

Distr.  
LIMITED  
E/ESCWA/SDD/2011/Technical Paper.7  
20 March 2012  
ORIGINAL: ENGLISH

**ECONOMIC AND SOCIAL COMMISSION FOR WESTERN ASIA (ESCWA)**

**LABOUR MARKET DATA, STRUCTURES AND CHALLENGES  
IN THE ESCWA REGION**

United Nations

11-0378

## Acknowledgements

This paper provides part of the research feeding into the fourth Integrated Social Policy Report, published in December 2011 by the Economic and Social Commission for Western Asia (ESCWA). The research presented was conducted by the Social Policy Section of the Social Development Division at ESCWA as part of its ongoing efforts to promote an integrated approach to social policy and foster inclusive development in the region. As such, the paper responds to the resolution adopted by the United Nations Economic and Social Council in July 2010 which “Invites Governments, relevant organizations of the United Nations system, regional organizations and development partners to exchange views and share information on good policies and practices for mainstreaming social inclusion into social and economic policies at the national, regional and international levels aimed at achieving equity, equality, social inclusion, protection and cohesion, and recognizes existing efforts in this regard”.\*

The paper was written by Ms. Tanja Brøndsted Sejersen, Associate Social Affairs Officer, Social Policy Section, and has benefited from contributions, guidance and comments by Ms. Gisela Nauk, Chief, Social Policy Section, and Mr. Frederico Neto, Director, Social Development Division, and assistance from Ms. Lina Nassar, Ms. Emilie Moutran, Ms. Rasha Salman and Mr. Elias Attieh. The study also benefited from the advice and support of the Statistics Division at ESCWA.

Feedback from readers would be welcomed, and comments and suggestions may be sent to [sps-escwa@un.org](mailto:sps-escwa@un.org).

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\* United Nations Economic and Social Council resolution 2010/12 promoting social integration.



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## Executive summary

This paper provides part of the research feeding into the fourth Integrated Social Policy Report, published in December 2011 by the Economic and Social Commission for Western Asia (ESCWA). The availability of labour market data and the principal challenges facing labour markets in the ESCWA member countries are the main focus of the paper.

The labour force in the ESCWA member countries is changing rapidly, due to the combined pressures of an increasing number of individuals of working age, higher levels of female labour participation and changing patterns of migration.

Part I of the paper highlights the demographic developments associated with the increasing working-age population and migration. The availability of labour market data for policymaking in ESCWA member countries is then assessed, providing an inventory of the available sources of labour market data in the region. A discussion of the different data collection methods used (census, labour market surveys, establishment surveys and administrative data) and their integration into labour force information systems provides the background to this inventory. Particular issues of data comparability are discussed, highlighting the issue of lack of metadata in the region, as well as the potential problems with comparing data over time and, in particular, between countries. The efforts of certain member countries to improve labour market data by instigating new surveys or adopting integrated systems are presented.

Despite the comparability issues which are highlighted throughout the report, important findings about the shortcomings of the labour markets in the region are shown in part IV-A of the paper, which focuses on labour as an economic resource. The changes in labour force participation rates show a stable male labour force participation rate in the region overall (despite significant differences between individual countries), while female labour force participation has increased in most ESCWA member countries. The paper highlights the low levels of labour force participation in the region in comparison with world averages, in particular for women, and shows how females frequently move directly from education into household obligations without getting a foothold in the labour market.

Reasons for economic inactivity are explored and, in particular, those underlying the economic inactivity of young people. The pattern of high levels of public sector employment in the region, especially for women, is also examined, as is the distribution of workers by occupation and sector.

Having examined economic resources, the paper moves on to identify indicators showing the social aspects of labour markets and vulnerability, such as unemployment, underemployment and informal employment. However, data focusing on such indicators are significantly less frequently available than data on economic indicators. As a result of this lack of data, evidence on economic status across the region is presented as a proxy for direct examination of vulnerable employment. It clearly demonstrates a substantial level of vulnerable employment, with significant differences between countries. It is clear from the available data that men in the ESCWA region are overrepresented in vulnerable working arrangements, in contrast to the global norm.

Various aspects of unemployment are discussed and, where possible, member country data showing the extent of these issues within the region are presented. Unemployment is analysed by age group, showing youth unemployment to be particularly high across the region. The data also show that women wanting to work are much more likely to be unemployed than men. Indeed, ESCWA estimates indicate that of the 8.5 million unemployed in the region, 3.5 million are women. An issue of skills mismatch in the region also emerges clearly from the data, demonstrated by the fact that unemployment is most prevalent amongst individuals who have completed higher levels of education. On the issue of urban and rural employment patterns, while only limited data are available, it appears that unemployment levels are slightly higher within urban settings, which is undoubtedly related to high levels of rural-to-urban migration.



Data on informal employment and underemployment are sparse across the region. Various estimates are presented, followed by discussion of the centrality of the issues, highlighting the problems caused by lack of data in these important areas.

The conclusions to the paper highlight the major challenges found in the ESCWA region, in particular youth unemployment and low female labour force participation. The paper also focuses on the findings related to labour market data in member countries and makes recommendations for improving data collection and use across the region. In particular, recommendation on the frequency and standardization of labour force surveys is made, as well as a recommendation to publicize available data to a broader audience in order to facilitate an improved understanding of the severe and pressing labour market challenges facing the region.

## **Introduction**

Social development rests on the three pillars of poverty reduction, economic growth and employment generation as set out at the World Summit for Social Development, (Copenhagen, 6-12 March 1995). The Summit pledged to make the conquest of poverty, the goal of full employment and the fostering of social integration the overriding objectives of development. The Millennium Development Goals (MDGs) further highlighted the importance of employment, with MDG 1 aiming to eradicate extreme poverty and hunger through the achievement of full and productive employment and decent work for all, including women and young people (MDG 1, target 1.B).

Labour income is the main source of income for most people, and often the only source for the poor, which makes labour market policies inherently central to social policy. Labour market policies are particularly complex, since they have substantial overlaps with almost all other policy areas, including health, education, infrastructure, and economic and macroeconomic policies. These complexities mean that labour market policies are prime examples of the need for policy integration.

The labour force in the Economic and Social Commission for Western Asia (ESCWA) region is changing rapidly due to the combined pressures of an increasing number of individuals of working age, resulting from high birth rates in recent years, increased female labour force participation and increased levels of migration. While job creation is in itself a goal for policymakers, a focus on creating sustainable, decent jobs is clearly the desired long-term objective. In the light of recent developments in the region, labour market issues demand even greater attention as a result of the suggested link between lack of job opportunities and political instability.

The recognition of employment as a priority objective for social and economic development by ESCWA member countries requires improved analysis of the labour-related challenges facing Governments in the region. A crucial element in gaining an in-depth understanding of such challenges is the collection of accurate, timely and substantial data, providing proper indicators and detailed knowledge of the situation, both past and present. This is essential in order to follow such developments as changes over time and structural gaps, as well as to identify potentially vulnerable groups and opportunities which require policy attention.

This paper therefore aims to address the issues of labour market data in the ESCWA region and highlight the use of data for policymaking. The discussion is consequently structured as follows:

- (a) The policy context in member countries and questions which policymakers may wish to analyse in relation to labour markets;
- (b) The organization of data collection in the ESCWA region and the ways in which labour market information systems (LMIS) could support data collection and analysis;
- (c) A presentation and discussion of the importance and availability of key labour market statistical indicators in ESCWA member countries, and an analysis of accessible data, focusing on both the economic and social aspects of such indicators;
- (d) A summary of findings and recommendations to Governments in the region.

## I. METHODOLOGY

This paper was designed to examine the current state of labour market data in the ESCWA member countries with regard to the most important questions faced by policymakers in the region. For this purpose, member countries were asked to nominate a focal point in a relevant Government institution, with whom responses to a questionnaire and additional information regarding data collection were coordinated. The questionnaire consisted of questions related to labour market data sources, the use of data for monitoring and forecasting, and the use of administrative data. The questionnaire also included questions regarding the involvement of different ministries and agencies in the exchange of data, and coordination of data collection.

In addition to the questionnaire, a request for data focusing on 30 key indicators was sent to member countries. The variables requested are listed in annex I. Ten ESCWA member countries (Bahrain, Iraq, Jordan, Kuwait, Palestine, Qatar, Saudi Arabia, the Syrian Arab Republic, the United Arab Emirates and Yemen) actively participated in the collection of data and responded to the questionnaire. For the remaining countries, ESCWA retrieved relevant data from national statistical websites and/or data available in compendiums of international organizations such as the International Labour Organization (ILO) or the Arab Labor Organization (ALO). Wherever possible, national data provided to ESCWA by the focal points or provided in national official publications are presented in the paper. In order to concentrate on the most recent developments, the paper focuses on data from 2000 to 2010. Data from 1990 have been included wherever necessary to give an indication of longer-term developments. Graphs and figures therefore generally present 1990 and 2000-2010 data or, failing that, the most recent data available.

Under ideal conditions, data would be available for a complete set of indicators from homogeneous sources at regular intervals over a sustained period of time. Regrettably, this is not the situation in the ESCWA region, and a number of the recommendations made at the end of the paper therefore relate to data improvement. In order to present as comprehensive a picture as possible, data has been included from a variety of sources, including labour force surveys (LFS), censuses and household budget surveys, which are not strictly comparable. An example of this is the inclusion of data on economic activity, where most data were sourced from LFS (Bahrain, Iraq, Jordan, Palestine, Saudi Arabia and the Syrian Arab Republic), some country data were taken from the most recent census (Egypt, Qatar, the Sudan, the United Arab Emirates and Yemen) and certain other data originate from alternative household surveys (Lebanon).

In addition to the differences arising from the various collection methods used by member countries, a further issue is that of the potential differences between the definitions and classifications used by countries. In order to eliminate this issue to the greatest extent possible, the data requests included suggestions as to which definitions and classifications should be used for each variable, and countries were asked to highlight cases in which their definition or classification diverged. Wherever differences in definitions have come to attention, they have been highlighted in the text. The issue of comparability between different sources within the same country is discussed further in the section on combining data sources in part III.

## II. POLICY CONTEXT AND QUESTIONS

Labour market policies are both central to economic performance and at the heart of social development. Labour functions as the link between the economic and social realms of society. The design of labour market policies decides how the balance of risks, benefits and opportunities are distributed across economic actors and groups within a society. Careful analysis of their structure and mechanisms is crucial for both economic and social development.

The main tasks assigned to labour and social policies are to provide the economy with adequate human resources, while at the same time ensuring a decent level of income and social protection for individuals. Protection against the volatilities of labour markets can be ensured not only through labour market regulation, social protection schemes and active labour market policies, which assist individuals into employment, but also through economic, monetary and fiscal policies that have an impact on economic growth and job creation. The focus of labour market policies and their integration with other policy domains decides who bears the risks and benefits; it influences the opportunities for individuals within the economy, as well as the supply and support of the economy with human resources.

A well-designed policy framework should support the functioning of the labour market and help workers to manage the risks of unemployment and low income. This is an essential part of any poverty reduction strategy and a key tool for expressing the responsibility of the State for social protection and the promotion of human rights.

Labour market policies focus on four principal aims: (a) to maximize economic growth and the availability of jobs, thus increasing the number of people participating in economic activity. This has a dual policy focus on job creation and increased participation rates; (b) to minimize unemployment, and limit its social and economic consequences; (c) to improve jobs and utilize available human capital to the greatest extent possible; and (d) to limit economic vulnerability and increase productivity. Each of these goals consists of several strands and necessitates different types of data.

In the ESCWA region, the objectives of maximizing growth, employment and productivity, and minimizing unemployment and vulnerability are being pursued in a highly challenging environment of high population growth, low female labour force participation, high youth unemployment, volatile economic growth rates and high migration flows.

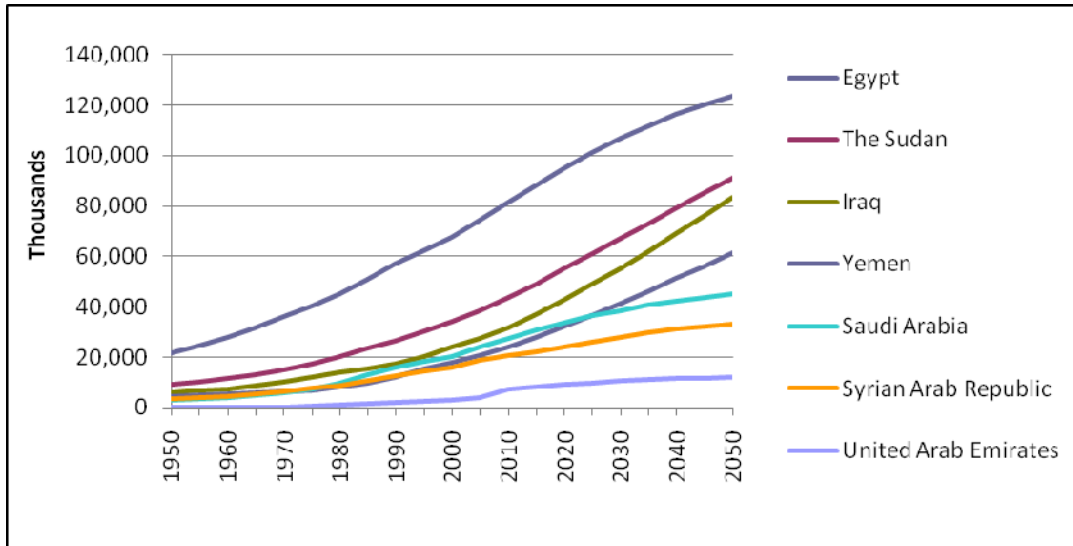
### A. POPULATION GROWTH AND DEMOGRAPHIC TRANSITION IN THE ESCWA REGION

Between 1950 and 2010, the population of the ESCWA region quadrupled to over 260 million, an increase which was amongst the highest in the world. This growth is expected to continue for some time, due to the increased number of births resulting from the high proportion of young people in the population. Figure 1 and figure 2 show the population growth over the past 30 years and the further increase forecast by the United Nations until 2050.

The figures show a parallel steep increase in the population of almost all ESCWA member countries. Certain countries have experienced extremely rapid population changes (Bahrain, Kuwait, Lebanon, Qatar and the United Arab Emirates), clearly influenced by historical events and economic developments, while other ESCWA member countries have experienced a steady population increase since 1950, which is expected to continue until 2050. The period between 2000 and 2020 is sometimes referred to as the “demographic window of opportunity”, in which decreasing dependency rates and a higher proportion of the population being of working age combine to create the possibility of both increased savings and investment in productive economic activity. Figure 3 illustrates more clearly the widening gap between the size of the working-age population on the one hand, and the decreasing numbers of children and still comparatively low numbers of the elderly on the other hand, indicating decreasing dependency rates. Experience suggests that

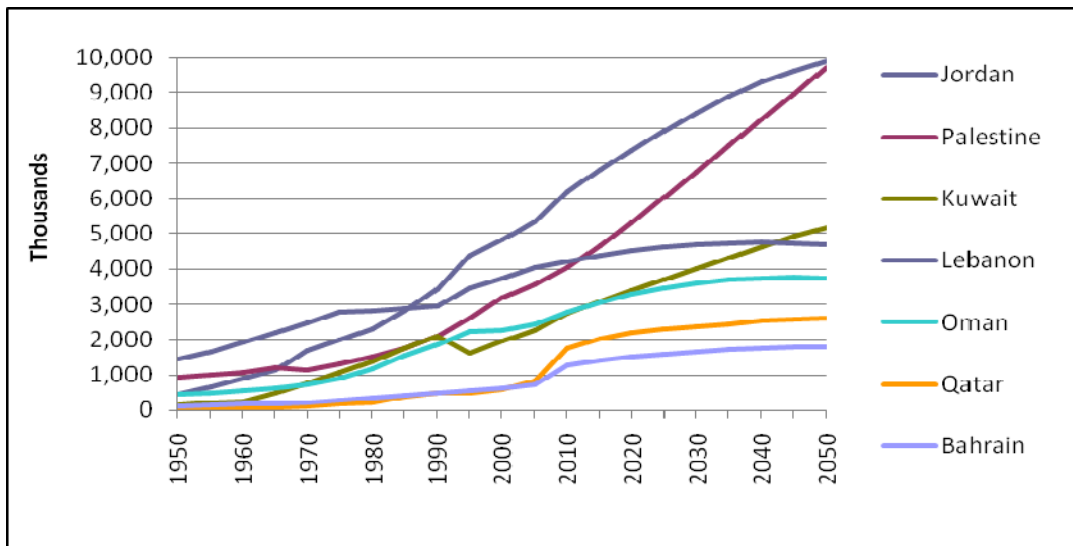
economic growth improves when the growth of the working-age population is almost double that of the total population, due to increased output per worker and increasing GDP per capita.<sup>1</sup>

**Figure 1. Population, selected ESCWA member countries, 1950-2050**



Source: United Nations, 2011, *World Population Prospects: The 2010 Revision*.

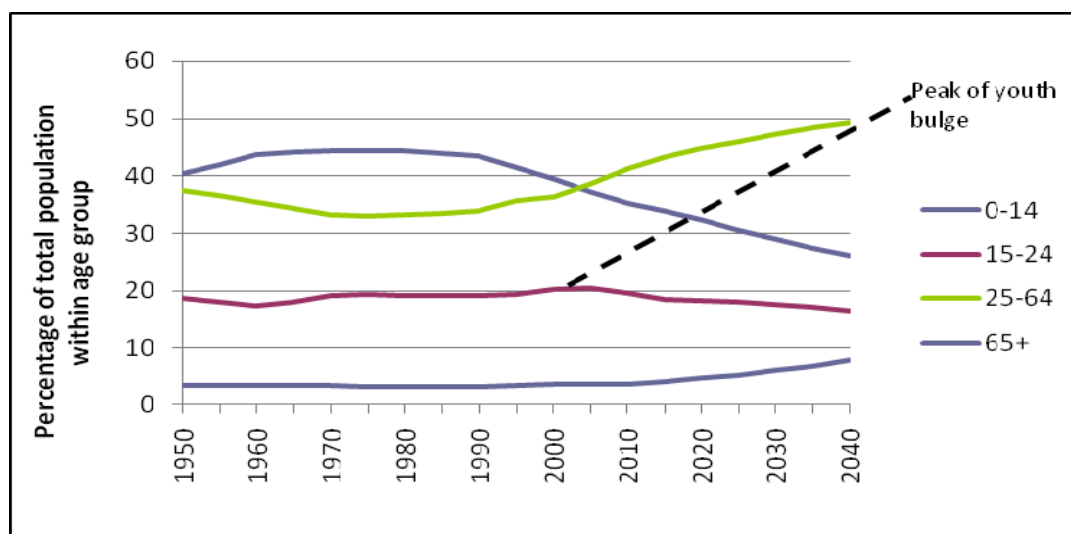
**Figure 2. Population, selected ESCWA member countries, 1950-2050**



Source: As figure 1.

