

# THE JORDANIAN LABOR MARKET: FACTS AND FIGURES: ANALYTICAL STUDY



**EXECUTIVE SUMMARY**

2024

This study was developed using the most recent data from the Department of Statistics, as well as administrative records from ministries and partner institutions, to provide insights into the Jordanian labor market. It is intended as a preliminary tool for decision-makers and researchers, serving as a foundation for further analysis and in-depth study. The study highlights the following key findings:

## **THE JORDANIAN SOCIETY FROM A DEMOGRAPHIC PERSPECTIVE**

- The study found that men constitute more than half of Jordan's population. Both men and women are concentrated in the younger and economically active age groups, with a higher concentration in urban areas compared to rural ones. These factors must be taken into account when designing job creation strategies.
- The high proportion of youth in Jordanian society presents an opportunity to advance national development goals by harnessing their potential as productive human resources. Realizing this opportunity requires establishing a labor market system that provides sufficient job opportunities under decent conditions, enabling youth to secure suitable livelihood and improve their quality of life.
- Enrolment in vocational education in Jordan remains low. Male students predominantly choose industrial fields, while female students are more concentrated in subjects like Home Economics
- According to population projection scenarios, Jordan's demographic opportunity is expected to materialize by 2030, when the age-dependency ratio will reach its lowest level as a result of declining fertility rates and the attainment of the target of 2.1 births per woman.

## **WORKERS AND DECENT WORKING CONDITIONS:**

- Employment rates in Jordan have declined, dropping from 56.7% in 2017 to 45.0% in 2023. Male employment remains consistently higher than female employment.
- In 2023, the private sector employed 61.4% of workers, compared to 37.7% in the public sector.
- Share of female employment is higher in the public sector (45.3% of employed women) than that of men (35.9%), reflecting women's preference for public sector jobs, particularly in education and health.
- The public sector offers more secure working conditions, including regulated working hours, minimum wage compliance, wage bank transfers, social security insurance, and health insurance.

- By contrast, the private sector is characterized by excessive working hours (49 hours or more per week), low wages (less than 260 JD), and in some cases non-compliance with labor law. Informal sector work—common in certain private-sector occupations—exposes workers to precarious conditions and the loss of labor rights.
- Among men, 63.6% are employed in the private sector.
- Most Jordanian women are concentrated in specialized professions such as education (38.6%) and health (15.9%) professions, while Jordanian men are more represented in public administration, defense, and social security professions (28.5%).
- Certain occupations, particularly sales and service work, are dominated by non-Jordanians, who make up 56.0% of workers in these fields.

## **ECONOMIC ACTIVITIES AND LABOR MARKET IMPLICATIONS: INFORMAL SECTOR AND INFORMAL EMPLOYMENT**

- The informal sector is characterized by low wages, long working hours, irregular shifts, and limited access to health insurance and social security benefits—particularly in cases of childbirth, sickness, disability, and old age. Workers in this sector often face inadequate working conditions, instability, and denial of labor rights. Without social protection or old-age pension guarantees, many risk falling into poverty and destitution.
- Formal employment is concentrated in Amman, Irbid, and Zarqa governorates, while informal employment is more prevalent in Tafila, Aqaba, and Balqa.
- Both formal and informal employment in Jordan is largely concentrated in service-related activities such as education, health, and social work, with declining shares in manufacturing, real estate, and other sectors.

## **UNEMPLOYMENT RATE TRENDS**

- The unemployment rate among Jordanians rose from 18.3% in 2017 to 22.0% in 2023.
- In 2023, female unemployment (30.7%) was significantly higher than male unemployment (19.6%).
- Among university graduates (bachelor's degree or higher), female unemployment reached 62.6%, compared to 37.4% for males with the same level of education.
- Youth unemployment is particularly high: in 2023, 46.5% of Jordanians aged 15–24 who were not enrolled in education were unemployed, compared to 41.3% among those who had never enrolled.



- Rural unemployment (22.7%) exceeded urban unemployment (21.9%), reflecting greater job opportunities in urban areas. This underscores the need for targeted investment incentives and training programs to generate employment in rural regions.
- At the governorate level, Mafrq recorded the highest unemployment rate in 2023 (24.3%), while Aqaba had the lowest (18.5%).

## UNEMPLOYED INDICATORS

- The share of unemployed Jordanians aged 15 years and above reached 7.3% in 2023, with rates of 10.4% for males and 4.3% for females.
- The distribution of unemployment aligns with national unemployment patterns, being highest in urban areas, particularly Amman, concentrated among the 25–39 age group, and most prevalent among holders of a bachelor’s degree or higher. These findings highlight the need to create job opportunities in urban centers or encourage youth to take up employment in rural areas.

## JOB CREATION AND ALIGNMENT WITH MARKET NEEDS

- Job creation increased in 2023, with 95,342 new jobs compared to 89,504 in the previous year—an addition of 5,838 jobs. This reflects the effectiveness of government initiatives such as the Economic Modernization Vision and the Public Sector Reform Plan in driving employment growth.
- Most new jobs were concentrated in Amman and surrounding areas, where population density, investment, and projects are highest. However, this concentration risks overburdening the capital and limiting balanced development. Ensuring equitable job distribution across governorates, particularly in remote areas, remains critical.
- The distribution of jobs by economic activity aligns with national macroeconomic trends, showing stronger contributions from manufacturing and weaker contributions from construction. This suggests job creation is broadly consistent with market needs.
- A supply–demand mismatch was observed: construction had the largest labor surplus (13,871 workers), while agriculture, forestry, and fishing showed the greatest shortage (–11,323 workers).
- Cumulative applications submitted to the Civil Service and Public Administration Commission rose from 455,604 in 2022 to 486,118 in 2023. The majority of applicants (86.5%) were university graduates, highlighting pressure on the public sector labor market.

