# Syrian Refugee Livelihoods in Jordan

# Syrian Refugee Livelihoods in Jordan: Statistics Brief

The Syrian refugee crisis in Jordan began in earnest in 2012 following the Arab Spring protests-turned civil war that began in Syria in March 2011. As of August 2017, a total of 660,582 Syrian refugees have registered with UNHCR. Of this number a total of 519,855 live in urban areas, outside of the camps. In April 2016, the Government of Jordan launched a programme to create opportunities for and grant formal working rights in specific occupations to registered Syrian refugees in exchange for increased access to European export markets. The Ministry of Labour's provision of more than 50,000 work permits to Syrian refugees across designated sectors is considered a tentative success; although this figure includes both original applications and renewals and therefore may be overstated. Nonetheless, little attention has been devoted to analysis of the labour market dynamics that shape the context in which formalisation efforts are being applied.

- **VAF survey data suggests a labour force participation rate that is less than 37%.**

- **Labour force participation rates vary by governorate, with households who are based in Amman showing higher chances of having an employed family member than households based in Irbid, Mafraq and Zarqa.**

- **Surveyed households report employed family members in a wide range of sectors. Approximately 33% of households who indicate a working family member report employment in the construction sector; 16% in the retail sector, 10% in the agriculture sector, 8% in a craft occupation, 4% in the restaurant sector, 2% in the manufacturing sector, and 1% in a mechanics occupation.**

- **Worker compensation varies by sector and by governorate. Overall, workers with a professional credential such as doctors, lawyers, and teachers report the highest median income, while domestic and agriculture sector workers report the lowest median incomes.**

- **The median monthly income for households reporting a working family member across Jordan is 150 Jordanian dinars, or 212 US dollars.**

- **The median monthly income for households reporting a working family member varies by governorate. In Amman the figure is 200 JD (282 US dollars), in Irbid 150 JD (211 US dollars), in Mafraq 100 JD (141 US dollars), in Zarqa 170 JD (240 US dollars).**

The following statistics concerning Syrian refugee livelihoods in Jordan have been derived based on a sample of more than 68,000 households provided by the UN Refugee Agency's Vulnerability Assessment Framework (VAF) unit. Approximately 23,300 of these surveyed households stated that they had monthly income from a working family member. Key statistics on labour participation, worker distribution across key sectors, and financial outcomes are presented in the following report. We would like to stress that the data points considered in this brief are neither final nor exhaustive. Rather they should be viewed as a piece of the extensive body of research that seeks to understand the nature Syrian refugee economic participation and welfare in Jordan.

## How many Syrian refugees are working in Jordan?

### Labour Force Participation

Our analysis of the VAF sample indicates that approximately 37 per cent of surveyed households report at least one working family member. 63 per cent of surveyed households report no working family member.

What conclusions regarding the labour force participation rate of Syrian refugees can be drawn from these numbers? The methodology employed by UNHCR for the collection of this data does not capture the presence of additional working family members. In addition, we can assume that a certain proportion of Syrian refugee households include more than one working age adult. If there are a significant number of households who do not report a working family member but who include more than one working age family member, we can assume that the labour force participation rate for Syrian refugees is far below 37 per cent. The labour force participation rate for Jordan was last measured at 33.1 per cent.[1]

The labour force participation rate varies by governorate, with Syrian refugees who are based in Amman appearing to have a better chance of obtaining employment than Syrian refugees based in Irbid, Mafraq, and Zarqa (see Table 1). Syrian refugees who are based in Mafraq appear to have fewer chances of obtaining employment than refugees based in other governorates. These figures may reflect the labour force participation rates that were predominant in each of these governorates prior to the influx of Syrian refugees.

**Table 1: Employment Rates by Governorate**

| Governorate | Per cent of Households with Working Family Member | Per cent of Households with No Working Family Member |
|---|---|---|
| Amman | 46% | 54% |
| Irbid | 33% | 67% |
| Mafraq | 27% | 73% |
| Zarqa | 31% | 69% |

Source: UNHCR, VAF, November 2016

### Unemployment

Estimates of the proportion of Syrian refugees who are unemployed vary, ranging between 48 and 67 per cent. The Jordan Ministry of Labour estimates that prior to April 2016 the unemployment rate for Syrian refugees was approximately 48 per cent. In 2015, the ILO estimated that 67 per cent of Syrian Refugees in Jordan were unemployed, while 33 per cent were active participants in the labour force.