<sup>1</sup> Economic and Social Commission for Western Asia (ESCWA), 2009, pp. 8-9.

**Figure 3. Population distribution by broad age group, Arab region, 1950-2040**



Source: As figure 1.

Such growth in human and financial capital has the potential to have a positive effect on economic growth and prosperity, as has been the case in certain East Asian countries in recent years,<sup>2</sup> but in order to fully utilize these demographic trends, it is essential that countries adopt policies which ensure that their national labour markets function smoothly, are able to provide employers with the workers they need, and provide both workers and employees with decent income and working conditions.

#### B. THE YOUTH BULGE

The mirror image of this demographic window of opportunity is a large increase in the number of young people aged 15-24 in the ESCWA region, which has escalated from 22.2 million in 1980 to 46.3 million in 2005, and is expected to increase to 47.7 million in 2015 and to reach 55.4 million in 2025, creating what has been described as an “unprecedented youth bulge”.<sup>3</sup> The youth population in the ESCWA member countries currently ranges from 14.9 per cent of the total population in Qatar to 22.1 per cent in Yemen, which has the highest proportion of young people in the region.<sup>4</sup> Figure 4 shows the proportion of youth in the working-age population in the ESCWA region.

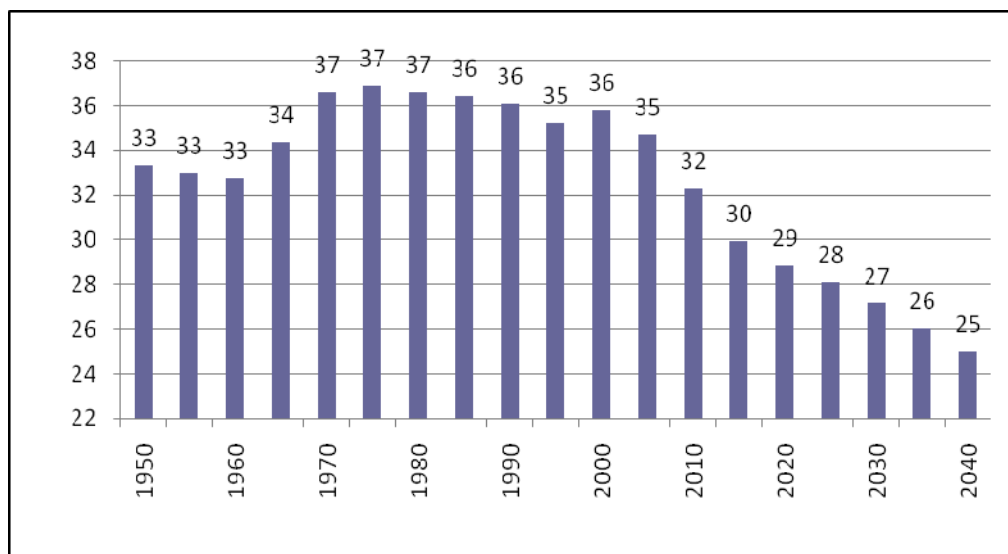
Such high numbers of young people entering the labour force requires a concomitant increase in job creation. Although the proportion of youth in the working-age population is declining, it is vital that policymakers understand the characteristics of these young people (their educational background, skills and area of residence) in order to design economic and employment policies which cater for their needs and expectations, and assist them in realizing their full capacity.

<sup>2</sup> Bloom, Canning and Sevilla, 2001, p. 19.

<sup>3</sup> ESCWA, 2010a, p. 1.

<sup>4</sup> United Nations Department of Economic and Social Affairs (UN-DESA), 2011.

**Figure 4. Proportion of youth (aged 15-24) in the working-age population (aged 15-64), ESCWA region, 1950-2040 (Percentage)**



Source: As figure 1.

#### C. NARROW ECONOMIC BASES AND INSUFFICIENT GROWTH RATES

In economic terms, the ESCWA region is marked by a high, even increasing, dependency on the export of natural resources and the import of food, which renders countries highly vulnerable to external price shocks. As a result of its limited integration into the world division of labour, the recent global recession had limited impact on the region, but this also reveals its ongoing weakness in terms of global competitiveness.

Economic growth in the region is expected to continue, with average rates of some 5.1 per cent in 2011.<sup>5</sup> However, according to International Monetary Fund (IMF) calculations, at the current rate of job creation, annual growth would need to reach 6.5 per cent in order to absorb current unemployment and new entrants into the labour market.<sup>6</sup> Following the Arab uprisings and their effect on the economies of the region, the oil-exporting countries are expected to experience increased GDP growth as a result of increased oil prices and public spending, while in comparison the non-oil-exporting countries are expected to experience a decline in GDP growth due to political instability and higher fuel prices.<sup>7</sup>

Regional imbalances are an additional concern for policymakers, as they increase the vulnerability of the population when rapid urbanization goes hand in hand with the marginalization of rural and remote areas, and the weakening of traditional social safety nets.

#### D. INCREASING LABOUR MIGRATION

A further distinguishing feature of the ESCWA region is the high level of migration, both internally between the countries of the region and externally, notably from south Asia. Migration can have both a

<sup>5</sup> ESCWA, 2011, p. 13.

<sup>6</sup> International Monetary Fund (IMF), 2010, p. 32.

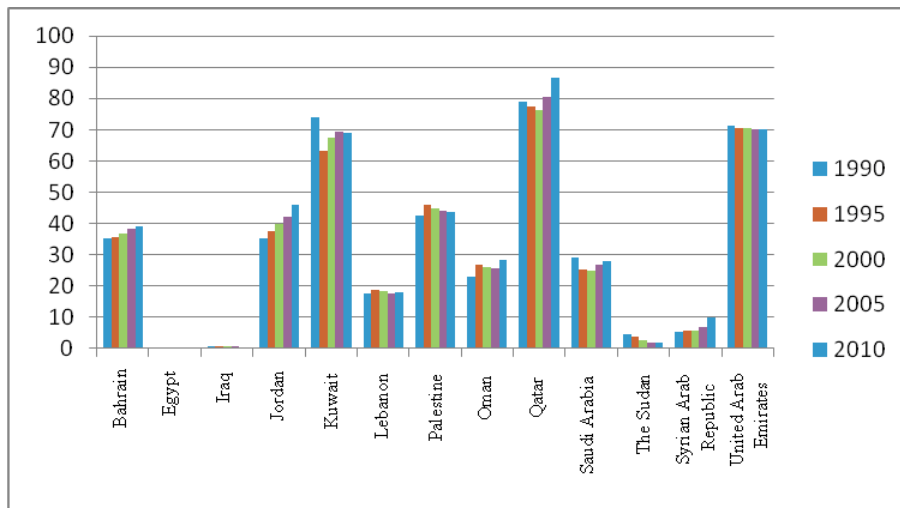
<sup>7</sup> IMF, 2011, p. 15.

positive and negative impact on the labour market in labour-sending countries by “provid[ing] a safety valve in cases of overpopulation, while remittances could support the consumer spending of families, the formation of their human and economic capital, and the creation of social services institutions. On the other hand, countries of origin could suffer from brain drain and a reduction of the population in rural areas.”<sup>8</sup>

The countries of the ESCWA region hosted nearly 25 million migrants in 2010.<sup>9</sup> There has been a strong growth in immigration to most countries, with the highest proportion seen in Qatar, where 86.5 per cent of the resident population is foreign-born, followed by the United Arab Emirates (70 per cent) and Kuwait (68.8 per cent).<sup>10</sup> In 2010, the ILO and ALO estimated that at least 2.4 million Arab foreign contractual workers were living in the countries of the Gulf Cooperation Council (GCC) and that at least 1.5 million were living in other receiving countries in the Arab Mashreq and Maghreb subregions.<sup>11</sup>

Figure 5 shows the estimated number of migrants as a proportion of the total population in ESCWA member countries. Data included in this dataset use international migrants equated with foreign-born wherever possible and foreign citizenship wherever the data on foreign-born is not available. The high rates of international migrant stock in Palestine reflect the number of refugees registered by the United Nations Relief and Works Agency for Palestine Refugees in the Near East.

**Figure 5. International migrants as a percentage of total population, selected ESCWA member countries**



Source: UN-DESA Population Division, 2009, *Trends in International Migrant Stock: The 2008 Revision* (United Nations database, POP/DB/MIG/Stock/Rev.2008).

Alternative data exist for Kuwait, based on census and labour force surveys (LFS). National sources cite a substantially higher level of migration stock (up to 81 per cent, according to the 2005 census).

It is interesting to note the substantial and increasing migrant population in Jordan, which exceeds the rates in certain Gulf countries. Lebanon also shows a high proportion of migrants, while the remaining countries with a more diversified economy (Egypt, Iraq, the Sudan and the Syrian Arab Republic) do not

<sup>8</sup> ESCWA, 2010b, p. 7.

<sup>9</sup> According to the definition adopted by the United Nations Population Division, a migrant is a person who has been living for a year or more outside his or her country of birth. (See UN-DESA, Population Division, 2009a.) Certain countries, however, prefer to use the term “guest worker” in order to underline the temporary nature of a person’s relocation to the host country.

<sup>10</sup> The data show international migrants as equated with foreign-born wherever possible. Ibid.

<sup>11</sup> Arab Labor Organization (ALO) and International Organization for Migration (IOM), 2010, p. 2.



have significant immigrant stocks. Indeed, the numbers for Egypt and Iraq are below 1 per cent for all the years studied.

Migration levels are of major interest to policymakers, given their potential associated benefits and related caveats. Benefits include the use of migration as a valve to limit excess labour, and its potential to import specific types of labour that may be missing in the economy. The potential downside of migration can be seen in the case of Jordan, where high levels of immigration have occurred while the substantial unemployment rate of nationals has not been addressed.<sup>12</sup>

The divide between national and non-national labour within countries is just one of a number of types of separation which arguably segregate the labour markets of ESCWA member countries into a set of divided labour markets which function more or less independently. It is important for policymakers to have the necessary means to analyse such segmentations, as they constitute obstacles to the effective functioning of labour markets, hindering labour mobility and thus impeding the supply of adequate labour resources to the various sectors and enterprises in an economy. Only on the basis of relevant and timely data can labour market and employment policies be designed to overcome barriers, improve the availability of human resources and broaden opportunities for all parts of society.

Other questions of particular interest to policymakers relate to the quality of labour as an economic resource and the social aspects of employment as a source of income. The most basic information needed by policymakers relates to the size of the population active in the labour market (labour force participation rate) and the reasons why certain individuals do not participate in the labour force (inactive population). Rates of employment and unemployment across age groups, sex, education and geographic location are other key indicators which are essential for policy development. Information regarding which sectors and industries provide the largest number of jobs, and for which groups of the population, is also required. The more socially-oriented policy questions relate to the quality of employment; the extent of underemployment and vulnerability; the duration of unemployment amongst different age groups; and the gender, educational background and job search strategies of unemployed individuals.

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<sup>12</sup> World Bank, 2008, pp. 41-42.

### III. DATA STANDARDIZATION, COLLECTION AND COMPARISON

A key aspect of planning for successful labour market policies is having a clear understanding and comprehensive analysis of both the current state of affairs and developments over time. The primary tool through which such knowledge can be acquired is high-quality data, the use of which can facilitate thorough analysis with a view to ensuring effective policy evaluation and management. Statistics which focus on the labour market aim to measure the capacity of the economy to utilize the productive potential of its available human resources. Labour market indicators can be created which focus on different units of analysis and data aggregation levels. The main distinctions exist between macro-level national data, disaggregated socio-economic data, data for monitoring and implementation, and data for evaluation.<sup>13</sup>

Ideally, a country will collect all these types of data in order to be able to identify current and future challenges, implement and monitor optimal policies, and continuously evaluate the policies in place.

#### A. DATA STANDARDIZATION

As with all statistics, labour market statistics should follow the fundamental principles for official statistics laid down by the United Nations Statistics Commission in 1994. These consist of ten guidelines which focus on the availability of and public access to data; transparency of policies and procedures, ensuring good quality of both data and analysis; confidentiality of data collection; international comparability of official statistics; and international cooperation. In order to improve the comparability of statistics, ILO issues additional guidelines with a common set of standards on the frequency of data collection and the recommended disaggregation of statistics, as well as guidelines on national statistical infrastructure.

There are two types of international standards on labour statistics: conventions and recommendations adopted by the International Labour Conference, which is held annually, and resolutions and guidelines adopted by the International Conference of Labour Statisticians, which meets approximately every five years, most recently in 2008. Two conventions from 1938 and 1985 are concerned with statistics on wages, hours of work and basic labour statistics. Despite their avowed support for the adoption of the Labour Statistics Convention, 1985,<sup>14</sup> to date none of the ESCWA member countries has ratified it. Of the countries in the region, only the Syrian Arab Republic and Egypt had ratified the earlier International Labour Convention, 1938,<sup>15</sup> which the 1985 Convention aimed to replace.<sup>16</sup>

The Labour Statistics Convention, 1985 provides wide-ranging minimum guidelines on labour statistics. Countries that have ratified the Convention should collect, compile and publish basic labour statistics on a regular basis, progressively expand their data collection efforts in line with their resources, and undergo an annual evaluation of their compliance. The Convention lists the main indicators on which data should be sought. Those indicators correspond to the ILO key labour market indicators and revolve around labour force participation, unemployment, the structure and distribution of the economically active population, earnings and hours of work, wage structure and distribution, labour cost, consumer price indices, household expenditure, and occupational and industrial disputes. The Convention further states that

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<sup>13</sup> Forbes, 2010, p. 17.

<sup>14</sup> ILO C160 Convention concerning Labour Statistics.

<sup>15</sup> ILO C63 Convention concerning Statistics of Wages and Hours of Work.

<sup>16</sup> The final vote on the adoption of Convention C160 was supported by Bahrain, Egypt, Iraq, Jordan, Kuwait, Lebanon, Qatar, Saudi Arabia, the Sudan, the United Arab Emirates and Yemen, who all voted in favour of adoption. The Syrian Arab Republic abstained. No ESCWA member countries voted against the adoption of the Convention, nor were any amendments suggested by member countries. During the preparation of the Convention, however, Bahrain commented on issues of periodicity, and the labour costs and difficulties of collecting such data, and requested that segregated data on nationals versus non-nationals and their nationality should be a requirement of the Convention.

signatories shall take the most recent ILO standards and guidelines into consideration when collecting, compiling and publishing statistics.

In 1985 the International Labour Conference also adopted the Labour Statistics Recommendation, 1985,<sup>17</sup> to supplement the Labour Statistics Convention, 1985. The Recommendation is not binding, but gives guidelines on the type of labour market statistics Governments should collect, in particular related to the disaggregation of data by demographic characteristics such as sex and age.<sup>18</sup> The Recommendation urges Governments to collate segregated key labour market statistics (including data on wages and hours) annually and to undertake more detailed collation at least once every ten years in order to provide the information needed for long-term analysis and benchmarking.

## B. DATA COLLECTION

Key aspects of the structure of labour markets are accounted for by national datasets, including data on labour force composition and participation, employment and unemployment rates, and wage structures. Certain datasets and sources of information also indicate a potential lack of integration of labour markets. Data segregation occurs along lines of age (adults versus youth), region (urban versus rural or specific regions, such as governorates), nationality (nationals versus non-nationals), education, skill levels, gender, and the differences between the private and public sectors. In an ideal situation, labour market data would be sufficient to analyse both the quantitative and qualitative aspects of the labour market, including the number of jobs available and the quality of those jobs.

A wide variety of methods are available for the collection of labour market data, including quantitative and qualitative methods, survey-based schemes and the utilization of administrative data. Each method has its strengths and weaknesses, and the optimal level of information comes from using a combination of methods for different purposes. In most cases, data collected using different methods will diverge. Such differences may, however, prove useful, as they can create a deeper understanding of specific issues and serve to highlight errors or limitations in the data collection tools used. It should be noted, however, that differences in data collection methods tend to make comparison between countries and years difficult.

In the ESCWA member countries, statistics on labour-related issues are collected using a variety of methods. The following discussion focuses on quantitative methods, as these are generally standardized and constitute the source of the most readily-available statistics in the region. Key indicators, such as the economically-active population, employment, unemployment and conditions of employment, together with the segregation of groups, fall within this category.

The main difference between sources of quantitative data arises from whether they are administrative or survey-based. In the ESCWA region, the majority of labour market indicators are collected from surveys, in particular LFS, other household surveys, establishment surveys and censuses.

### 1. *Census data*

While censuses do not necessarily provide substantial labour-related data, they do provide the essential backbone to understanding other surveys and the population as a whole. Censuses are conducted periodically to give a full picture of demographic and social indicators in a country. In the ESCWA region, census frequency diverges for a variety of reasons, primarily related to political tensions or the lack of resources. In line with ILO guidelines, many countries aim to have a census every ten years. The only exception in the region is Lebanon, which has not had a census for over 70 years. Under the United Nations 2010 World Population and Housing Census Programme, which was launched in 2005, all United Nations member States have been urged to conduct a census at least once between 2005 and 2014. This recommendation has been followed by many ESCWA member countries, including the GCC countries, where there is an agreement to

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<sup>17</sup> ILO R170 Recommendation concerning Labour Statistics.

<sup>18</sup> ILO, 1985b.

harmonize the census across all six countries, all of which conducted a census in 2010, with the exception of Kuwait, which conducted one in 2011.<sup>19</sup>

Census statistics are used as a benchmark for statistical compilation or as a sampling frame for sample surveys, including LFS. The main advantage of a census is the completeness of the data, since the full population is surveyed. The main drawback is the cost and hence the infrequency of censuses. Collection costs are relatively high and the information obtained is not always timely.

## 2. Labour force surveys and other household surveys

Household surveys sample a proportion of the population in order to extrapolate the information obtained into information about the full population. Labour force surveys are specific types of household surveys that focus on the employment characteristics of individuals. Depending on the sample size, estimates of the population propensities can be made more or less detailed. Given their smaller sample size, LFS can be conducted regularly and are a key instrument for obtaining information about the labour market of a country. Their principal advantage is the comprehensive coverage of the workforce and their ability to link, for example, wages and earnings to worker characteristics.<sup>20</sup> Ideally, LFS will include information on employment and income, disaggregated by branch of economic activity, occupation and socio-demographic characteristics. LFS can also include questions related to job search activities, such as reservation wage, position sought, duration of unemployment and search methods used.

The 2009 Qatar LFS provides an example of an LFS in an ESCWA member country. It collected data on the labour force by characteristics including age group, sex, educational level, marital status, employment status, economic activity, occupation and sector.<sup>21</sup> Responses from 6,109 households and 35,839 individuals were obtained for the survey, which was conducted in October 2009 and covered both national and non-national households. The objectives of the LFS are listed in box 1.

