
FACT SHEET

Syrian Refugee Livelihoods in Jordan

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The Jordanian Government began granting Syrian Refugees limited employment rights in April 2016. Of the more than 660,000 individuals registered with UNHCR, approximately 79 per cent reside in urban, peri-urban, and rural areas outside of the camps. Estimates vary, but most analysts agree that anywhere between 33 and 52 per cent of working age individuals who are willing and able to work are employed outside of the home. The Ministry of Labour has made notable progress in the effort to formalise Syrian refugee labour: as of August 2017, a total of 54,871 work permits have been awarded across the agriculture, construction, food & beverage, manufacturing, wholesale & retail trade, and other sectors.

The decision to allow limited worker rights for Syrian refugees is a landmark policy that has generated much applause within the refugee policy and donor communities. While the praise is merited, it is important to keep in mind that prior to the policy, a large number of Syrian refugees had gained some access to certain employment opportunities — some formal, but most informal. The Ministry of Labour's efforts have facilitated the provision of formal status to those workers whose status was previously informal, a change which has had little effect on wages, according to sources close to the issue.

The figures that follow provide a snapshot of the labour market dynamics — both in terms of distribution across sectors and wage levels — that frame the context in which expanded worker rights have been provided to Syrian refugees. We would like to stress that the data points considered in this brief are neither final nor exhaustive. Rather they should be viewed in parallel to the wide-ranging body of research that seeks to understand the nature Syrian refugee economic participation and welfare in Jordan.

How many refugee households benefit from an employed family member?

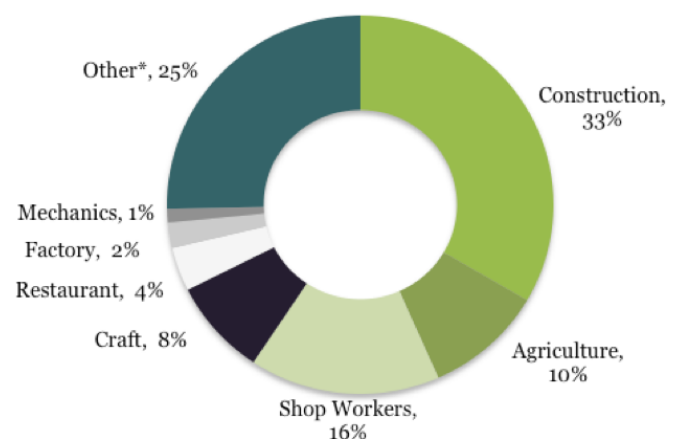
Both the International Labour Organisation and the Ministry of Labour have provided estimates on the proportion of Syrian refugees active in the Jordan's labour force. According to these figures, between 33

and 52 per cent of working age Syrians are active in the labour force. Of the more than 68,000 households surveyed through UNHCR's Vulnerability Assessment Framework process, approximately 23,300 (37 per cent) report income generated by a working family member. As a preponderance of households include more than one working age family member, we deduce from this figure that the labour force participation for Syrian refugees is somewhere below 37 per cent.

Where are Syrian refugees working?

Surveyed households that report a working family member cite a range of sectors and occupations. Construction accounts for the largest proportion of reported employment, with 33 per cent of households who report a working family member indicating employment in this sector, while retail trade accounts for 16 per cent, agriculture 10 per cent, craft occupations (such as carpenters, tailors, barbers, hairdressers, blacksmiths, and painters) 8 per cent, the restaurant sector 4 per cent. Only 2 per cent of households who report a working family member specify the manufacturing sector as their source of income, and one per cent specifies mechanics. Less than 2 per cent of households who report a working family member indicate employment in domestic work, or as secretaries, drivers, doctors, lawyers, and teachers. An additional 24 per cent cite employment in an unspecified, 'other,' sector.

Figure 1:
Worker Breakdown by Sector



Source: UNHCR, VAF, November 2016

How do employed Syrian refugees fare in terms of monthly income?

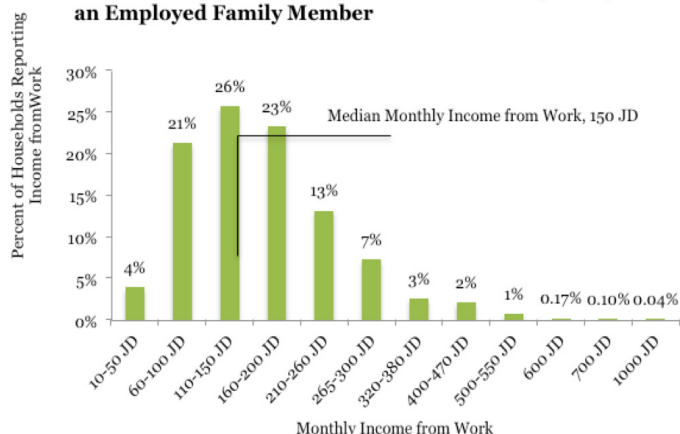
At the aggregate level, households indicating employment as a doctor, teacher or lawyer report the highest median monthly income (approximately 255 JD), while households indicating employment in the agriculture and domestic sectors report the lowest (approximately 100 and 110 JD respectively). Construction, mechanics, restaurant, and manufacturing workers earn a median income between 180 and 220 JD per month.

It is worth noting that a large number of observers believe income levels to be underreported. There are significant income-expenditure gaps across all sectors of employment at both the national and governorate levels. Part of this disparity is likely the result of underreporting, and part reflects the additional consumption that is made possible by cash assistance and food voucher programmes. A World Bank study entitled ‘The Welfare of Syrian Refugees: Evidence from Jordan and Lebanon 2016’ questions the value of informal work concluding that returns to informal work are so low that participation in the informal economy has little statistical impact on a household’s chance of surpassing the poverty line. The data available in the VAF sample partly corroborates this point: amongst households reporting a working family member, incomes are tightly clustered around the median monthly wage of 150 JD (US dollar 212) (see Figure 2). For households that include more than one family member, this level of monthly income is unequivocally low. Nonetheless, we must also acknowledge that 49 per cent of households reporting an employed family member record a monthly income equal to or greater than 160 JD. This is higher than the official monthly minimum wage for migrant workers of 150 JD.

Are there notable differences based on geography?

On the whole, households reporting a working family member in Amman (where the median monthly income is 200 JD) appear to record higher levels of income than households with working family members in Zarqa (median monthly income of 170 JD), Irbid (median monthly of 150 JD), and Mafraq (median monthly income of 100 JD). Are Syrian refugees who reside in Amman better off than their peers who reside across other governorates? The disparity in monthly income and expenditures that is evident here in part reflects the underlying wage and price differences that exist across regions. However, the remaining part may reflect a real difference in welfare that accrues based on geographic locality. Further research is necessary to gain a clear understanding of the many factors contributing to Syrian refugee welfare at the governorate level.

Figure 2:
Income Distribution of Syrian Households Reporting an Employed Family Member



Source: UNHCR, VAF, November 2016