### Formality

As of August 2017, a total of 54,871 Syrian work permits (original applications and renewals) had been authorised. If the employment rate of both formal and informal workers has remained consistent with the Ministry of Labour's previous estimate, we can assume that there are approximately 157,228 Syrian refugees participating—both formally and informally—in the Jordanian labour market. If these numbers are accurate, this means that less than 35 per cent of Syrian refugee workers have gained formal working rights.

[1] Trading Economics, https://tradingeconomics.com/jordan/employment-rate

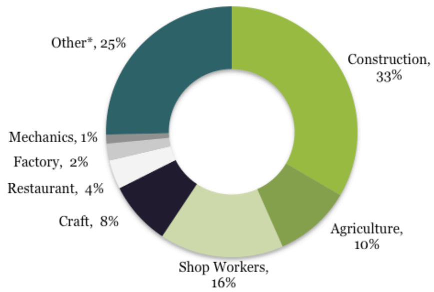

This document contains sensitive data and is not for publication or wide circulation.

## In What Sectors Are Syrian Refugees Working?

### Sectorial Distribution

Surveyed households that report a working family member cite a range of sectors and occupations. Construction accounted for the largest proportion of Syrian refugee employment with 7,815 households reporting a working family member in this sector. The retail trade and agriculture sectors also appear to have absorbed large numbers of Syrian workers: approximately 16 per cent of surveyed households with a working family member indicate that a member of their household is employed as a shop worker, while 10 per cent indicate having a member of their household employed in the agriculture sector. Craft occupations; such as carpenters, tailors, barbers, hairdressers, blacksmiths, painters, and mobile shops; account for eight per cent of reported occupations, while restaurant work, factories, and mechanics account for the remaining four, two and one per cent, respectively.

**Figure 1:**
**Worker Breakdown by Sector**




Source: UNHCR, VAF, November 2016

In addition, a small section of the population reporting income from work report indicate employment as domestic workers (167 or 0.7 per cent); professional credential workers (94 or 0.4 per cent), including doctors, lawyers, and teachers; secretaries (64 or 0.3 per cent), and drivers (46 or 0.2 per cent). An additional 5,557 households (24 per cent) report a working family member an unspecified, other occupation. While some of these occupations are closed to non-Jordanians, it is worth noting that Syrian employment in these sectors remains extremely small. Moreover, the Ministry of Labour acknowledges limited cases of formalisation of Syrian workers in transport, domestic, professional, and health occupations, some of which may overlap with the cases presented here.

The relatively low proportion of households who report a working family member in the manufacturing sector may reflect the fact that the Vulnerability Assessment Framework is not a representative sample of the population, but rather a sample of those households who are thought to be particularly vulnerable. By this account, the VAF may by nature exclude households benefiting from the salary of a family employed in a factory.