### Box 1. Objectives of the Qatar 2009 labour force sample survey

1. Estimation of the labour force in Qatar.
2. Distribution of the labour force by age group, sex, educational level, marital status, employment status, economic activity, occupation, sector and others.
3. Measurement of the employment and unemployment levels in Qatar and identification of unemployment characteristics and patterns.
4. Measurement of explicit and hidden partial unemployment and reasons behind it.
5. Study of the relationship between occupation and educational specialization.
6. Investigation of reasons why young people lack interest in working in the private sector and manual jobs.
7. Study of the population out of the labour force by age group, sex, nationality, educational level, marital status, desire to work, reasons for lack of desire to work, and reasons for leaving previous employment.
8. Establishment of an up-to-date database, providing all the data and information needed for studies, to permit comparisons and monitor indicators at both the GCC and international levels.

Source: Adapted from Qatar Statistics Authority, 2009, *Labour Force Sample Survey – State of Qatar*, pp. 6-7.

<sup>19</sup> See annex III.

<sup>20</sup> Goldfarb and Adams, 1993, p. 10.

<sup>21</sup> Qatar Statistics Authority, 2009.

Another example of an LFS in the ESCWA region comes from Oman, where the Manpower Survey is carried out by the Ministry of National Economy in collaboration with the Ministry of Manpower. The survey aims to identify the number of employed and unemployed, and examines demographic details such as gender, age, education, marital status and distribution by governorate and region.<sup>22</sup> Data collected in the survey is listed in box 2.

**Box 2. Data collected in the manpower survey, Oman**

1. Length of unemployment.
2. Employment search methods.
3. Work sought.
4. Training courses attended.
5. Monthly salaries.
6. Activities of establishments.
7. Job preference (a preference for office work, for example).
8. Lack of acceptance of specific work.
9. Information on public/private sector job preference.
10. Information on job movements

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*Source:* Adapted from Oman Ministry of National Economy, 2010, *Statistics Survey*. Available at [http://www.mone.gov.om/statistics\\_survey.aspx](http://www.mone.gov.om/statistics_survey.aspx).

In ideal circumstances, LFS should be conducted on a regular basis; however, this is not always the case in the ESCWA region. Most member countries (with the notable exception of Lebanon) have carried out an LFS at some stage, although they tend to be conducted infrequently. However, Egypt, Jordan and Palestine are now conducting quarterly LFS. The ILO has recommended that “particular effort should be made to improve the availability of quality labour statistics in countries without a regular labour force survey.”<sup>23</sup>

The European Union Labour Force Survey is widely considered to be the best example of an LFS. As a result of continuous efforts for over 50 years, it has become a vast source of information about labour markets in the European Union. Of all the statistical instruments available in the European Union, the LFS is unique for the sample size it covers, the length of the time series which it offers, and the unrivalled picture it provides of economic and social developments from the very earliest days of the European Community right up to the present day.<sup>24</sup> To increase comparability across countries, the following measures are taken:

- (a) The same set of characteristics is surveyed in each country;
- (b) Questions in national questionnaires correspond to the European Union list of questions;
- (c) Definitions are standardized across all countries;
- (d) Classifications are standardized across all countries;
- (e) All data are processed centrally by Eurostat.<sup>25</sup>

These measures are substantial and highlight the potential difficulties of cross-country data comparison. However, they also demonstrate the potential for creating good quality cross-national datasets when resources and political will permit.

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<sup>22</sup> The survey was implemented from 2008 and only limited data are available from previous years. Oman, Ministry of National Economy, 2010.

<sup>23</sup> ILO, 2008a, pp. 3-4.

<sup>24</sup> European Union, 2007.

<sup>25</sup> European Union, 2009.

When the same individuals are surveyed multiple times, panel datasets can be produced and longitudinal analysis becomes possible. However, labour-related longitudinal surveys are scarce in the ESCWA region, which limits in-depth understanding of the labour market. Ideally, LFS and other household surveys should therefore be conducted with the same sample over a period of time in order to produce longitudinal data which can be used to analyse work patterns over time, including improved information about long-term unemployment and the job mobility of individuals. This is an expensive and time-consuming task, and conducting regular LFS should therefore be of a higher priority for countries than conducting longitudinal surveys. From the data gathered for this paper, it appears that in the ESCWA region, only Egypt has been conducting regular labour market-related longitudinal studies (every ten years since 1988), although Jordan has also recently started to do so.

### 3. Establishment surveys

Establishment surveys collect data from establishments or employers on their activities, employees and wages. Sometimes, only establishments over a certain size are included; in Egypt and the Sudan, for example, only firms with more than 10 employees are surveyed.<sup>26</sup> The establishments surveyed may include all establishments (an establishment census) or merely a sample. Samples may be stratified by the size of establishment, industry, geography and other characteristics. The quality of the sample is highly dependent on the sampling frame, which is the most recent establishment census. Since firms change rapidly, sampling frames can equally rapidly become outdated; this is particularly problematic during periods of large-scale changes in the composition of an economy.

Data may be collected monthly or on a less regular basis. The Sudan, for example, conducts establishment surveys every three years. Data from establishment surveys are dependent on the quality, type and extent of the data held by the individual establishment and it is rare that they cover all workers, due to limitations on the size of establishments included in the survey design or limitations related to the sample. Furthermore, in general, only formal workers are covered and unemployment is not investigated in establishment surveys. A further potential problem with such surveys is that individuals who work for more than one establishment may be counted several times.

Examples of establishment surveys in the ESCWA region include those conducted in Bahrain, Egypt, Jordan and the Sudan. In Egypt, the Central Agency for Public Mobilization and Statistics (CAPMAS) conducts the Employment, Wages and Hours of Work Survey annually, measuring employment, average wages and hours of work by economic activity, occupational group and governorate.

Bahrain conducted its first establishment survey in 2006, the aims of which are set out in box 3.

#### **Box 3. Aims of the Bahrain 2006 establishment survey**

1. To identify the employment structure according to social and economic characteristics.
2. To identify wages, salaries, working hours and average wage structure.
3. To study the number of actual working days and shifts.
4. To maintain details of establishments according to economic activity, capital ownership structure and the commencement year of the economic activity.
5. To identify the occupational composition and skill level of employees.

*Source:* Adapted from Bahrain Labour Market Regulatory Authority, *Establishment Survey 2006: Objectives and Methodology*. Available at <http://portal.lmra.bh/english/page/show/68>.

<sup>26</sup> ILO LABORSTA, 2010.

#### 4. *Administrative data*

Administrative data are created as part of the normal proceedings of Government administration with the purpose of easing the administration of specific issues. Labour-related administrative data may come from the registers of job centres regarding unemployed individuals; registers of educational institutions detailing demographic characteristics and the educational achievements of students; social security files; unemployment insurance data; public service employment registers; and income tax returns or other taxation records. Administrative records will thus ideally contain data on a complete group of people, such as all those in receipt of unemployment benefits.

This type of data is therefore a rich potential source of data on specific population groups. In ideal circumstances, registers would be as comprehensive and accurate as possible, but even incomplete registers can be used for statistical purposes.<sup>27</sup> While paper-based registers can be used for statistical purposes, data in electronic format is much more efficient, although all administrative data requires substantial cleaning, coding and editing in order to be of use for statistical purposes. This means that independent of the availability of administrative data, this form of data is not necessarily less costly to use than survey data.

Registration-based data from public employment agencies varies significantly, depending on the incentives provided to employers and employees to use the service. In countries where the service is extensive or linked to unemployment benefits, individuals are much more likely to register. This explains why such registers in many developing countries tend to be limited in coverage, of poor quality and thus of limited suitability as sources of data for labour market information systems.<sup>28</sup> However, administrative data are always available to some extent and are potentially a good source of information.

Administrative data can be used as a stand-alone resource for micro-level data, for estimation purposes or in combination with survey data. Determination of the optimal use of data depends on data quality, completeness and the aim of analysis. Another useful application of registration data is to provide the sampling frame for surveys of specific population groups, such as those in receipt of insurance. Furthermore, it is important to note that the data networks created by social policy structures and social safety nets are essential for service delivery, in particular in times of crisis.

In order to assess the extent to which administrative sources of data are used in the ESCWA region, member countries were requested to provide information regarding usage. The eight responses received indicated that all countries use administrative data, whether for limited or more extensive purposes. Palestine and Yemen both make limited use of administrative data due to quality concerns, although Palestine gathers information from work permits for workers in Israel and the settlements, vocational training and workplace inspections.

Bahrain uses administrative data on unemployment statistics, including characteristics of the unemployed and information from training institutions. Both sources of data are used for statistical and research purposes, as well as to create training and employment-related policies. In Saudi Arabia, administrative data from the Ministry of Labour, the Civil Service Ministry and the General Directorate of Passports provide information on employment and the characteristics of both the employed and the unemployed, which is used for planning and research purposes.

In the United Arab Emirates, a wide variety of administrative sources are collated, including data from the Ministry of Labour, the Federal Authority for Government Human Resources, the National Human Resource Development and Employment Authority, the Ministry of the Interior and various local government departments. These sources provide information on a large number of indicators, including educational qualifications, occupation, economic activity, sectors, wages, hours of work, unemployment, geographic distribution, age, gender and nationality.

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<sup>27</sup> Statistics Finland, 2004, p. 10.

<sup>28</sup> Goldfarb and Adams, *op. cit.*, p. 11.

In Qatar, data from employment programmes cover various social, educational and occupational characteristics of job seekers. Training data cover in detail the nature of training institutions (both public and private), social characteristics of the trainees, nature and duration of training courses, make-up of the training groups (employees or job seekers) and areas of training covered. The data gathered are used for planning purposes.

### 5. *Combining data sources*

Data from several sources can be combined to cover a wider range of issues than individual sources can provide. As Goldfarb and Adams have noted, “Wage data illustrate the advantages of relying on more than one source of labour market statistics. Administrative wage data that are establishment-based provide a more accurate reporting of actual hourly wage rates by relevant occupational categories, firm size, and other firm characteristics than do survey data. Typically, however, administrative records cannot associate wage data with the individual worker’s personal characteristics, such as age, education or family status, as can survey data. Both types of wage data are useful for planning and policy development. The combination of data from the two methods enables users to cover a wider range of issues in policy analysis than either method alone”.<sup>29</sup>

There are, however, many potential problems with combining sources, an important example of which can be illustrated by the combination of unemployment data. Unemployment figures from unemployment insurance claims, for example, are not comparable with survey-based estimates. Since not everyone is covered by insurance, some unemployed individuals will not appear in the data if only that source is used. Surveys, in contrast, cover a larger proportion of the population, including those who, for various reasons, are not covered by social insurance. Such differences are frequently the focus of political disagreement.

A number of caveats should be borne in mind when combining sources, since estimates from different sources will almost never match. This may be due to differences in questionnaire content, data collection methodology, reference-period specifications, editing procedures, sampling procedures, response rates and timing of responses. Understanding the distinctions between various sources is the first step towards choosing the appropriate data. This includes an appreciation of the strengths and weaknesses of specific sources.

### C. LABOUR MARKET INFORMATION SYSTEMS

One way of combining different sources of labour market data is to create a labour market information system (LMIS). According to ILO, the term “labour market information” refers to “[A]ny information concerning the size and composition of the labour market or any part of the labour market; the way it or any part of it functions, its problems, the opportunities which may be available to it, and the employment-related intentions or aspirations of those who are part of it.”<sup>30</sup>

A labour market information system consists of a set of institutional arrangements, procedures and mechanisms that are designed to produce labour market information.<sup>31</sup> A centralized system should in theory be better positioned to plan and implement an integrated labour market information system. On the other hand, centralized institutions may be too far away from the end users of the data to guarantee that the data has been collected with the end user in mind. In certain countries, most official statistics are created by a central statistics authority (as is generally the case in Scandinavia), whereas in other countries, multiple agencies collect data and analyses, administrative data or surveys relevant to their own field of work (Egypt, New Zealand and the United Kingdom, for example). The main point to note is the importance of full integration of any system across different institutions, including information from a variety of sources.

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<sup>29</sup> Goldfarb and Adams, *op. cit.*, p. 17.

<sup>30</sup> ILO, 2001, p. 57.

<sup>31</sup> ILO, 1999a, p. 3.



The main purposes of an LMIS is to provide data to identify important new developments, analyse underlying trends and problems, and monitor and evaluate policies.<sup>32</sup> The potential official uses of an LMIS can be divided into three main focuses: use in macroeconomic policymaking; to inform labour market policies, research and inspection; and to plan for public education and training.

An LMIS needs to be relevant, effective, efficient and sustainable. Goldfarb and Adams identified a number of principles which they believed should guide their design.<sup>33</sup> These include identifying a basic statistics programme on which to build (starting with fewer data and building up over time); linking the collection of statistics to user priorities; building on the strengths of different data sources; connecting data collection and analysis; and devoting resources to timely processing and delivery. Job seekers, businesses, and public and private institutions are all likely to make many labour-related decisions over their lifetime and an optimal LMIS should therefore educate users in order to increase the impact of labour market intelligence.<sup>34</sup>

The creation of an LMIS should begin by assessing the needs of the potential users of the data. According to Goldfarb and Adams, the level of knowledge required depends, amongst other things, "... [on the] country's level of development and the complexity of its economy. A formal labour market statistics and information system, for example, is likely to become increasingly necessary as a country becomes more industrial and job structures become more complex".<sup>35</sup>

Several ESCWA member countries have recently focused on labour market statistics by increasing the frequency of data collection. An example of this is the National Manpower Registration programme adopted by Oman in 2001, the objectives of which are presented in box 4.

#### **Box 4. National manpower registration programme in Oman**

The objectives of the National Manpower Programme are as follows:

- To build a single labour force database in the Sultanate, establishing vital information systems to provide data and information required for decision-making, and unifying labour force terminologies and concepts;
- To gather all data about the labour force, monitoring the labour force and job seekers in both the public and private sectors, and following changes in housing, social and economic trends;
- To assist in drafting policies and plans, and adopt appropriate procedures to implement human resources development policies;
- To improve the vocational qualifications of the labour force and monitor any changes;
- To rationalize education and training policies, and link them to the requirements of the development plans and the labour market;
- To assist in regulating employment operations and procedures, and further develop the employment services offered by the Ministry;
- To collect data and information required for the production of a periodical statistical bulletin on labour market indicators and the labour force in Oman.

*Source:* Adapted from Sultanate of Oman, 2012, *National Manpower Registration*.

<sup>32</sup> ILO, 2003a, p. 6.

<sup>33</sup> Goldfarb and Adams, op. cit., p. III.

<sup>34</sup> Woods and O'Leary, 2006, p. ii.

<sup>35</sup> Goldfarb and Adams, op. cit., p. 2.

The final element of the Omani programme focuses on the dissemination of data, which is a pivotal part of any LMIS. Public availability of data assists informed planning by individuals, companies and Governments, and facilitates national and international research. This is also an element of the Palestinian plan to improve the LMIS and secure its use by planners, policymakers, decision-makers, researchers, employers and job seekers.<sup>36</sup>

The focus of any LMIS should be to provide data which are relevant to the concerns significant to a particular country. Statistical efforts should therefore be related to national statistical strategies, which, in turn, should be directly linked to national development plans. Ideally, the statistical strategy should be included within the national development plan.

### *1. Data documentation*

The meaning or semantics of data is essential to guarantee their proper use. Metadata are data about data.<sup>37</sup> In order to properly assess various data sources, it is vital that substantial metadata describing the collection methods, sampling frame and questionnaires be used. This also includes the order and skipping patterns of questions; interviewer instructions, depending on delivery mode; and other methodological issues related to the data. Furthermore, metadata need to document standard error estimates for the data, errors, non-sampling errors, estimations and other quality measures.

Certain basic metadata on labour data are available from ILO, and statistical agencies in the ESCWA region provide metadata on some surveys.<sup>38</sup> Often, however, results are presented with limited reference to collection methods and substantial information about collection methods is very rarely publicly available. This lack of metadata increases the difficulty of assessing the comparability of data across different countries.

### *2. Data utilization*

One of the most important elements in optimizing the use of labour market statistics is to make the data available to as broad an audience as possible in order to raise the level of information available for decision-making by all political and economic actors. A regular, timely and easily accessible flow of good quality data is key to developing employment and education policies, development strategies and to taking essential economic decisions on investment expansion for businesses. Reliable forecasts from existing data pools can provide invaluable guidance for complex economic, social and political decision-making.

The systematic use of national statistics available in ESCWA member countries appears to be limited, although improving. In ideal circumstances, national censuses, labour surveys and other data compiled by ministries of labour, ministries of economy, ministries of planning, central banks, statistics agencies or regional organizations such as the Arab Labor Organization would constitute a valuable tool for refining knowledge on certain aspects of the structure of labour markets in the region and for understanding the kinds of information which national Governments use to elaborate their policy responses.

A number of ESCWA member countries have recognized the importance of disseminating labour-related information. In Egypt, for example, the Observatory for Education, Training and Employment has been created with this purpose in mind.

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<sup>36</sup> Palestinian Authority, Ministry of Labour, 2009, p. 128.

<sup>37</sup> Bargmeyer and Gillman, p. 1.

<sup>38</sup> Data mainly cover sample size, survey period, reference period, and questionnaire content and definitions.

### **Box 5. Egyptian observatory for education, training and employment**

#### **Description**

The Observatory functions as a focal supporting point and coordinating mechanism linking the entities that produce data and those which benefit from them. It serves decision-makers in the Government in the fields of education, training and employment. It also provides investors in economics, education and training with important data about the Egyptian labour market and enables them to take investment decisions that match the current and future requirements of that market. Finally, the Observatory assists job seekers and young people at different educational stages by providing them with information about the current and future requirements of the labour market.

#### **Objectives**

The Observatory was established with the aim of creating a dynamic information system for employment and training in Egypt in order to be able to provide accurate and up-to-date data about both the supply and demand sides of the labour market. The data compiled inform decision-makers, employers and individuals about the current and future needs for different skills and disciplines in the labour market. It enables decision-makers to devise education, training and employment policies and systems, while helping individuals to choose the kind of education and training that is compatible with their own needs and with those of the labour market.

#### **Achievements**

- Issuing a series of periodic reports monitoring labour market conditions in Greater Cairo;
- Conducting a survey on job vacancies in the spinning, textile and garment industry;
- Holding an annual conference with the participation of representatives from every Arab observatory in countries such as Jordan, Morocco, the Syrian Arab Republic and Tunisia, as well as representatives from the European Union Project on Regional Observatories, implemented by the European Training Foundation and financed by the European Union;
- Conducting familiarization visits to a number of international observatories in France, Jordan and Tunisia in order to identify their operation mechanisms and benefit from them.

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*Source:* Adapted from Egyptian Cabinet Information and Decision Support Center, 2007, *The Egyptian Observatory for Education, Training and Employment – Current Projects*. Available at [http://www.idsc.gov.eg/Projects/Projects\\_Details.aspx?id=12](http://www.idsc.gov.eg/Projects/Projects_Details.aspx?id=12).

