 6.4 million population<sup>14</sup>. Moreover, the weak economic participation of women leads to increasing the rate of dependence among Jordanian families which reaches (1 – 4)<sup>15</sup>. The development process is an integrated process which may not advance without having women play an effective role in the economic life equivalent

to their volume in the community. Moreover, the weak economic participation of women reflects negatively on the degree to which women enjoy their economic, social, civil, political and cultural human rights.

The above challenge persists in spite of many amendments to labor related legislations such as the Jordanian Labor Law and the Social Security Law and in spite of the formation in 1992 of the National Jordanian Committee for Women Affairs. This governmental body was established to uphold the status of Jordanian women and promote their economic, social and political participation as well as defend their rights .

## **ANALYSIS OF THE CHALLENGE:**

The major causes influencing the weak economic participation of Jordanian women are as follows:

### **ECONOMIC FACTORS:**

Economic policies pursued by successive Jordanian Governments and enforcement of many restructuring schemes according to recommendations developed by the International Monetary Fund and the World Bank, as well as subsequent austerity measures taken by Governments led to reducing government spending including limiting employment and hiring in the public sector who is the major employer in Jordan and the most attractive sector for women in view of the good employment terms it offers in comparison with the private sector as 48.2% of women and 36.0% of men do work in the public sector<sup>16</sup>.

In addition, investment policies adopted over the past two decades were never adequately oriented as to generate job opportunities in general and for women in particular. Rather, they have focused on mega projects with special attention to real estate projects; these projects usually generate temporary job opportunities most of which go to expatriate workers due to the lack of skilled and semi-skilled Jordanian laborers in the construction field and are dominated by male workers. The cost of generating job opportunities in the mega projects is high in comparison to medium and small size projects, therefore, unemployment rates in Jordan remained at a standstill between (11.0% and 14.0%) over the past two decades; they have in particular

remained high among women, reaching double the unemployment rates of men.

Moreover, the weak general work conditions in the Jordanian labor market are considered deterrents for both genders. The low wage rates are noted, as 62% of wage earners in Jordan receive less than JD 400 a month<sup>17</sup>, with a gap in the wages in favor of men; as the average monthly wage rate for females in the public sector institutions reached JD 403 against JD 457 for men, while in the private sector the average monthly wage rate reached JD 315 against JD 378 for men<sup>18</sup>. It is noteworthy that women in the labor market are more vulnerable for violations of their rights than men, some of these violations include long working hours, denial of annual, sick, and official leaves, in addition to lack of suitable work atmosphere which considers the special needs of women in terms of providing facilities to care for their children (nurseries) as well as the lack of special rest rooms for women in the work places; there is a tendency on the part of employers to hire male workers to avoid work interruption by married women due to maternity leave and breast-feeding hour. Another deterrent is the poor public transport service. The lack of accessible and affordable transport also leads to a decline in economic participation of Jordanian women who often do not have access to private transportation.

**Social Factors:**

The traditional view of women's role in the community has played a key role in the decline of women's economic participation, as women's work is being viewed as a secondary matter and not an urgent need like the work of men. In addition, women's multiple responsibilities such as maternity, house and family care represented additional burdens driving many women to avoid looking for a job. Another social implication is the typical view by many employers that women are less productive than men and are physically weaker or unable to handle jobs of men. Women too tend to gravitate to public sector positions and lack knowledge job opportunities available at the private sector.

### **LEGISLATIVE FACTORS:**

Jordanian Labor Law does not distinguish between men and women in terms of their rights; it , lacks explicit provisions to prohibit discrimination in hiring and lacks enforcement

of equality in wages for the same occupation. The amendments introduced to labor related legislations and laws have not helped to increase women's economic participation. Since 1996, the law obliged employers who employ more than 20 workers to provide a suitable place under the custody of an eligible nanny to care for female workers' children of less than four years old if they are more than ten children<sup>19</sup>. It also provides for granting pregnant women a fully paid maternity leave of up to ten weeks before and after delivery, forbidding here work before passing this period<sup>20</sup>, also allowing women a daily one hour break for breast-feeding<sup>21</sup>, and allowing women a one year long unpaid leave to devote herself for raising here children<sup>22</sup>; the law, furthermore, prohibited dismissal of a pregnant women after the sixth month of pregnancy or during a maternity leave.

Furthermore, an amendment to Social Security Law whereby coverage of maternity insurance for women is paid by the social security fund during the maternity leave so as to release employers from bearing women' salaries during maternity leave. It has had an inverse result prompting most employers in the private sector not to hire women. With regards to the Civil Service Act however, it still distinguishes between men and women in terms of benefits related to family allowances.

## **EDUCATIONAL FACTORS:**

The lack of harmony between outcomes of the educational system in Jordan with requirements and needs of the labor market have led to weak economic participation on the part of both men and women. The job opportunities generated by the Jordanian economy are only estimated at 50 thousand job opportunity annually while the number of graduates of various components of the educational system in Jordan reach approximately 100 thousand graduates every year. The lack of employment filled by new comers to the labor market is demonstrating how the needs and requirements of the private sector are different than the qualifications and skills held by those new comers. Accordingly, the educational system is disconnected from identifying disciplines needed by the labor market in Jordan. This reflects greatly on women, as scores of female graduates of the Jordanian educational system hold qualifications in

humanitarian disciplines but lack availability of job opportunities. Furthermore, the system does not accommodate flexibility to change their majors to more industry relevant majors. After few years, most women leave the labor market completely for reasons related to despair of finding a job or for personal and social reasons; this is evident from the very high unemployment rate among women who hold bachelors degree and higher where unemployment for women reaches approximately 70% <sup>23</sup>.