### Sectorial Distribution by Governorate

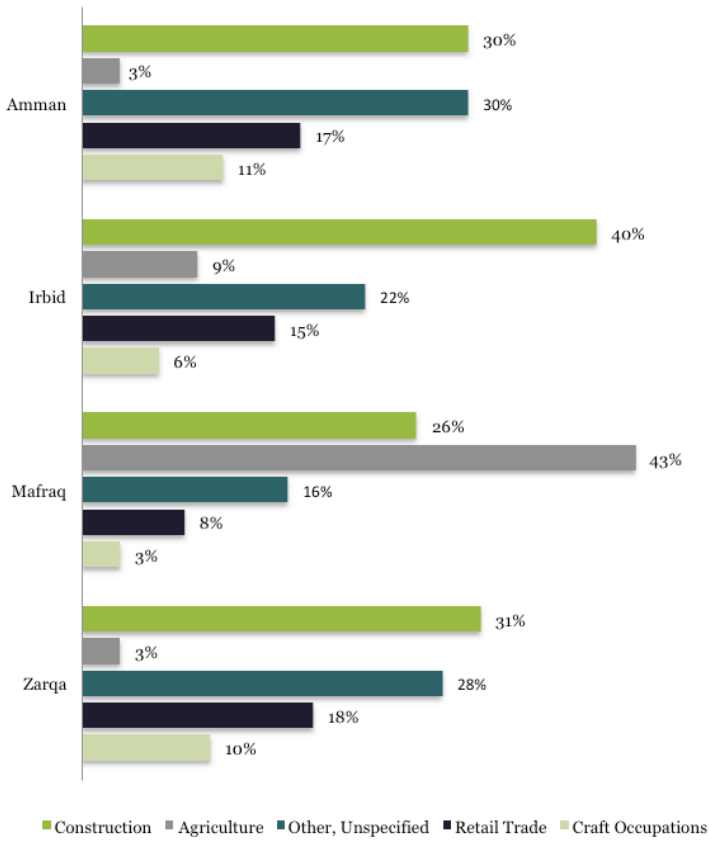
Worker sectorial distribution varies across governorates, with the construction sector dominant across Amman, Irbid, Mafraq, and Zarqa. Agriculture accounts for a disproportionate share of employment in Mafraq.

For those Amman-based households who report an employed family member, the dominant sectors include construction (30 per cent), retail trade (17 per cent), and craft occupations (11 per cent). In addition, a significant proportion of these households report an employed family member in other, unspecified occupations (30 per cent). 4 per cent of Amman-based households with an income generating family member draw income from the manufacturing; an additional four per cent report income from a family member's employment in the restaurant sector; only three per cent report a family member's employment in the agriculture sector.

For those Irbid-based households who report an employed family member, the dominant sectors include construction (40 per cent), retail trade (15 per cent), and agriculture (9 per cent). In addition, a sizeable 22 per cent of households in this category draw income from a family member who is employed in an unspecified, 'other' occupation. The manufacturing sector accounts for just one per cent of households in Irbid who report an employed family member.

For those Mafraq-based households who report an employed family member, the dominant sectors are agriculture (43 per cent) and construction (26 per cent), while a sizeable proportion of households with an income generating family member draw their income from an unspecified, 'other' occupation (16 per cent). The retail trade sector also accounts for a decent proportion of Mafraq-based workers, with 9 per cent of households who report income from work indicating that their income-generating family member is employed as a shop worker. The manufacturing and restaurant sectors account for just 1 per cent, respectively, of occupations of households reporting an employed family member.

**Figure 2:**
**Dominant Sectors by Governorate**

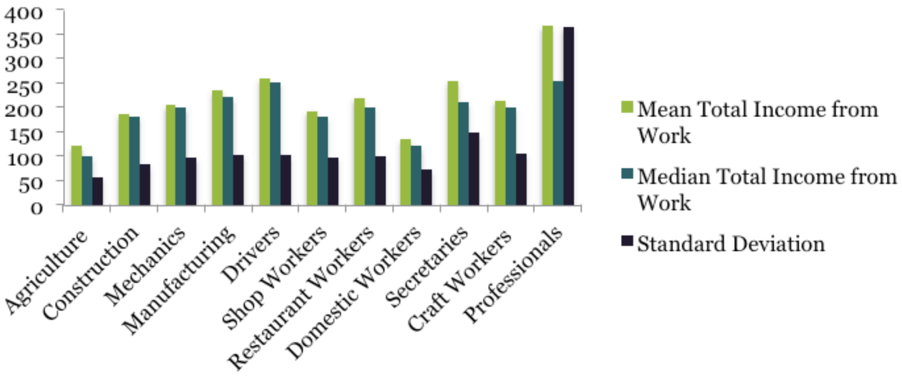



Source: UNHCR, VAF, November 2016

For those Zarqa-based households who report an employed family member, the sectors are construction (31 per cent) and retail trade (18 per cent), while a sizeable proportion of households with an income generating family member draw their income from an unspecified, 'other' occupation (28 per cent). Craft occupations also account for a decent share of Syrian refugee employment, with 10 per cent of households who report a working family member indicating that employment in that category.