Certain countries, such as Iraq and Qatar, highlight the coordination between the statistics authority and Government departments in terms of information needs. In Kuwait, a Ministerial decree in 2006 established a coordination committee between institutions providing population and labour force statistics. Generally, however, ESCWA member countries report that data are provided to policymakers and planners only upon request.

Forecasting in the region focuses primarily on population composition and labour force participation indicators, and is not conducted on a regular basis. In its questionnaire responses, Bahrain highlighted the problems with forecasting based on censuses that are only conducted once every ten years. In Iraq, forecasts are used to prepare the National Development Strategy, and other member countries reported that forecasts were expected to be an element in policymaking decisions. In the United Arab Emirates, forecasting is based on key labour market indicators, such as labour force participation and unemployment rates, while in Kuwait, forecasting does not form part of the tasks of the Central Department of Statistics.

#### D. OVERVIEW OF DATA COLLECTION IN THE ESCWA REGION

Annex III presents an overview of the most recent LFS, censuses and other surveys which contain labour market-related data. The annex also provides an indicator of the availability and use of administrative data in ESCWA member countries. While information regarding the surveys conducted is generally publicly available, information on the use of administrative data is dependent on reporting by the individual country, and it can therefore be assumed that more administrative data are being collected and used than appear in the annex.

In the ESCWA region, labour market data are collected using a variety of methods. With the exception of Lebanon, all member countries have had a census in the last ten years, most within the last five years. In contrast, LFS are carried out far less frequently in the region. According to the information available to ESCWA, LFS are not yet being conducted on a regular basis in countries such as Bahrain, Kuwait, Lebanon, the Sudan and Yemen. This limits the information related to labour market developments in these countries substantially. Overall, however, the region has experienced an increase in the regular collection of labour market data through LFS in the last ten years.

Administrative data are not used extensively in the region. The main types of administrative data are related to unemployment insurance, migrant labour and public service employees. The extent of the use of establishment surveys in the region is unclear, although most ESCWA member countries appear to carry out some form of establishment survey.

For the purpose of this report, ESCWA member countries were requested to provide labour market-related data as described in part I. Certain indicators were almost universally available in a simple form, while others, such as those for informal employment and underemployment, were, with few exceptions, generally not available. Several countries have ad hoc collection of data (for example, Bahrain, Iraq and Kuwait only have irregular LFS) and for many countries, data may only be available from a few years in the period 1990-2010 (for example, in Lebanon, data are only available from the national surveys of household living conditions conducted in 2004 and 2007).

While most ESCWA member countries have improved their labour market data collection efforts in the last ten years, there are major data gaps remaining as highlighted in part IV, which examines the evidence available for specific labour market indicators in the region.

## IV. KEY STRUCTURES AND CHALLENGES IN THE ESCWA LABOUR MARKET

### A. LABOUR AS AN ECONOMIC RESOURCE

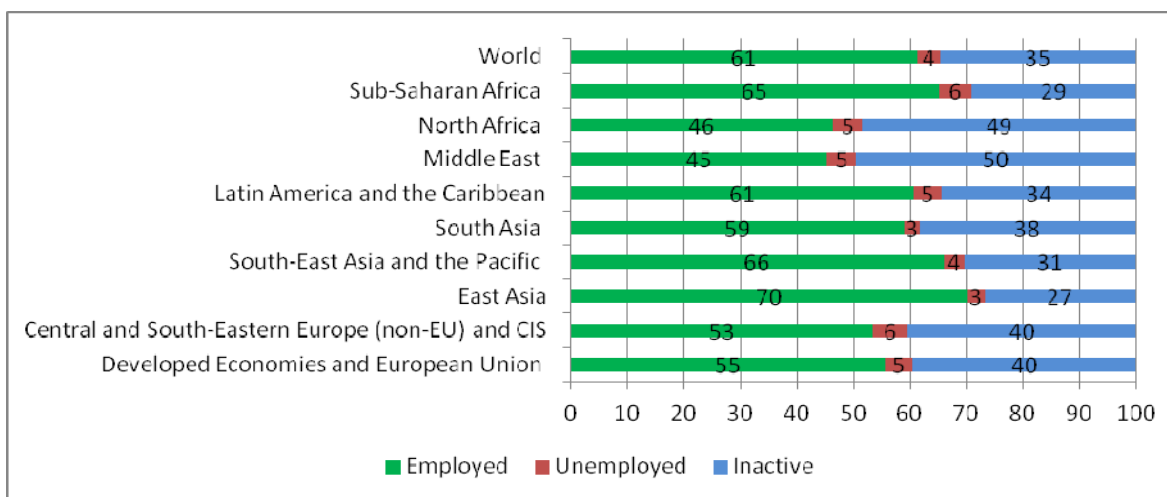
The main indicators focusing on the economic aspects of the labour market identify individuals as resources provided to the economy. The following section will therefore discuss labour force participation and employment, as well as the various reasons why individuals may not form part of the labour force. The division of the working-age population into employed, unemployed and inactive provides an overview of the human resources within the economy and their utilization.

#### 1. Labour force participation

The labour force participation rate, or the rate of the economically active population, is an indicator of the proportion of the adult population of working age (15+) which is either employed or actively looking for employment (unemployed). By definition, anyone of working age can choose to become a member of the labour force. This indicator therefore gives an overview of the possible labour supply or the productive potential. Individuals who are neither working nor looking for work are not included in this category; these could be retired individuals, housewives, students, discouraged workers or those incapable of working. Such individuals are classified as inactive. Depending on the data collection method used, informal workers may occasionally also be counted as part of the inactive population if they are not actively looking for formal employment. Overall, this means that labour participation rates are indicative rather than absolute. It should be noted, however, that such measurement issues are present in the vast majority of labour force participation statistics.

Overall, the labour force participation rate for the broader Middle East region stands at just over 50 per cent, the lowest rate globally. Figure 6 compares the total labour force participation rate of the Middle East with other regions of the world.

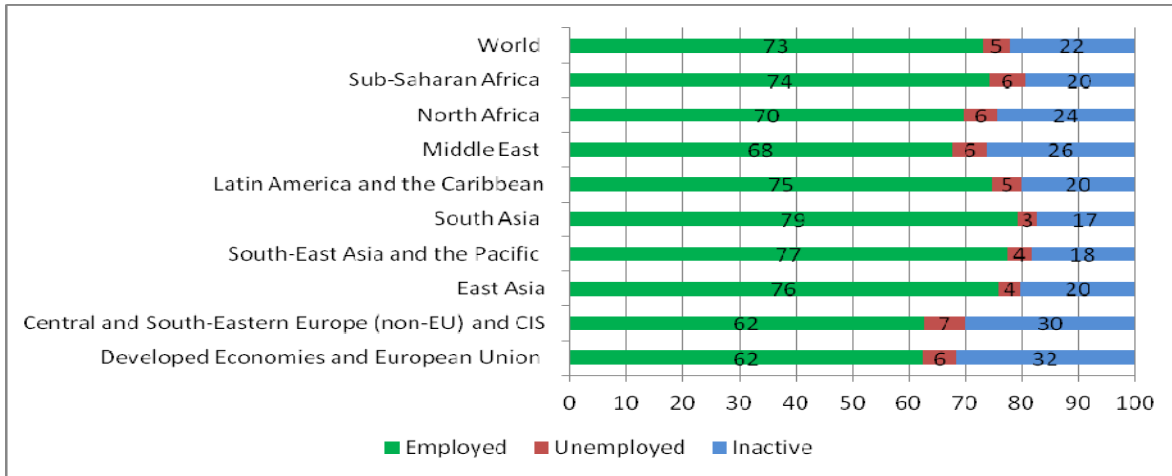
**Figure 6. Economic status of working-age population by region, 2009**  
(Percentage)



*Source: ILO, 2011, Global Employment Trends 2011: The Challenge of a Jobs Recovery, pp. 61-62, 65, and 66.*

While substantial differences exist between male and female labour force participation rates, independently of gender, the rates in the countries of the Middle East<sup>39</sup> are among the lowest in the world. Figure 7 shows the labour force participation of men in the Middle East compared with other regions.

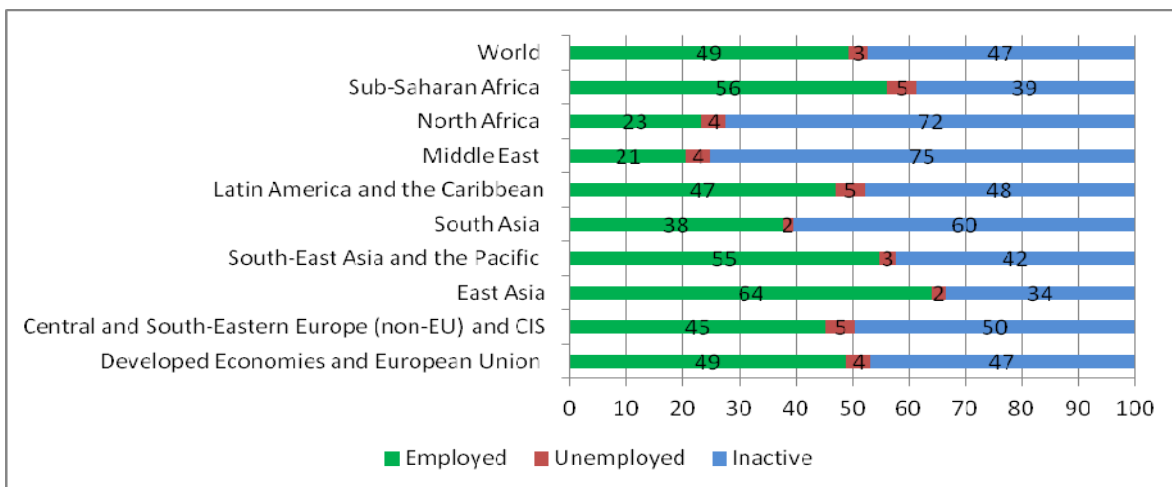
**Figure 7. Economic status of working-age males by region, 2009**  
(Percentage)



Source: As figure 6.

A major issue in the ESCWA member countries are the low female labour force participation rates seen across the region. Figure 8 provides a snapshot of female labour force participation and unemployment globally and shows that the Middle East has the lowest rate in the world (25.4 per cent), with North Africa coming a close second, both at approximately half the global average.

**Figure 8. Economic status of working-age females by region, 2009**  
(Percentage)



Source: ILO, 2010, *Women in Labour Markets: Measuring Progress and Identifying Challenges*, p. 12.

<sup>39</sup> The classification “Middle East” as used here includes all ESCWA member countries except Egypt and the Sudan (which are included in the “North Africa” category by ILO) and includes Iran.

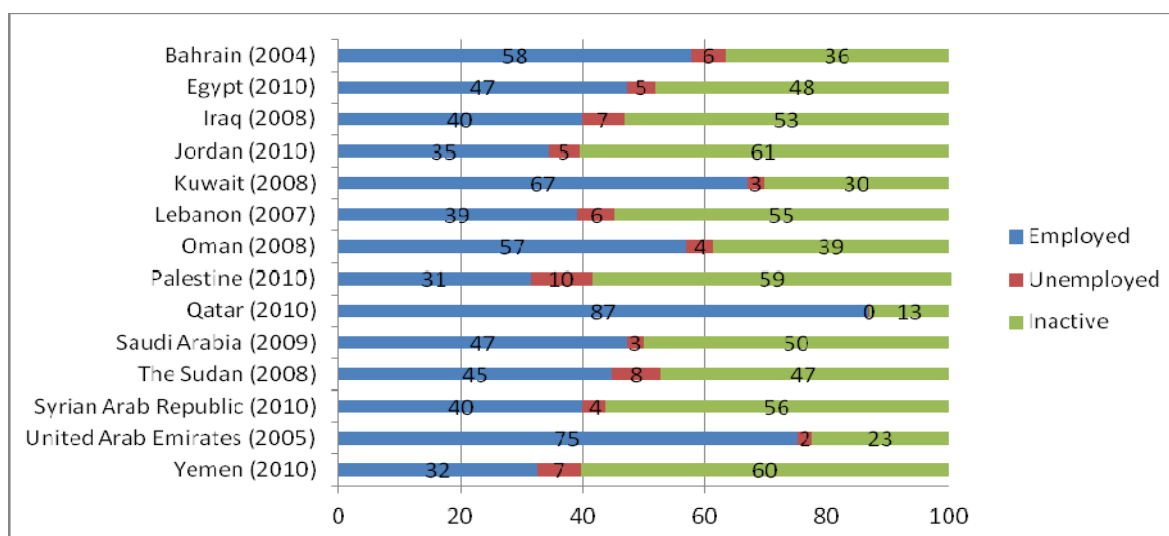
These variations are caused by very different labour markets across the world. Key determinants of labour force participation include the following:

- Religious, cultural and social norms;
- Access to education;
- Income level;
- Fertility levels;
- Institutions (legal framework);
- Sectoral composition of the economy (agricultural, industrial or service focus);
- Political situation and conflict;
- Supporting institutions, such as childcare.<sup>40</sup>

Given the nature of these determinants, Governments have at their disposal various ways of affecting labour force participation through the creation of educational opportunities, institutions and a legal framework, all of which can combine to support labour force participation.

Labour force participation is interesting overall, but the situation in specific countries, broken down by age group, gender and spatial distribution, offers an even more in-depth understanding of the productivity potential of specific groups. The following figures will examine labour force participation in different groups and different ESCWA member countries.<sup>41</sup>

**Figure 9. Population (aged 15+) and economic activity, most recent data**  
(Percentage)



Sources: **Bahrain:** LFS 2004; **Egypt:** LFS 2010; **Iraq:** Employment and Unemployment Survey 2008; **Jordan:** LFS 2010; **Kuwait:** LFS 2008; **Lebanon:** National Survey of Household Living Conditions 2007; **Oman:** Manpower Survey 2008; **Palestine:** LFS 2010; **Qatar:** Census 2010; **Saudi Arabia:** LFS 2009; **The Sudan:** Census 2008; **Syrian Arab Republic:** LFS 2010; **United Arab Emirates:** Census 2005; **Yemen:** 2010 projections from the Yemen Central Statistics Organization, based on Census 2004.

\* Some numbers may not add up to 100 per cent due to rounding.

<sup>40</sup> ILO, 2010b, p. 16.

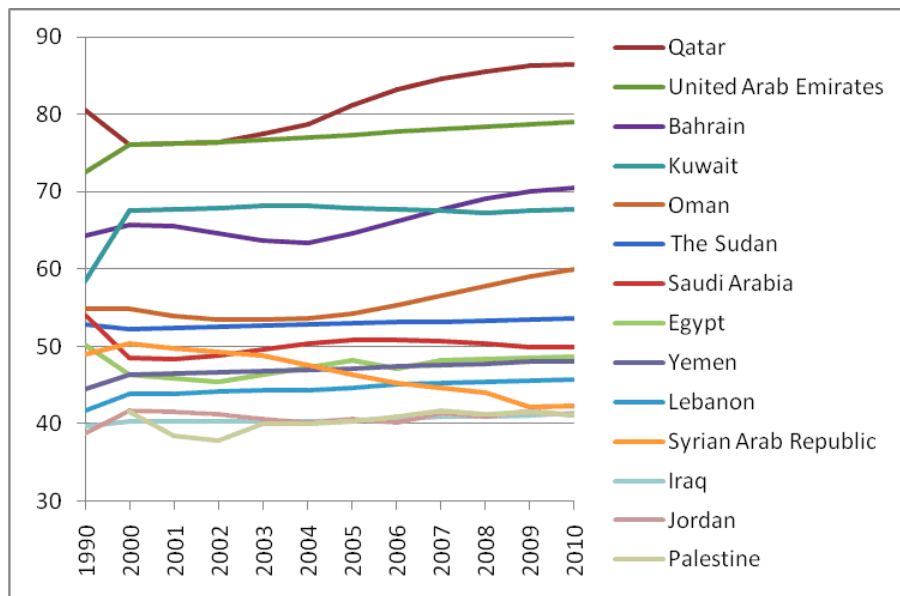
<sup>41</sup> The data used for the figures are sourced from LFS and censuses, and are therefore not strictly comparable. A case in point is Yemen, where the inactive group includes individuals who work “free of charge”. As a result of this classification, the data for Yemen are not comparable with the data for other countries. However, even excluding Yemen and bearing in mind the overall problems with comparability, substantial differences are still evident across the region.

As can be seen in figure 9, across the ESCWA region, less than half the working-age population (15+) is in employment, except in Bahrain, Kuwait, Qatar, Oman and the United Arab Emirates.

## 2. Development of labour force participation since 1990

Figure 10 sets out labour force participation rates for the 14 ESCWA member countries during the period 1990 to 2010.<sup>42</sup> It shows that certain countries, such as the United Arab Emirates, Kuwait, Oman and Jordan, experienced a dramatic increase between 1990 and 2000, while slightly losing ground over the past ten years. In most countries, participation rates have stagnated and only Qatar, the United Arab Emirates and Bahrain have been able to increase their utilization of labour resources. The composition of labour resources in Qatar and the United Arab Emirates has, however, changed as a result of high levels of labour immigration. The labour force participation rates of nationals are comparable to those of other ESCWA member countries.<sup>43</sup>

**Figure 10. Total labour force participation rate, 1990-2010**  
(Percentage)



Sources: **Palestine:** LFS Database 2000-2010. **All other countries:** ILO, Economically Active Population Estimates and Projections Database (sixth edition).

Labour force participation rates in the national data are generally slightly lower than the data presented in these tables, with the exception of Kuwait, where ILO data are presented, but national data exist for 2003, 2005 and 2008. These data show slightly higher participation rates.

<sup>42</sup> Labour force participation indicators are available for all ESCWA member countries, although not necessarily as a complete time series for the last ten years or more. Since time series with data collected in a similar fashion provide the only truly comparable data across time, a decision was taken to focus on ILO data for representation of changes over time. ILO estimates of labour force participation rates are based on national data.

<sup>43</sup> Bahrain: Central Informatics Organisation, *Statistical Abstract 2007*, chapter 11, tables 11.01 and table 11.06 used for calculations. Qatar: Qatar Information Exchange. Saudi Arabia: Central Department of Statistics and Information, *Manpower Research Bulletins*. United Arab Emirates: National Bureau of Statistics, *Labour Force Survey 2009*, table 11.