## **ALTERNATE APPROACHES:**

In view of the analysis of Jordanian women's weak economic participation, the following set of policies and alternative options is viewed to constructively contribute to enhancing women's economic participation:

## **ECONOMIC POLICY REFORM:**

- Reexamining the overall economic policies in terms of considering social dimensions, which take into account basic needs and priorities of the Jordanian society far from ready-made policies. The ultimate goal of these policies is to be directed toward generating decent job opportunities especially for women. (Ministry of Finance).
- Directing investments towards projects that generate job opportunities while offering exemptions to these projects in case women are proportionally employed therein. This, however, implies amending investment regulations in Jordan accordingly. (Ministry of Industry and Trade)
- Increasing allocated amounts for small projects carried out by women in Jordan, because what is currently presented is not enough to start a project or continue it. Regulations which require a guarantor and guarantees shall be abolished and replaced with the mere follow up of the project and those who run it; these projects are to be granted tax and fees exemptions and its registrations shall be facilitated; also, such projects are to be assisted to coordinate among themselves especially the similar ones in terms of production so that they are upgraded to accommodate larger numbers of local manpower especially women. There is also a need to find modern mechanisms to improve and promote the product and coordinate efforts in this

regard. This may be achieved through amending the regulations of granting loans to small projects, establishing a database on similar trades in order to organize them in collations. Lending institutions are to provide specialized teams to follow up these projects, which despite adding financial burdens on the part of these institutions, but guarantees repayment of loan money on time. (Ministry of Industry and Trade, Banks Association in Jordan)

- Expanding the establishment of business incubators in order to increase the rate of women-owned small and medium sized enterprises, through providing places of work, assistance in drafting project proposals and feasibility studies as well as helping these projects to promote their products inside and outside Jordan. (Ministry of Labor)
- Improving the quality of public transport in the Kingdom as well as increasing the number of public transport vehicles in order to encourage citizens to use public transport means. (Ministry of Transportation)
- Providing safe and comfortable means of transport to remote work sites to encourage women to work in such locations provided that the cost of such transport is not part of women's wages. (the private sector)
- Adopting a part time system (less than 8 working hours a day) as a formal work system in order to help women to assume her duties at home; as well as adopting a work-from-home system in terms of works that may be performed from home such as work by unit to be within the formal work frame; such works to be treated as formal (official) works subjected to both the Labor Law and the Social Security Law. (Ministry of Labor and the private sector).
- Collecting and disseminating information on job opportunities available in the private sector at each of the Kingdoms' Governorates to be advertized in the same Governorate creating awareness about such opportunities. (Ministry of Labor)

## **SOCIAL POLICY REFORM:**

- Undertaking core amendments on education curricula in order to change the traditional view to the role of women in the community and at home, and to educate students on values of equality between both genders in all educational phases.

- Launching organized media campaigns aiming to change the traditional view to women's work, and that it is not less important than that of men; such campaigns are to be launched through websites, social media, radio stations, satellite TV stations and daily newspapers. (Ministry of Education and Ministry of Labor)
- Promoting the awareness of the importance of the economic role of women in order to encourage women's work and production through presenting some examples of economically successful women to be followed as models of success. In addition to promoting practices of cooperation between men and women in doing household chores to enable women to assume their right to work. (Ministry of Labor)

## **LEGISLATIVE POLICY REFORM:**

- Seeking input from societal leaders upon drafting or amending economic legislations so that it is formulated taking into account social gender and women needs, and that it is based on human rights approach especially with regard to decent work standards; these policies are to be based on reality and field studies conducted in this regard. Policy makers, however, are to be from various backgrounds and experiences, believe in social gender equality, as well as have vision and understanding of the importance of women's economic participation. This implies widening the spectrum of policy makers so that it is not limited to official bodies only. (Ministry of Labor, The Lower House of Representatives, and the Senate)
- Amending legislations so that it provides for equality of wages among men and women for equal work pursuant to agreements signed by Jordan, including ILO Convention No. 111 for 1958 regarding Discrimination in Respect of Employment and Occupation. Provisions of such conventions have not been materialized clearly in the Jordanian law through a clear text implying equality of wages of male and female workers for equal work. Legal provisions should be amended wherever they are quoted to ensure equality between the two genders especially in terms of family allowances. (Ministry of Labor)

## EDUCATIONAL POLICY REFORM:

- Reactivating community collages to assume the role they were founded to assume, i.e., to rehabilitate technicians and craftsmen in professional support disciplines and to grant community collage diplomas in a profession or craft due to the need of labor market thereof, with special focus on professions which find turnout by girls. This, ultimately, implies reconsidering higher education policies, particularly with regard to community collages. (Ministry of Higher Education)
- Closing undergraduate majors for which job opportunities are not found, and stop teaching these majors both in universities and community collages, while refocusing on disciplines required by the private sector that stimulate students to join disciplines that lead to a job after graduation. In order to achieve this, majors taught at universities and collages need to be reviewed regularly. A policy may be enforced of not allowing new majors in fields where little employment

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opportunities are found or where fields are already saturated. (Ministry of Higher Education)

- Expanding professional disciplines offered by the Vocational Training Corporation for young women and not to limit them on traditional disciplines such as swing, knitting and handicrafts, but train young women on all professional disciplines equal to men. It is necessary, however, to link the vocational training with labor market needs, even if the labor market drives non-traditional positions for women. The Vocational Training Corporation should undertake a policy of finding jobs for trained young women in cooperation with the private sector as part of the Corporation's contribution to increasing economic participation of women. This implies reconsidering professional disciplines designed for young women in the Vocational Training Corporation to include most professional disciplines. (The Vocational Training Corporation)

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