## What Financial Outcomes Do Syrian Refugees Derive from Work?

**Figure 3**
**Total Income from Work (JD) by Sector**

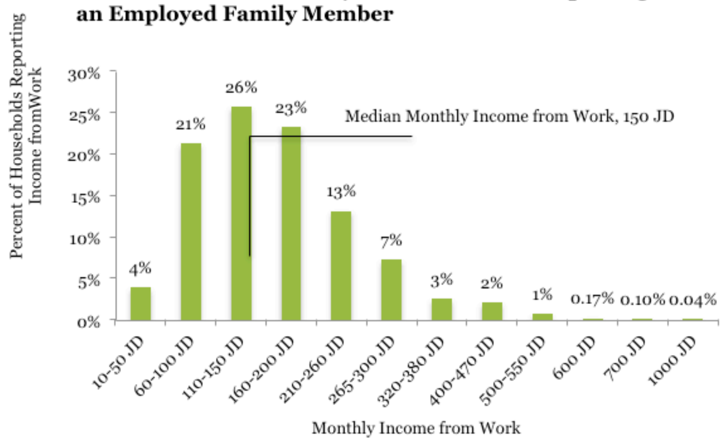



Source: UNHCR, VAF, November 2016

Worker compensation varies by sector with workers in the professional credential sector (i.e. doctors, lawyers, and teachers) reporting the highest levels of income from work — a median monthly income of 255 JD — and workers in the agriculture and domestic sectors reporting the lowest levels of income from work — a median monthly income of 100 JD and 110 JD — respectively. Construction, mechanics, restaurant, and manufacturing workers earn a median monthly income of between 180 and 220 JD per month (see Figure 3). It is worth noting that work in many of the sectors highlighted here is highly seasonal and often short term in nature. This means that the income from work reported in the VAF survey by a Syrian refugee household in a given month may vary considerably in comparison to income earned over different periods. Each of the sectors reflected in this analysis exhibits a relatively high standard deviation, with professional credential workers demonstrating the highest variance in income from work and agriculture workers demonstrating the lowest variance in income from work.

Amongst those households reporting an employed family member, incomes appear to be tightly clustered around the median income from work of 150 JD. 26 per cent of households reporting an employed family member indicate monthly income from work in the 110-150 JD range. An additional 21 per cent indicate monthly income from work in the 60-100 JD range, and 23 per cent indicate monthly income from work within the 210-260 JD range. At the bottom end of the distribution are the four per cent of households that report between ten and 50 JD in monthly income from work. At the upper end of the distribution are the 26 per cent of households indicating a monthly income from work above 210 JD. It is worth noting that the minimum monthly wage for Jordanian workers is 220 JD, while the minimum monthly wage for migrants 150 JD.

**Figure 4:**
**Income Distribution of Syrian Households Reporting an Employed Family Member**



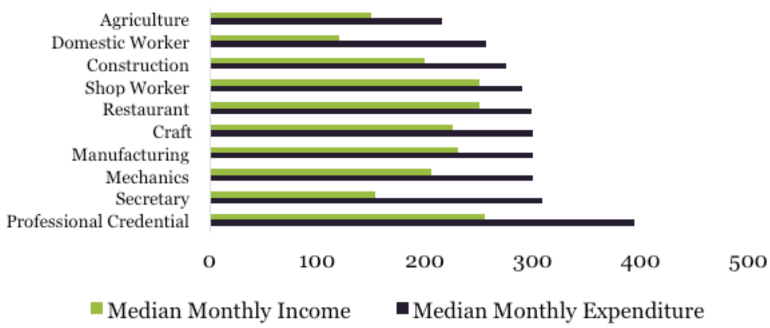

Source: UNHCR, VAF, November 2016

## Differences Across Governorates

A wide range of observers has argued that expenditures constitute a more accurate measure of monthly income because proceeds from work amongst refugees tend to be underreported. Across all households reporting a working family member there appear to be significant gaps between expenditures and income. This may reflect the fact that many of the households included in the VAF survey benefit from access to cash assistance and food voucher programmes that serve to supplement monthly spending capacity. Nonetheless, a look at income from work as well as expenditure-income gaps at the governorate-level is informative.