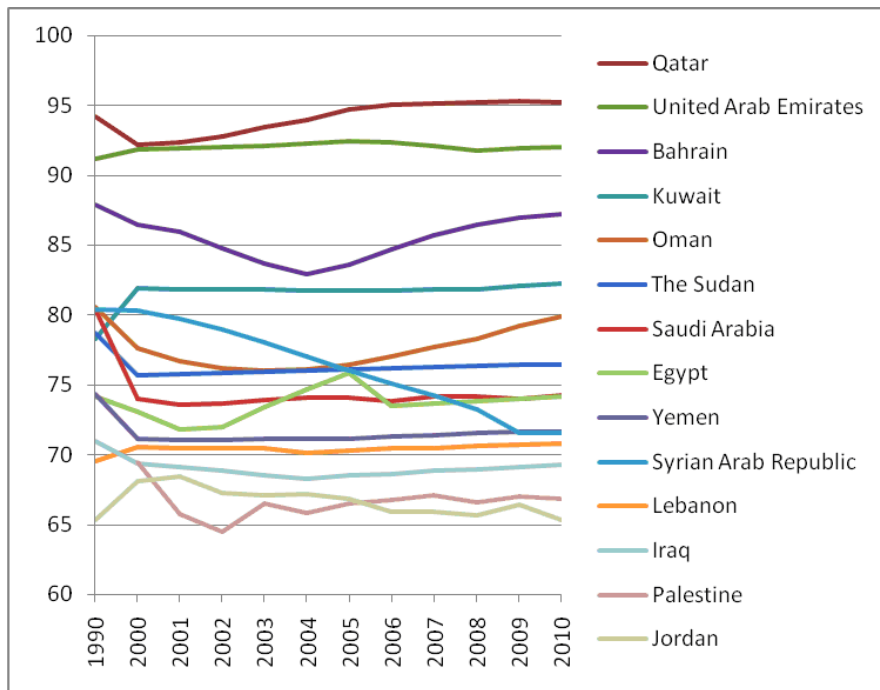


Since labour force participation comprises both the employed and the unemployed, stable participation rates during periods of population growth can conceal higher levels of unemployment. Certain ESCWA member countries, notably Bahrain, Saudi Arabia and Iraq, have experienced population growth concurrently with more or less stable labour force participation rates. The population of Bahrain and Iraq more than doubled between 1980 and 2010, while the population of Saudi Arabia almost tripled.<sup>44</sup>

Stable labour force participation rates over time do not necessarily mean stable rates for both men and women. The remainder of this section will therefore examine labour force participation segregated by gender.

Looking specifically at the developments over time, figure 11 shows male participation rates in the ESCWA member countries during the period 1990-2010. The changes in different countries diverge substantially, yet when the years 1990 and 2010 are compared, the proportion of working-age men active in the labour force has remained almost stable. The GCC countries, especially Qatar and the United Arab Emirates, have the highest rates in the region. The more diversified economies, such as Lebanon and Egypt, are oscillating around 73 per cent, while the Syrian Arab Republic suffered a remarkable decrease during that period.

**Figure 11. Male labour force participation rate, 1990-2010**  
(Percentage)

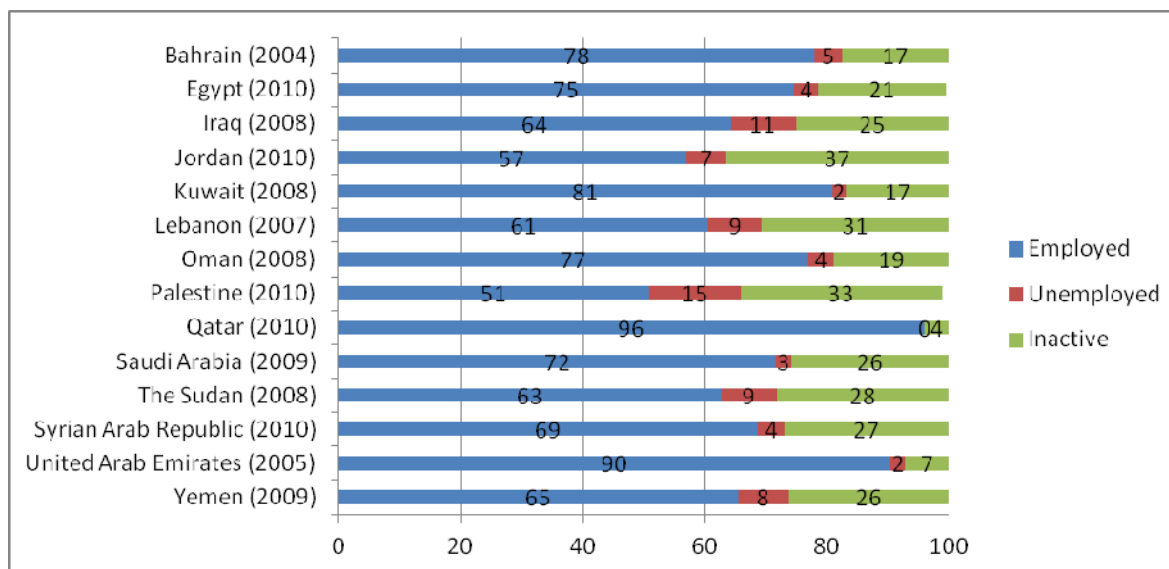


Sources: As figure 10.

Figure 12 looks at the male working-age population in the ESCWA member countries, divided into employed, unemployed and inactive, and shows significant differences between individual countries. Qatar and the United Arab Emirates have the highest rate of male labour force participation (at 95.6 per cent and 92.7 per cent respectively), while the lowest rate in the region is in Jordan (64.4 per cent, which breaks down into 57 per cent employed and 6.6 per cent unemployed). The highest rate of inactivity is also seen in Jordan, where more than one in three working-age males is inactive.

<sup>44</sup> UN-DESA, Population Division, 2011.

**Figure 12. Male economic activity (aged 15-64), most recent data**  
(Percentage)



Sources: As figure 9, except Yemen: 2009 Projections from the Central Statistics Organization, based on Census 2004 and *Yemen in Figures 2009*.

The groups who are inactive do not contribute to measurable economic activities, even though they are often productive within the household. According to Øvensen and Sletten, “the decision that a particular individual should stay ‘inactive’ is often taken by the household, or by other family members on the basis of which activities can be considered ‘acceptable’ according to sex, age and social status.”<sup>45</sup>

Statistics often focus on unemployment or labour market participation rates, while inactivity is overlooked. Understanding the reasons for inactivity is essential to overcoming low labour force participation rates. It is important to bear in mind, however, that voluntary inactivity is not necessarily a problem for the individual or the household,<sup>46</sup> although inactivity can be a problem from a macroeconomic perspective, since it results in underutilization of the available resources in the economy.

Reasons for inactivity are primarily documented through LFS data and are occasionally included in censuses, in which individuals who are neither in employment nor looking for work are asked why they are not seeking work.

In Europe, reasons for inactivity are standardized by Eurostat within the following main groups: looking after the family/home; students; temporary or permanent sickness/disability; retired individuals; and an “Other” category, which covers discouraged workers, even though such individuals are rarely identified independently.

In the ESCWA region, data on inactivity comes predominantly from LFS, with the exception of the Sudan and Qatar, where the most recent inactivity data comes from the census. The reasons for inactivity are not standardized across member countries, which makes comparison difficult, necessitating the sizeable “Other” category in the figures. In particular, it is difficult to make comparisons with Iraq, since its “Unable to work” category (the illness and disabled category) extends to cover those who are unable to work due to

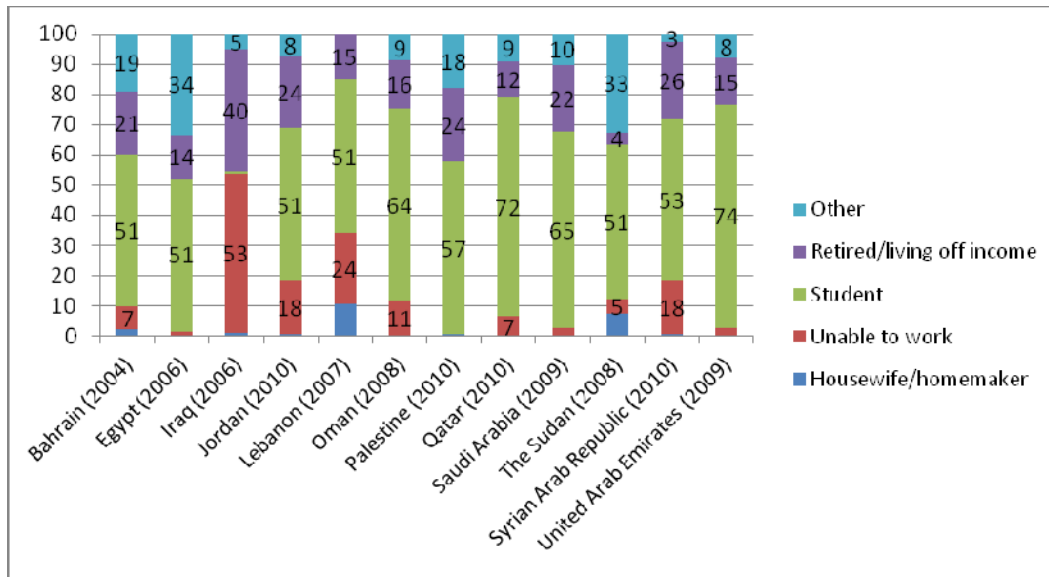
<sup>45</sup> Øvensen and Sletten, 2007, p. 54.

<sup>46</sup> *Ibid.*, p. 81.

old age, thus rendering its data incomparable with those of other countries. Furthermore, the category “Retired/living off income” is extraordinarily high in Iraq, which may be due to definitional issues, as the category could also cover the “Housewife” classification.

Data regarding reasons for inactivity were available for 12 member countries and are presented in figure 13. It has not been possible to locate data on inactivity for Kuwait or Yemen, in part due to the lack of recent LFS.

**Figure 13. Reasons for male economic inactivity, most recent data**  
(Percentage)



Sources: **Bahrain:** LFS 2004; **Egypt:** Census 2006; **Iraq:** Unemployment Survey 2006. Illness and disabled category includes those who are unable to work due to old age; data are therefore not strictly comparable; **Jordan:** LFS 2010, table 10.1; **Lebanon:** National Survey of Household Living Conditions 2007; **Oman:** Manpower Survey 2008; **Palestine:** LFS Database 2000-2010; **Qatar:** Census 2010, table 7.7; **Saudi Arabia:** LFS 2009; **The Sudan:** Census 2008, based on table E1; **Syrian Arab Republic:** LFS 2010; **United Arab Emirates:** LFS 2009.

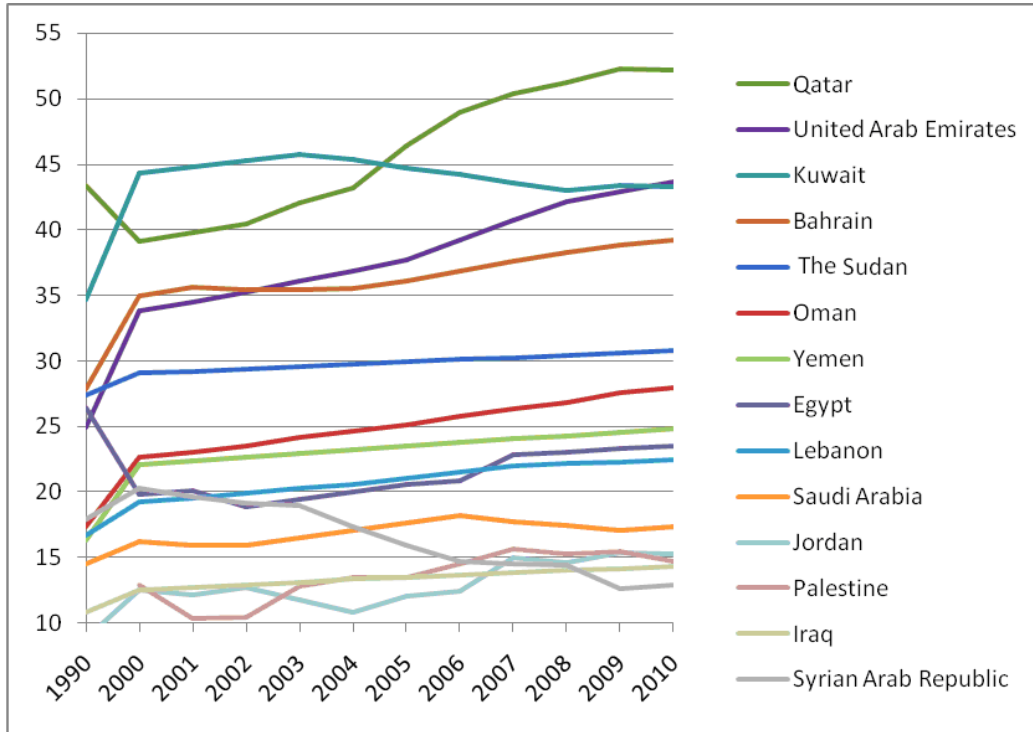
The main reason for male inactivity is studying, and a further substantial proportion of inactive males are living off income or retired. Overall, “Retired/living off income” accounts for some 20 per cent of inactive males in the region. The “Unable to work” category is sizeable for Iraq, Jordan, Lebanon and the Syrian Arab Republic in particular.

Female labour force participation rates are increasing. The World Bank has posited that rising female labour force participation rates may be a result of declining fertility rates, higher educational attainment and a trend towards the emancipation of women in the region.<sup>47</sup> The average labour force participation rate of women in the ESCWA region increased from just under 21.5 per cent in 1990 to almost 23 per cent in 2010. Although this overall increase may not appear significant, the majority of countries experienced a much higher increase, while just two member countries experienced a decline in female labour force participation during that period (Egypt, at 3 per cent, and the Syrian Arab Republic, at 5 per cent). The 1.5 per cent increase is weighted to the population, meaning that the falling rates for those two countries had a significant effect on the average increase recorded for the region, masking the extent of individual increases such as those seen in the United Arab Emirates (18.7 per cent), Palestine (14.7 per cent), Bahrain (11.3 per cent), Oman (10.9 per cent), and Yemen (8.5 per cent). It should also be noted that the developments in the United

<sup>47</sup> World Bank, 2004, pp. 67-68 and 99.

Arab Emirates, Bahrain and Oman are closely related to the inflow of female migrants who, due to their higher levels of economic activity than nationals in those countries, have a positive influence on female labour force participation rates.<sup>48</sup>

**Figure 14. Female labour force participation rate, 1990-2010**  
(Percentage)



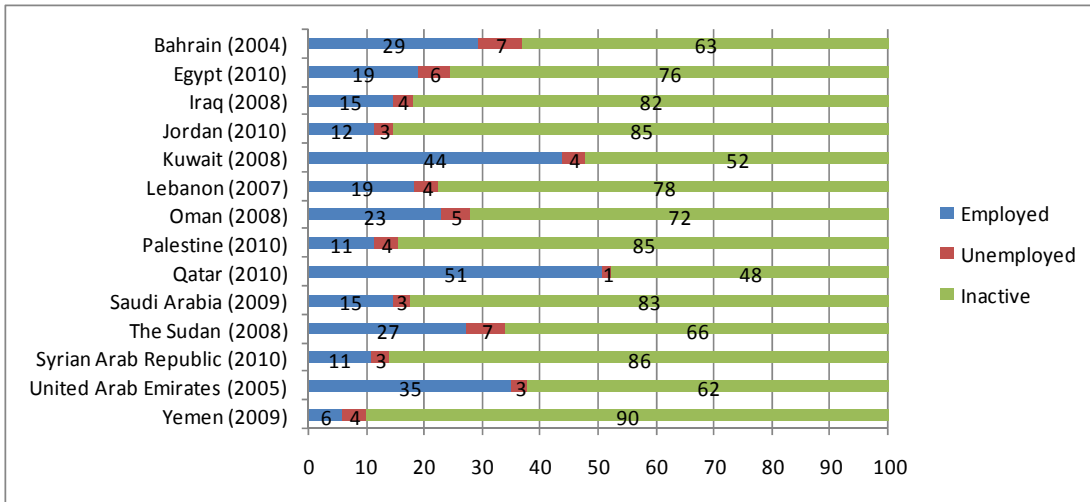
Sources: As figure 10.

Childbirth and family obligations are a key determinant for female labour force participation, and whether women return to the labour force when their children have grown up has a significant impact on overall female participation levels. Ways of attracting women back into the workforce when their domestic responsibilities decrease is a key issue for countries and economies. It is arguable that the increase in female labour force participation between 1990 and 2010 was in large part due to a strong decline in fertility in the region and/or an increased focus on gender equality, although the changing composition of the labour force towards a higher proportion of non-nationals is also pertinent to the growth in participation over time.

However, as figure 15 shows, the ESCWA region continues to experience very low female labour participation rates. The figure provides a closer look at economic activity by gender and clarifies some of the large discrepancies between countries. It indicates major differences in female labour force participation between countries, with rates ranging from 52 per cent in Qatar to 15 per cent in Jordan and Palestine, and just 13 per cent in the Syrian Arab Republic.

<sup>48</sup> Bahrain: Central Informatics Organisation, *Statistical Abstract 2007*, chapter 11, tables 11.01 and 11.06 used for calculations; Qatar: Qatar Information Exchange; Saudi Arabia: Central Department of Statistics and Information, *Manpower Research Bulletins*; United Arab Emirates: National Bureau of Statistics, *Labour Force Survey 2009*, table 11.

**Figure 15. Female economic activity (women aged 15-64), most recent data**  
(Percentage)

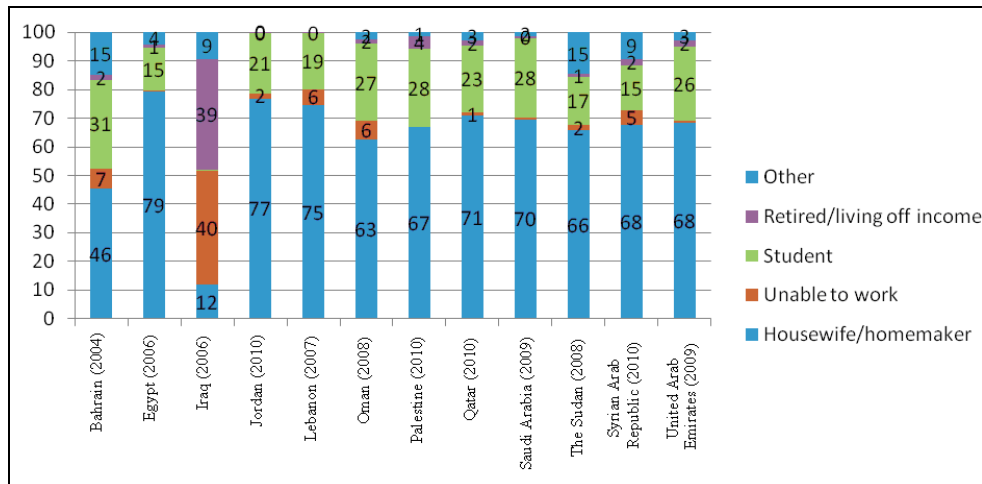


Sources: As figure 12.

Again, it should be noted that the very low rate of 9.5 per cent in Yemen is not comparable, since the inactive population includes individuals who “work free of charge”. While this difference is in part a reflection of different data collection methods, it is clear that countries in the region have very different labour market experiences.

The main reason for female inactivity is categorized as “Housewife/homemaker” in all countries except Iraq (probably as a result of the definitional issues outlined above), accounting for over 60 per cent of female inactivity in all other countries except Bahrain, where the figure is just under 50 per cent.<sup>49</sup> The second highest reason listed for inactivity among females is studying.

**Figure 16. Reasons for female economic inactivity, most recent data**  
(Percentage)



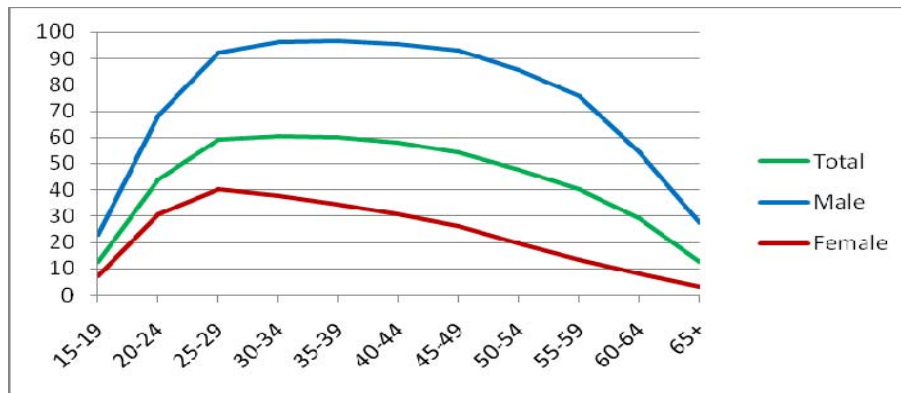
Sources: As figure 13.

<sup>49</sup> The data from Iraq were ignored for this comparison, due to definitional issues outlined above.

### 3. Labour force participation and age

Another major division in labour force participation rates exists between different age groups. Figure 17 uses the most recent country data on labour force participation, disaggregated by age group.<sup>50</sup> This highlights the low labour force participation of young people aged 15-24 and also shows the decrease in labour force participation of women aged 25+ following child birth. It is also clear that there is an overall decline in labour force participation from the age of 45 onwards. Reasons for male inactivity such as “Living off income” and “Unable to work” are more likely to occur later in life, which explains the declining labour force participation rates amongst older groups. Figure 17 also illustrates the sizeable differences between male and female labour force participation rates.

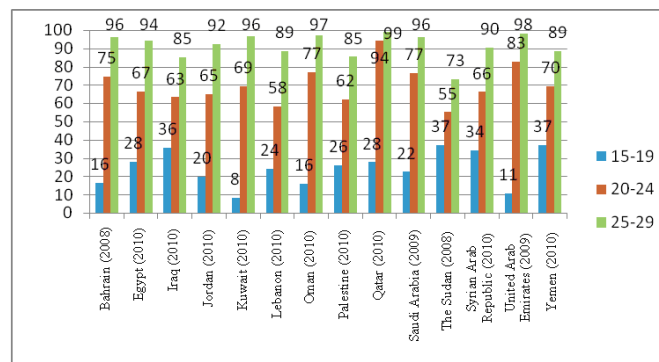
**Figure 17. Average labour force participation rate by age group, 2010 data**  
(Percentage)



Sources: ILO, Economically Active Population Estimates and Projections Database (sixth edition).

Male youth labour force participation rates in all ESCWA member countries are shown in figure 18. While male labour force participation rates for men over 24 are often close to 100 per cent in many countries, those for youth are much lower. For the 15-19 age group, rates are typically under 30 per cent.

**Figure 18. Male labour force participation rate, selected age groups, most recent data**  
(Percentage)



Sources: **Bahrain, Egypt, Iraq, Jordan, Kuwait, Lebanon, Oman, Syrian Arab Republic and Yemen:** ILO, Economically Active Population Estimates and Projections Database (sixth edition); **Palestine:** LFS Database 2000-2010; **Qatar:** Census 2010; **Saudi Arabia:** LFS 2009; **The Sudan:** Census 2008; **United Arab Emirates:** LFS 2009.

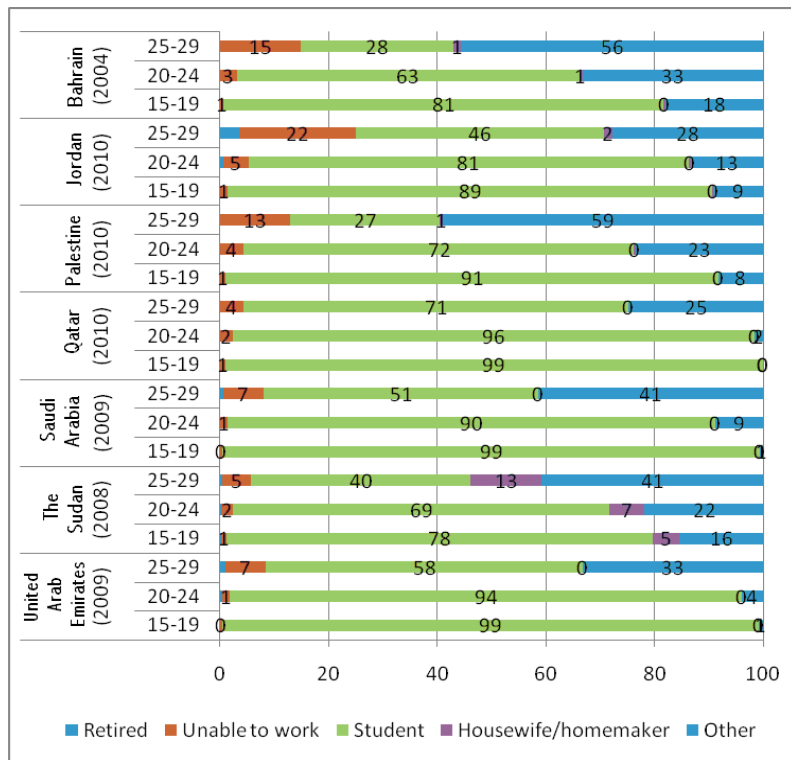
<sup>50</sup> This method means that all countries are weighted equally and the graph therefore shows the arithmetical average of the country data.

It is clear from figure 18 that males start to enter the labour force in their early twenties, yet the gap between labour force participation rates for those aged 20-24 and those over 25 is significant in all countries except Qatar. The largest gap in participation rates between young people aged 20-24 and adults aged 25-29 is seen in Lebanon (31 per cent).

Reasons for economic inactivity vary with gender and age, but are also related to lifecycle events and, potentially, generational effects, which it is not possible to illustrate within the scope of this paper. Age-disaggregated data on reasons for inactivity were only available for seven countries, namely Bahrain, Jordan, Palestine, Qatar, Saudi Arabia, the Sudan and the United Arab Emirates.

Given that the main reason for male youth inactivity is studying and that unemployment rates are high amongst youth in the region, examining the reasons for inactivity for this group is of particular interest. Figure 19 shows that studying is the most common reason for inactivity amongst males aged 15-19. For males over 19, there is a greater divergence of reasons. A large proportion fall within the country-specific “Other” category, and inability to work because of illness or disability also affects a significant proportion of males aged 25-29. In Jordan, 24 per cent of inactive males aged 25-29 are categorized as disabled,<sup>51</sup> although it is important to bear in mind that the number of inactive males in Jordan for that age group is relatively low.

**Figure 19. Reasons for male youth economic inactivity, most recent data**



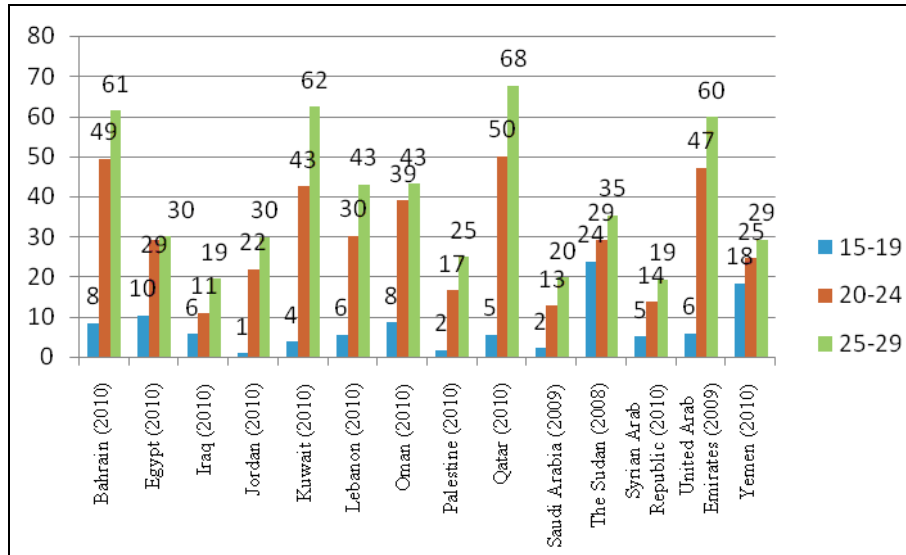
Sources: **Bahrain:** LFS 2004; **Jordan:** LFS 2010, table 10.1; **Palestine:** LFS Database 2000-2010; **Qatar:** Census 2010; **Saudi Arabia:** LFS 2009; **The Sudan:** Census 2008; **United Arab Emirates:** LFS 2009.

Note: The age group 25-29 is included in this figure to highlight the difference between the youth age group (15-24) and the older age group.

<sup>51</sup> According to the Jordan Department of Statistics *Annual Report 2009*, table 10, 55,297 males are considered disabled, of whom 3,236 are aged 60 or older.

Figure 20 shows labour force participation rates for young women aged 15-29 in all ESCWA member countries, using the most recent available data. As well as highlighting the differences between countries, the figure also gives an indication of the age of women when they enter the labour force. As expected, due to a multitude of reasons, including education, only a small proportion of women enter the labour force before the age of 20.

**Figure 20. Female labour force participation rate, selected age groups, most recent data**



Sources: As figure 18.

Note: The age group 25-29 is included in this figure to show the difference between the youth age group (15-24) and the older age group.

Low female labour force participation rates are evident in the young population, despite the potential of this group for high participation rates during the period after completing education but prior to childbirth and household responsibilities. These low rates are supported by the reasons for inactivity set out in figure 21, which clearly shows the main reason for inactivity among 15-19 year old females to be education, while the predominant reason for inactivity among those aged 25-29 is household obligations. It is therefore clear that the age-related window of opportunity for female labour force participation is not being utilized to the maximum extent.

Having previously identified that Jordan experiences low overall labour force participation rates, it is interesting to note that Jordanian women aged 25-29 have one of the highest participation rates in the region, together with Bahrain, Kuwait, Qatar and the United Arab Emirates, where the labour force participation rate is elevated as a result of high levels of immigration. This situation has led the World Bank to note that “Jordanian women often become employed, but leave the labour force permanently when they marry or have their first child.”<sup>52</sup>

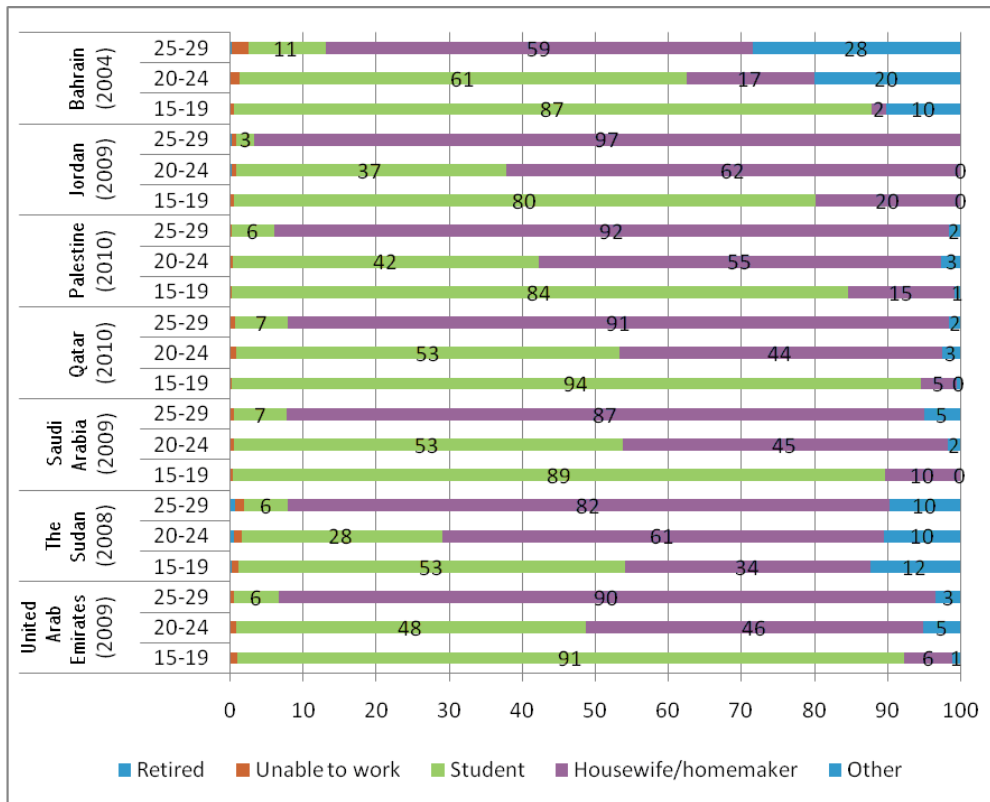
Figure 21 shows that young women in the ESCWA region are predominantly inactive due to household obligations or studying. For the youngest age group (15-19), the majority of young women are inactive due to studying: for example, in the United Arab Emirates and Qatar, this accounts for over 90 per cent of inactive women in this age group. The lowest rate of studying amongst inactive women aged 15-19 is seen in the Sudan (52.9 per cent). However, the picture changes substantially for women aged 20-24 and

<sup>52</sup> World Bank, 2008, p. 46.



25-29. The older the group, the higher the percentage inactive due to household obligations. In most member countries, some 90 per cent of inactive women in the age group 25-29 are classified as housewives. The sole exception is Bahrain, probably because its “Other” classification includes substantial numbers of individuals who fit within the “Lack of jobs” or “Did not want to work” categories, which did not feature in the inactivity data for other member countries. This highlights once again the difficulties of comparison between countries.

**Figure 21. Reasons for female youth economic inactivity, most recent data**



Sources: **Bahrain:** LFS 2004; **Jordan:** LFS 2009, table 10.1; **Palestine:** LFS Database 2000-2010; **Qatar:** Census 2010; **Saudi Arabia:** LFS 2009; **The Sudan:** Census 2008; **United Arab Emirates:** LFS 2009.

Note: The age group 25-29 is included in this figure to highlight the difference between the youth age group (15-24) and the older age group.

In addition to looking at the activities in which individuals engage as an alternative to employment, some countries collect data that focus on attitudinal reasons for inactivity. In Jordan, for example, the 2009 Employment and Unemployment Survey included tables which examined the reasons why individuals were not seeking work. The categories included “Believe no work is available”, “Tired of seeking work”, “Do not know where to seek work”, “Cannot find suitable work”, “Not qualified” and “Other”. The survey revealed differences between the attitudes of men and women to seeking employment. The two main reasons cited by both men and women were that they believed no work was available or they could not find suitable work. A gender comparison, however, showed that more women felt that they were not qualified (13.3 per cent of women, compared with 7.8 per cent of men) and that more men were unable to find suitable work (27 per cent, compared with 21.8 per cent for women).<sup>53</sup> Regrettably, this type of data is not widely

<sup>53</sup> Jordan Department of Statistics, 2009, table 10.5.

available in ESCWA member countries, despite its potential to provide important information to inform policymakers of the best target groups for active labour market policies.

### **Spatially-disaggregated labour force participation rate**

Within a country, major differences in the level of labour force participation often exist in different regions or along rural and urban divides. If there is substantial divergence in living standards, such differences may lead to tension between or within regions. Differences can also lead to internal migration and urbanization, which can have a dramatic impact on labour markets and social development in general.

Indicators of rural and urban labour force participation are essential to get a full picture of the differences within a specific country. An understanding of spatial differences is also necessary in order to target policies towards the most disadvantaged regions and groups, and to address potential structural problems. The importance of this is illustrated by an example from Iraq, where “poor geographic distribution of investments [...] has also expanded to include clear disparity between urban and rural areas. The spatial development pattern has led to the concentration of population, economic activity and services in a handful of cities.”<sup>54</sup>

National differences in the characteristics which distinguish urban from rural areas make the distinction between urban and rural population dependent on country-specific circumstances. “Rural” versus “urban” is therefore not amenable to a uniform definition applicable to all countries. For this reason, each member country was asked to decide which areas should be classified as urban and which as rural, in accordance with its own circumstances. Data produced by ESCWA member countries on labour force participation is rarely disaggregated into urban-rural data.

Certain countries, such as Bahrain, publish data by administrative unit (by province or by governorate, for example). Others, such as Palestine and the Sudan, have added specific categories, such as “Camps” in the case of Palestine and “Nomads” in that of the Sudan. This reflects the actual situation in those countries, thus providing a better idea of the real situation than would be possible with simplified data divided into urban/rural. In Palestine, for an example, the rural labour force participation rate in 2009 was 41.4 per cent, whereas the rate in camps was as low as 37.9 per cent, although it has been increasing since 2001.<sup>55</sup>

Table 1 shows the available data in the region. Data are collected from labour force surveys and censuses. In the Syrian Arab Republic, the 2010 rural labour force participation rate (42.4 per cent) was very similar to the urban rate (43 per cent).<sup>56</sup> Larger differences were apparent in the Sudan, where the urban labour force participation rate of 42.9 per cent was substantially lower than the rural rate of 51.3 per cent. In Iraq, the highest labour force participation rate in 2006 was within rural areas (57.5 per cent) whereas the lowest was in the “Other urban” category (45.5 per cent). In Jordan, the rural labour force participation rate has increased steadily since 2004, while the urban rate has remained stable.

The data indicate that there are major spatial differences within countries and that urban/rural segregated data are highly relevant to policymakers.

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<sup>54</sup> Iraq, Ministry of Planning, 2010, p. 23.

<sup>55</sup> Palestinian Central Bureau of Statistics, 2010. Data provided by focal point.

<sup>56</sup> Syrian Central Bureau of Statistics, 2008, table on population distribution (15+) by governorate, labour force and gender.