In terms of income from work, amongst income-generating Syrian refugees who are based in Amman, professional credential workers fare the best, while agriculture and domestic workers fare the poorest. Shop, restaurant, manufacturing, and craft workers perform moderately well in terms of income with shop and restaurant workers demonstrating the smallest income-expenditure gaps (see Figure 5). The median monthly income from work amongst households reporting an employed family member in Amman is 200 JD.

**Figure 5:**
**Financial Outcomes by Sector, Amman**




Source: UNHCR, VAF, November 2016

As in Amman, professional credential workers in Irbid fare better in terms of income from work than workers in the same governorate who are employed in other sectors. Manufacturing workers in this governorate also report a relatively high median monthly income from work. Domestic, construction, craft, mechanics, and shop workers in Irbid all report similar levels of monthly income from work—around 180 JD—while agriculture workers report the lowest median monthly income. Agriculture, craft, mechanics, and shop workers exhibit the highest income-expenditure gaps (see Figure 6). The median monthly income from work amongst households reporting an employed family member in Irbid is 150 JD.

**Figure 6:**
**Financial Outcomes by Sector, Irbid**


Source: UNHCR, VAF, November 2016


This document contains sensitive data and is not for publication or wide circulation.

Figure 7:
Financial Outcomes by Sector, Mafraq


In Mafraq, manufacturing workers fare the best in terms of monthly income from work, while agriculture and domestic workers fare the poorest. Construction, craft, mechanics, and restaurant workers report similar levels of monthly income from work—around 150 JD. Domestic and shop workers exhibit the highest income-expenditure gaps (see Figure 7). The median monthly income amongst households reporting an employed family member in Mafraq is 100 JD.

Figure 8:
Financial Outcomes by Sector, Zarqa


Source: UNHCR, VAF, November 2016

In Zarqa, as in Mafraq, manufacturing sector workers fare the best in terms of monthly income from work, while domestic sector workers fare the poorest. Restaurant, construction, mechanics, and craft workers report similar incomes — around 175 JD. Households with family members who are employed as domestic and shop workers exhibit the highest income-expenditure gaps (see Figure 8). The median monthly income amongst households reporting an employed family member in Zarqa is 170 JD.

## Conclusions

At both the national and governorate levels, workers in the professional credential sector (i.e. doctors, lawyers, and teachers) report the highest total monthly expenditures and highest monthly income from work. The same is true for secretary workers and transport workers (drivers). This is to be expected given that workers in these sectors have unique skillsets for which they can claim higher salaries.

The construction, shop worker and agriculture sectors employ the largest number of Syrian refugee workers. Agriculture workers, domestic workers, and construction workers report the lowest total monthly expenditures and the lowest monthly income from work. Shop workers appear to fare better than their cohorts in construction and agriculture. This may result from the fact that the shop worker sector consists of a very large number of small entities, while the construction sector consists of a smaller number of key players, leading to a more uniform behaviour of wages. Along these lines, wages in the shop worker sector appear to experience a higher degree of variance. The agriculture sector in Jordan, as in other contexts, is a low value-added sector and therefore generates low wage levels.

In governorates where the local economy is relatively small, such as Mafraq, construction workers fare better or the same in terms of income than their peers in the craft worker, restaurant, and shop worker sectors. In Zarqa, construction workers report higher total monthly expenditures than mechanics and restaurant workers and higher monthly income than shop workers. These disparities likely reflect differences in wage and price levels across governorates. However, the overall trend underscores the fact that the relative benefits of working in certain sectors are better considered at the governorate rather than at the national level.

Syrian refugees who are based in Amman appear to have higher chances of finding employment than their counterparts in other governorates. This is not surprising given that a disproportionate amount of Jordan's economic activity is located in Amman as opposed to other governorates. Are Syrian refugees who reside in Amman better off than their peers who reside across other governorates? Amman-based Syrian refugee households report higher monthly expenditures and higher monthly income from work than their cohorts in Irbid, Mafraq, and Zarqa, while households in Irbid and Zarqa report higher figures than households in Mafraq. Most likely, underlying wage and price disparities across governorates account for only a portion of these differences.