TABLE 1. URBAN-RURAL LABOUR FORCE PARTICIPATION RATES, SELECTED  
ESCWA MEMBER COUNTRIES, 2000-2010  
(Percentage)

Country		2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Egypt	Urban	30.0	30.6	29.1	30.0	30.5	32.2	32.2	31.9	32.7	33.0	33.6
	Rural	29.0	28.7	28.9	28.9	30.7	32.3	31.5	33.0	32.7	33.2	33.2
	Total	29.4	29.5	29.0	29.4	30.6	32.3	31.8	32.5	33.0	33.1	33.4
Iraq	Centre Urban	..	..	..	..	..	..	46.2	43.1	44.9	..	..
	Other urban	..	..	..	..	..	..	45.5	41	43.7	..	..
	Rural	..	..	..	..	..	..	57.5	45.7	51.7	..	..
	Total	..	..	..	..	..	..	49.7	43.2	46.8	..	..
Jordan	Urban	39.9	39.4	39.1	38.1	38.2	38.9	38.2	40.3	39.8	40.4	39.7
	Rural	37.3	36.4	36.1	35.1	34.6	35.6	35.3	37.5	37.9	38.8	38.3
	Total	39.4	38.8	38.4	37.4	37.4	38.3	37.7	39.8	39.5	40.1	39.5
Palestine	Urban	41.7	38.5	38.1	40.2	39.7	40.2	40.9	41.6	41.1	41.4	40.9
	Rural	43.7	40.3	39.1	41.4	42.7	42.5	43.8	44.5	43.6	43.6	43.8
	Camps	37.2	34.8	35.0	36.8	36.3	37.1	36.1	36.5	37.8	37.9	37.3
	Total	41.6	38.5	37.9	40.0	40.1	40.4	41.0	41.7	41.2	41.6	41.1
The Sudan	Urban	..	..	..	..	..	..	..	..	37.6	..	..
	Rural	..	..	..	..	..	..	..	..	46.3	..	..
	Nomad	..	..	..	..	..	..	..	..	48.1	..	..
	Total	..	..	..	..	..	..	..	..	43.7	..	..
Syrian Arab Republic	Urban	..	..	47.5	46.6	..	..	45.2	43.9	44.2	43.3	43.0
	Rural	..	..	52.6	50.6	..	..	46.4	46.0	44.6	42.7	42.4
	Total	50.3	49.7	49.3	48.9	49.2	49.6	45.8	44.9	44.4	43.0	42.7
United Arab Emirates	Urban	..	..	..	..	..	78.4	..	..	73.3	73.0	..
	Rural	..	..	..	..	..	72.5	..	..	69.4	69.5	..
	Total	..	..	..	..	..	77.4	..	..	72.6	72.4	..

Sources: **Egypt:** LFS 2000-2010; **Iraq:** Employment and Unemployment Survey 2008, Unemployment Survey 2006; **Jordan:** LFS 2000-2010; **Palestine:** LFS Database 2000-2010; **The Sudan:** Census 2008; **Syrian Arab Republic:** LFS 2001-2010; totals from ILO, Economically Active Population Estimates and Projections Database (sixth edition); 2006-2009 data from LFS table on population distribution (15+) by governorate, labour force and gender (urban/rural); **United Arab Emirates:** Census 2005, LFS 2008 and 2009.

Two dots (..) indicate that data are unavailable.

#### 4. Employment

The definition of employment is sometimes criticized for being too broad, in particular when data are collected through LFS which enquire about any activities lasting more than one hour in the previous week. This definition includes informal employment and part-time employment, but gives no indication as to whether the individual would prefer to move towards greater employment or is working in unstable conditions.

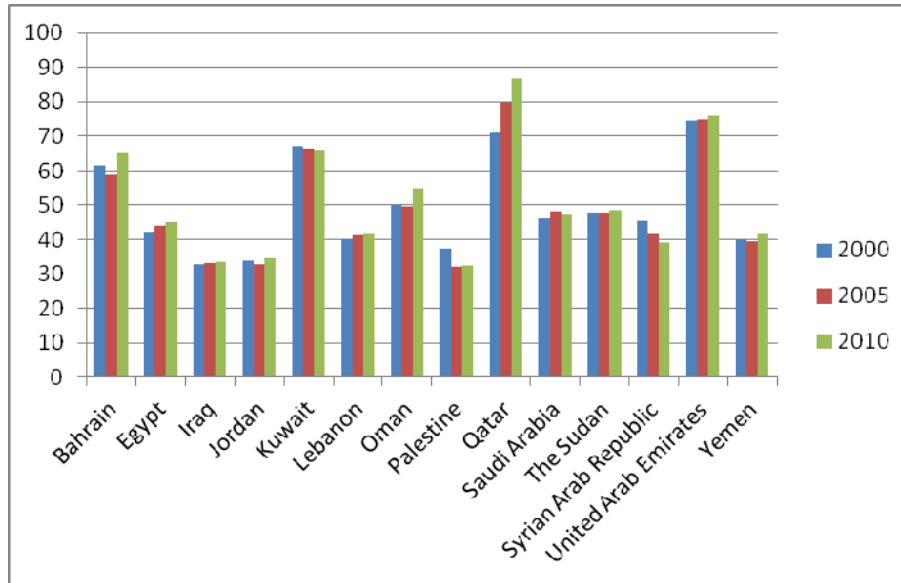
#### Employment-to-population ratio

The employment-to-population ratio is the proportion of the working-age population (aged 15+) that is employed. A high ratio means that a large part of the population is involved in market-related productive activities, whereas a low ratio means that a large part of the population is either unemployed or not involved in the labour market.<sup>57</sup>

<sup>57</sup> Further details on the definition of employment used by ILO can be found in UN-DESA, Statistics Division, 2008, pp. 158-160.

While the labour force participation rate looks at the potential labour force in a country, the employment-to-population ratio looks at the actual rate of utilization amongst the population aged 15+ (that is, the use of economic resources within the country). Again, it should be noted that this indicator does not show anything about the quality of the employment situation, nor the reason why individuals are not employed.

**Figure 22. Employment-to-population ratio (age 15+), ESCWA member countries**

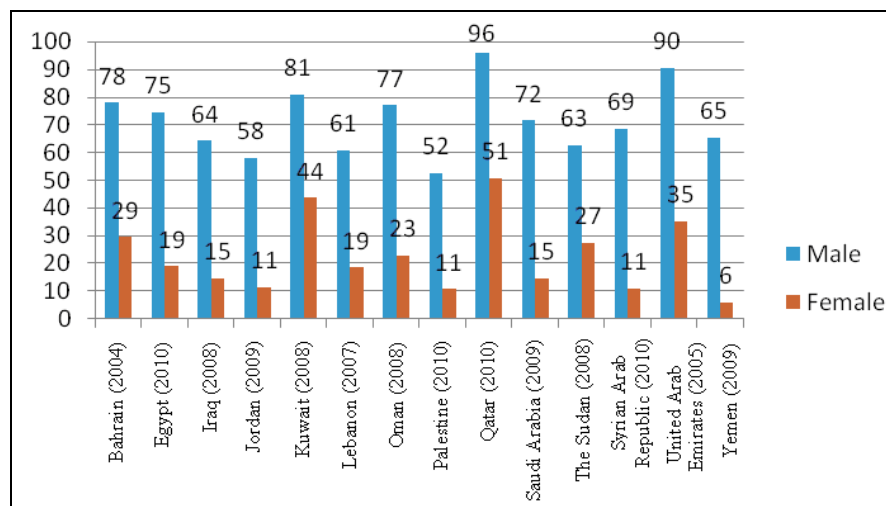


Sources: **Bahrain, Iraq, Kuwait, Lebanon, Oman, Saudi Arabia, the Sudan, United Arab Emirates and Yemen:** ILO, Economically Active Population Estimates and Projections Database (sixth edition); **Egypt:** LFS 2000-2010; **Jordan:** LFS 2000-2010; **Palestine:** LFS Database 2000-2010; **Qatar:** Census 2010, LFS 2001 and 2005; **Syrian Arab Republic:** 2000 and 2005 data: ILO, Economically Active Population Estimates and Projections Database (sixth edition), 2010 data: LFS 2010 (data comparable to ILO data).

Figure 22 shows the employment-to-population ratio in the ESCWA member countries for the years 2000, 2005 and 2010. Some countries experienced a slight decline in the ratio during that period (Kuwait, Palestine and in particular, the Syrian Arab Republic), while others saw an increasing ratio (Egypt, Lebanon, Oman, Qatar, the Sudan, the United Arab Emirates and Yemen). The increase in the employment-to-population rate in Qatar is, however, not strictly comparable, since the data from different years were gathered using different methods (LFS in 2000 and 2005, but census in 2010). In the case of Qatar, the data on labour force participation and unemployment rates presented elsewhere in this paper support the improving employment-to-population ratio, which is related to the high level of labour migration to the country. The problems posed by the use of a combination of data collection methods are also evident in the case of the Syrian Arab Republic.<sup>58</sup> Gender and country differences in employment rates are shown in figure 23.

<sup>58</sup> The data from the Syrian Arab Republic and the United Arab Emirates are consistent across the complete time series, and data comparability is therefore assumed to be acceptable. The data for the United Arab Emirates are substantially different for the years 2008 and 2009 compared with the rest of the time series, which indicates that the decline in employment-to-population ratio is likely to be caused by the variety of data collection methods used.

**Figure 23. Percentage in employment, by sex, most recent data**  
(Percentage)



Sources: **Bahrain:** LFS 2004; **Egypt:** LFS 2010; **Iraq:** Employment and Unemployment Survey 2008; **Jordan:** LFS 2009; **Kuwait:** LFS 2008; **Lebanon:** National Survey of Household Living Conditions 2007; **Oman:** Manpower Survey 2008; **Palestine:** LFS Database 2000-2010; **Qatar:** Census 2010; **Saudi Arabia:** LFS 2009; **The Sudan:** Census 2008; **Syrian Arab Republic:** LFS 2010; **United Arab Emirates:** Census 2005; **Yemen:** Projections from the Yemen Central Statistics Organization, based on Census 2004.

Across the region, employment rates for women are substantially lower than those for men. The highest rates for both men and women are in Qatar and the United Arab Emirates, while the lowest rate for men is in Palestine and the lowest rate for women in Yemen. Saudi Arabia has one of the highest employment rates for men (72 per cent), while simultaneously having one of the lowest rates for women (15 per cent).

### Number of employed by private/public sector and sex

Public employment is widely considered attractive in the ESCWA member countries, due to the high level of job security and extensive social protection provided to public sector employees.<sup>59</sup> Benefits generally include above national average salaries, generous leave entitlements and pensions.

This has led to a belief that young people are willing to be unemployed for extended periods of time while waiting for public sector employment.<sup>60</sup> A Gallup poll carried out in 2009 asked respondents the question “Assuming the pay and work conditions were similar, in general where would you prefer to work?” Only in Lebanon, Palestine and the Sudan was the proportion of those who preferred public employment 40 per cent or lower; the proportion of young people preferring Government jobs was 50 per cent and higher in Egypt (53 per cent), Jordan (54 per cent), the Syrian Arab Republic (55 per cent), Saudi Arabia (60 per cent), Iraq (63 per cent), Qatar (63 per cent), the United Arab Emirates (66 per cent), Yemen (63 per cent), Kuwait (71 per cent) and Bahrain (73 per cent).<sup>61</sup> In Egypt, the public service has long been the preferred place of work for new entrants to the labour market and women in particular. A guarantee of Government jobs for

<sup>59</sup> For a discussion of this issue, see UNDP Regional Bureau for Arab States, 2010, p. 17. Similar conditions exist in the GCC countries, as described by Forstenlechner and Rutledge, 2010, and corresponding details for the MENA region can be found in Pissarides and Véganzonès-Varoudakis, 2005, p. 10.

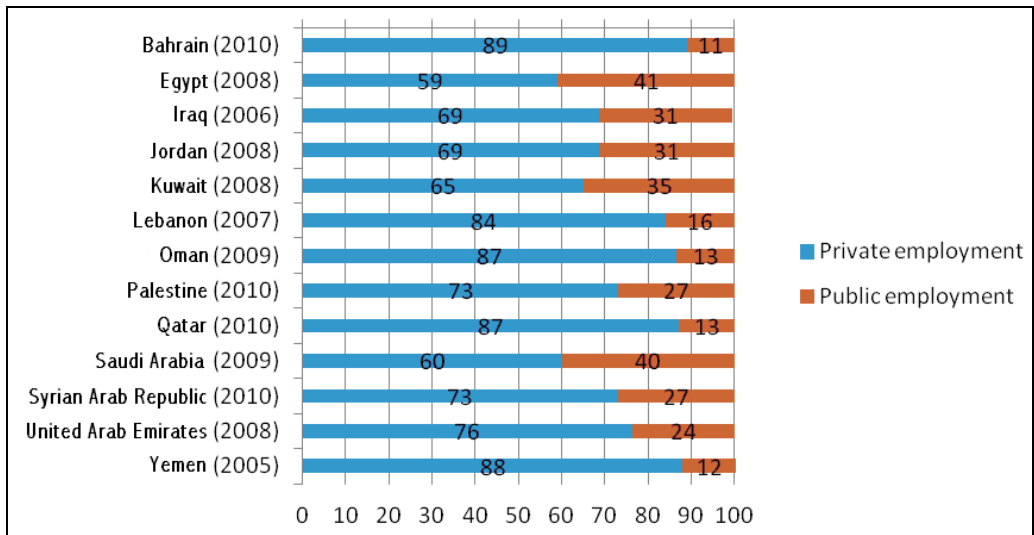
<sup>60</sup> See Dhillon and Yousef, 2009, pp. 203 and 244; Kabbani and Kothari, 2005, pp. 35-38 and 50-53; and World Bank, 2004, p. 95.

<sup>61</sup> Gallup, 2009, p. 22. No data available for Oman.

young people who have graduated from secondary or higher education has resulted in a concentration of educated workers in the public sector.<sup>62</sup>

The definition of public sector is often problematic, since it depends on the institutional set-up and history of an individual country. To support the data collection for this paper, member country Governments were requested to provide data on the number of employees in the public and private sectors, ideally using the definitions of public/private sectors set out in the System for National Accounts 1993. None of the responses received included any additional information about the definitions used in the data. It should be noted that the data in figures 24 and 25 are not strictly comparable, due to the diverging sources used to obtain the information in different countries.<sup>63</sup>

**Figure 24. Public and private employment, most recent data**  
(Percentage)



Sources: **Bahrain:** Labour Market Regulatory Authority (LMRA) Estimation of Employment and Wages 2010 (data cover nationals and non-nationals); **Egypt:** CAPMAS Statistical Abstract 2008; **Iraq:** Unemployment Survey 2006, table 3-42; **Jordan:** Data from establishment surveys provided by focal point; **Kuwait:** LFS 2008; **Lebanon:** National Survey of Household Living Conditions 2007; **Oman:** Statistical Yearbook 2010 (data cover nationals and non-nationals); **Palestine:** LFS Database 2000-2010; **Qatar:** Census 2010 (data cover nationals and non-nationals); **Saudi Arabia:** LFS 2009; **Syrian Arab Republic:** LFS 2010; **United Arab Emirates:** LFS 2008 (data cover nationals and non-nationals); **Yemen:** 2009 projections by Central Statistics Organization, based on Census 2004.

Figure 24 shows the most recent data on public and private employment in the ESCWA region, excluding the Sudan, for which it was not possible to identify data. At 41 per cent, Egypt has the highest proportion of workers in the public sector, followed by Saudi Arabia at 40 per cent.<sup>64</sup> According to the World Bank, the MENA region has one of the highest rates of Government employment in the world.<sup>65</sup>

<sup>62</sup> Wahba, 2009, p. 26.

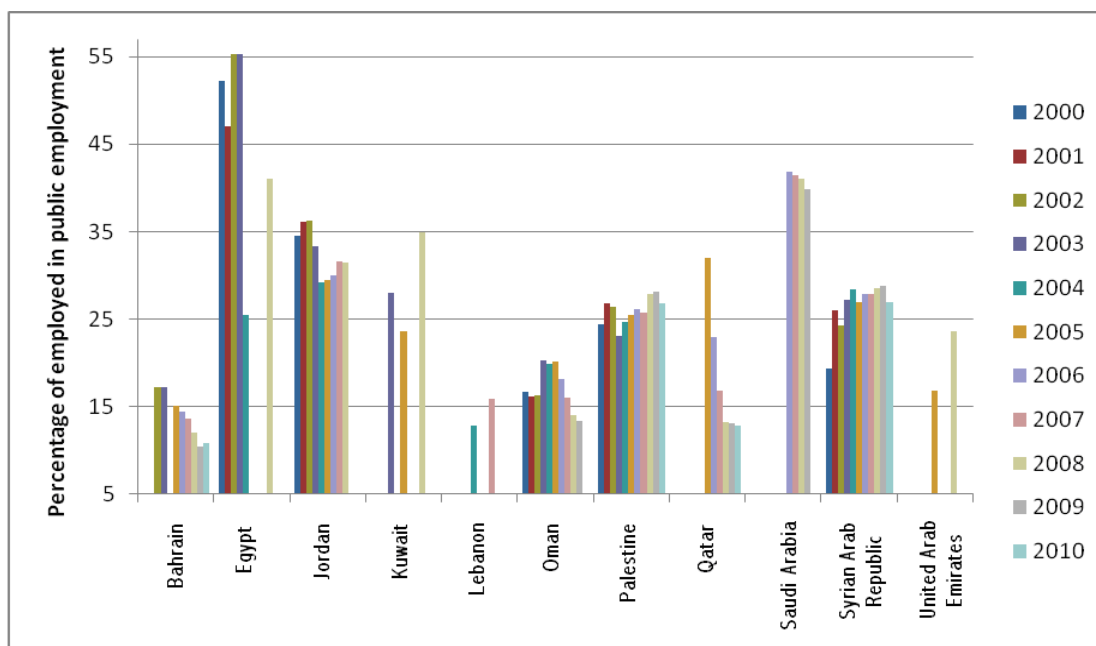
<sup>63</sup> The “Other” category is excluded from this graph. As can be seen in figure 26, in certain countries the “Other” category covers a substantial proportion of those employed.

<sup>64</sup> According to ILO 2010a, p. 2, there is a strong overrepresentation of national employees in the public sector in Saudi Arabia (92 per cent) compared with the private sector, where only 13 per cent of employees are Saudi nationals. The 40 per cent figure includes both nationals and non-nationals.

<sup>65</sup> World Bank, 2004, p. 95.

A further issue is the development of public employment patterns over time. Figure 25 gives an indication of the trends of public employment in the ESCWA region over the last ten years. Data were available for all member countries except Iraq, the Sudan and Yemen. The ILO LABORSTA statistics database contains some data relating to Yemen, but they are not comparable and the source is cited as unknown. Data for Iraq only exist for 2006. With the exception of Egypt, Kuwait, Lebanon, Qatar and the United Arab Emirates, the data should be comparable over time. Figure 25 indicates that the proportion of those working in the public sector has declined in Bahrain, Oman, Qatar and Saudi Arabia.

**Figure 25. Public employment as a percentage of total employment, selected ESCWA member countries, 2001-2010**



Sources: **Bahrain:** LMRA Estimation of Employment and Wages 2010 (data provided for four quarters; these figures are the averages); **Egypt:** 2000-2004 data: ILO Economically Active Population Estimates and Projections Database (sixth edition) (excludes private companies with fewer than 10 employees), 2008 data: CAPMAS Statistical Abstract; **Jordan:** Data from establishment surveys provided by focal point; **Kuwait:** LFS 2003 and 2008, Census 2005; **Lebanon:** National Survey of Household Living Conditions 2004; **Oman:** Statistical Yearbook 2010 (includes both nationals and non-nationals); **Palestine:** LFS Database 2000-2010; **Qatar:** 2001, 2004, 2006, 2007, 2008 and 2009 data: LFS; 2010 data: Census 2010, table 7.14; **Saudi Arabia:** LFS 2000-2009; **Syrian Arab Republic:** 2000 data: Statistical Abstract 2000; LFS 2001-2009; **United Arab Emirates:** LFS 2008, Census 2005.

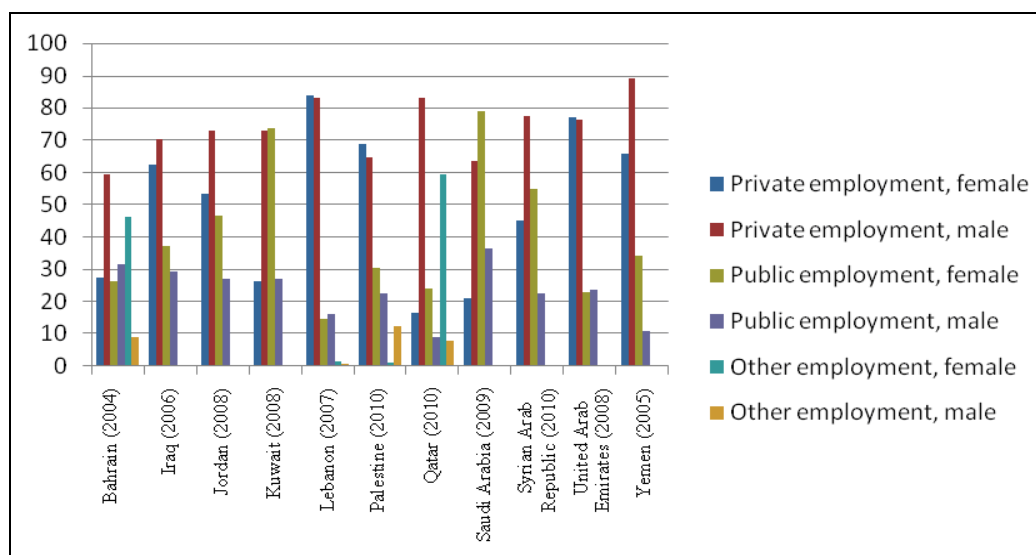
In terms of public employment, Egypt is of particular interest, due to its ongoing efforts to downsize the public sector.<sup>66</sup> The high level of public employment recorded during the period 2000-2004 is attributable to a certain extent to the data collection method used, which excluded private companies with fewer than ten employees and therefore understated the number of employees in the private sector. Also, as Forstenlechner and Rutledge have noted, the GCC countries have reached “a growing realization [...] that public-sector bureaucracies have reached saturation point. They can no longer act as employer of first and last resort”.<sup>67</sup> Limitations to the level of public employment constitute part of the national employment strategy in Kuwait,<sup>68</sup> but due to the variation in collection methods used for the Kuwait data, differences over time are difficult to assess.

<sup>66</sup> Wahba, 2009, p. 6.

<sup>67</sup> Forstenlechner and Rutledge, 2010, p. 38.

<sup>68</sup> See annex II: Overview of labour elements in development strategies of ESCWA member countries.

**Figure 26. Public and private sector employment by sex, selected ESCWA member countries, most recent dates**  
(Percentage)



**Sources:** Bahrain: LFS 2004; Iraq: Unemployment Survey 2006, table 3-42; Jordan: Data from establishment surveys provided by focal point; Kuwait: LFS 2008; Lebanon: National Survey of Household Living Conditions 2007; Palestine: LFS Database 2000-2010; Qatar: Census 2010, table 7.14; Saudi Arabia: LFS 2009; Syrian Arab Republic: LFS 2010; United Arab Emirates: LFS 2008; Yemen: Household Budget Survey 2005-2006.

Figure 26 shows the large difference between male and female public sector employment rates. In the ESCWA member countries featured (with the exception of Lebanon, Palestine and the United Arab Emirates), women are far less likely to work in the private sector than men. The data for Bahrain and Qatar show very high rates of females in the “Other” category. For Bahrain, the category includes domestic workers, while in Qatar it covers “Mixed public/private enterprises”, “Households” and “Diplomatic”. Data for Egypt, Oman and the Sudan were not available segregated by gender and are therefore not included in the figure.

### Employment by economic sector

In order to target sectoral economic and social policies, including industrial policies, an understanding of the sectoral breakdown of employment is essential. A sectoral breakdown of employment can be an important indicator of economic development, and changes over time give an insight into potential structural changes within the economy. Data on employment by economic sector are collected by ten ESCWA member countries using the International Standard Industrial Classification (ISIC) Revision 3, which is a standard classification recommended by ILO.<sup>69</sup> Figure 27 and figure 28 show gender-segregated employment data for the five largest sectors in those ten ESCWA member countries. Data from the remaining countries (Bahrain, Lebanon, Qatar and the Sudan) were either not available or used classifications too different for comparison.

It is clear that there is a significant difference between the sectors in which men and women are primarily employed. While the education sector is the largest main employer of women, the largest proportion of males are employed in manufacturing and agriculture. The employees in certain sectors, such as fishing, mining, construction, transport, and hotels and restaurants, are almost exclusively male.

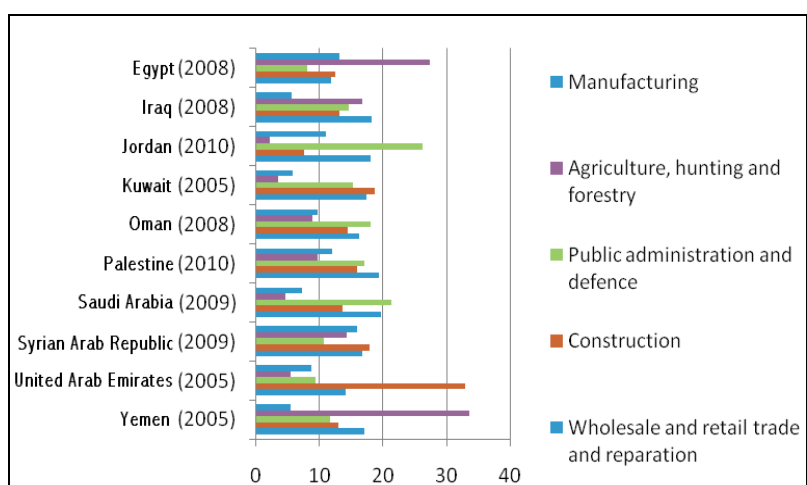
<sup>69</sup> Revision 4 of ISIC is more recent, but none of the ESCWA member countries are currently publishing data using this classification standard.



Figure 27 shows the five most common economic sectors for male employment in the region. Construction is a major employment sector in most countries, with over 30 per cent of males employed in the United Arab Emirates working within the sector.

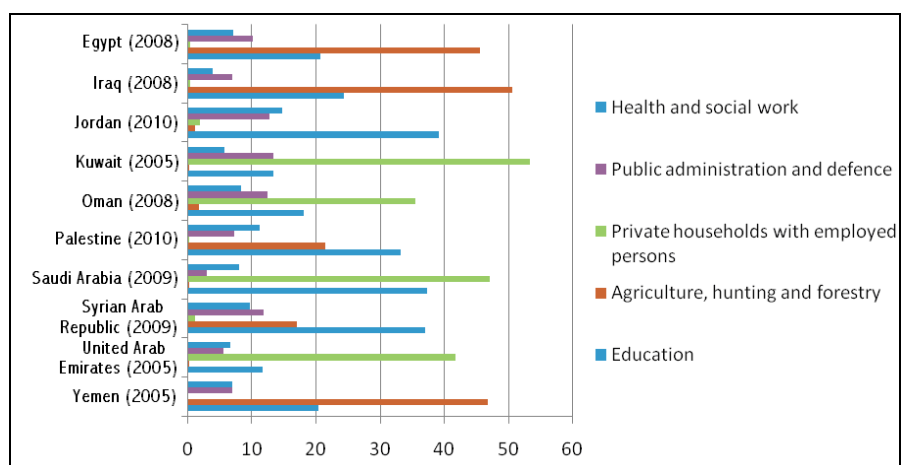
The largest five sectors for female employment in the nine countries are shown in figure 28, from which significant discrepancies between countries are apparent. In Kuwait, Saudi Arabia and the United Arab Emirates, the largest proportion of women work within private households, while in Egypt, Iraq and Yemen, the agricultural sector is the major employer of women. Overall, however, the largest employer of women in the ESCWA region is the education sector.

**Figure 27. Main sectors of male employment, selected ESCWA member countries, most recent data (Percentage)**



Sources: **Egypt:** LFS 2008; **Iraq:** Employment and Unemployment Survey 2008; **Jordan:** LFS 2010; **Kuwait:** Census 2005; **Oman:** Manpower Survey 2008; **Palestine:** LFS Database 2000-2010; **Saudi Arabia:** LFS 2009; **United Arab Emirates:** Census 2005; **Yemen:** Household Budget Survey 2005-2006.

**Figure 28. Main sectors of female employment, selected ESCWA member countries, most recent data (Percentage)**



Sources: **Egypt:** LFS 2008; **Iraq:** Employment and Unemployment Survey 2008; **Jordan:** LFS 2010; **Kuwait:** Census 2005; **Oman:** Manpower Survey 2008; **Palestine:** LFS Database 2000-2010; **Saudi Arabia:** LFS 2009; **United Arab Emirates:** Census 2005; **Yemen:** Household Budget Survey 2005-2006.

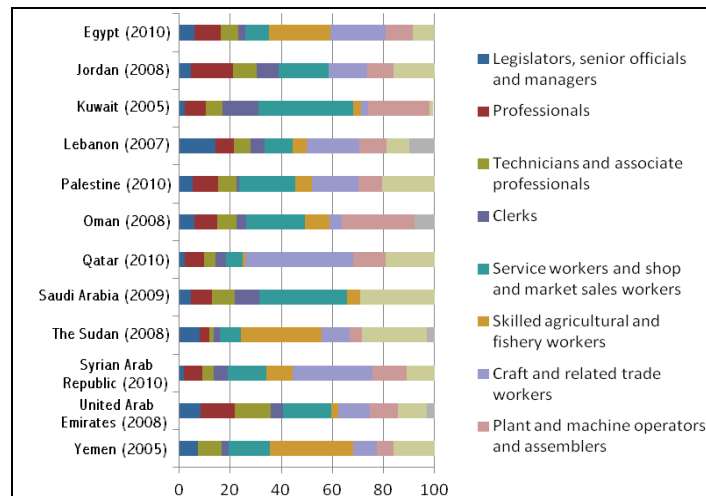
## Employment by occupation

The occupational breakdown of the employed highlights the type of jobs that are held by individuals, showing the level of skills utilized in the economy, but not necessarily those held within it. Data on the occupations held by the employed were obtained and analysed for eleven of the 14 ESCWA member countries. Bahrain and Iraq were excluded from the exercise, since the data related to occupations in those countries were subject to different classifications and therefore not comparable. Yemen was also excluded, as the category “Technicians and associate professionals” in its data is combined with the category “Professionals”, which makes comparison problematic. The data were sourced from a combination of sources (LFS and censuses) and are therefore not strictly comparable across countries. Member countries were asked to provide occupational data using the International Standard Classification of Occupations (ISCO-88),<sup>70</sup> which is the standard classification recommended by ILO. This classification is generally used across the region, although certain countries use alternative classifications, which further complicates cross-country comparison.

Those caveats aside, comparison shows that the proportion of the male population working within the service industry diverges substantially, with Kuwait, Saudi Arabia, the United Arab Emirates and Palestine having the largest proportions. Elementary occupations, which account for a substantial number of workers in Jordan, Qatar, Saudi Arabia, the Sudan, the Syrian Arab Republic and Yemen, comprise diverse occupations, including labourers in agriculture, fisheries, mining, construction, manufacturing and transport, as well as elementary occupations in sales and services.

Figure 29 and figure 30 show differences, both between countries and genders. In particular, the percentages of individuals working as skilled agricultural and fishery workers diverge, with the Sudan, Egypt, and Yemen having a substantially larger proportion of the population working in those occupations.

**Figure 29. Male employment by occupation, selected ESCWA member countries, most recent data (Percentage)**



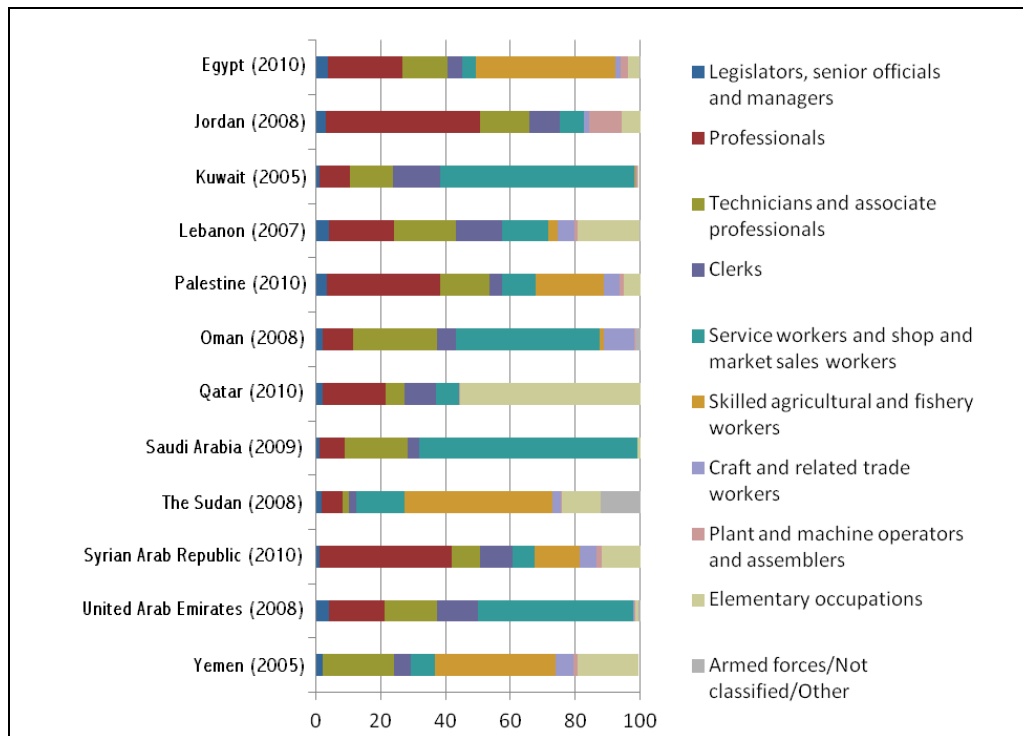
Sources: **Bahrain:** 2004 data not comparable; last comparable data from 2001 not included; **Egypt:** LFS 2010; **Iraq:** data only exist in non-comparable format; **Jordan:** 2008 data provided by focal point from Department of Statistics (Employment Section); **Kuwait:** Census 2005; **Lebanon:** National Survey of Household Living Conditions 2007; **Oman:** Manpower Survey 2008; **Palestine:** LFS Database 2000-2010; **Qatar:** Census 2010; **Saudi Arabia:** LFS 2009; **The Sudan:** Census 2008; the category “Armed forces” includes “Not stated”; no data available on “Armed forces”; **Syrian Arab Republic:** LFS 2010; **United Arab Emirates:** LFS 2008; **Yemen:** Household Budget Survey 2005-2006 (professionals and technicians are combined).

<sup>70</sup> ILO, International Standard Classification of Occupations (ISCO). Available at <http://www.ilo.org/public/english/bureau/stat/isco/index.htm>.

The proportion of the male population working within the service industry diverges substantially, with Kuwait, Saudi Arabia, the United Arab Emirates, Oman and Palestine having the largest proportions. Elementary occupations, which account for substantial number of workers in Jordan, Palestine, Qatar, Saudi Arabia, the Sudan, the Syrian Arab Republic and Yemen, cover diverse occupations, including sales and services, agricultural, fishery and related labourers, as well as labourers in mining, construction, manufacturing and transport.<sup>71</sup>

Females in the region are more likely than their male counterparts to work in professional occupations; this is likely to be connected to the low labour force participation of women. Despite this, women are less likely to be in managerial positions (that is, within the category “legislators, senior officials and managers”).

**Figure 30. Female employment by occupation, selected ESCWA member countries, most recent data**  
(Percentage)



Sources: As figure 29.

A review of female employment, as set out in figure 30, shows that the proportion of women working in elementary occupations is particularly high in Qatar, where over half the female workforce is employed within such low-skilled jobs. The “Elementary occupations” category covers jobs in which “the main tasks consist of selling goods in streets, doorkeeping and property watching, as well as cleaning, washing, pressing, and working as labourers in the fields of mining, agriculture and fishing, construction and manufacturing.”<sup>72</sup> In Egypt, the Sudan and Yemen, women are most likely to work as skilled agricultural or fishery workers.

<sup>71</sup> ILO, ISCO.

<sup>72</sup> ILO, ISCO.

The highest proportions of professional women are found in Jordan, Palestine and the Syrian Arab Republic, while the lowest are in Kuwait, Saudi Arabia and the Sudan. The different types of occupation have different types of attachment to the labour market, an issue which will be discussed further later in this paper.

## B. SOCIAL ASPECTS AND VULNERABILITY

Although all labour-related issues have a social aspect, certain indicators are more closely related to social developments than those discussed above. The following section will examine social indicators related to the labour market, in particular economic status, unemployment, underemployment and informal employment. All these are indicators that highlight problems not only for individuals, but also for society.

### **Economic status**

One of the main indicators that show the conditions under which individuals work is employment by economic status. The definition of economic activity focuses on the type of contract which an individual has, whether explicit or implicit.<sup>73</sup> The six categories are based on an assessment of economic risk and the level of financial security which a worker has as a consequence of his or her employment contract (or lack thereof) and the strength of the institutional attachment between the person and the job.<sup>74</sup> In general, own-account workers and contributing family workers are less likely to have formal work arrangements, access to benefits or social protection programmes. Thus, they are at greater “risk” of economic cycles and poverty.<sup>75</sup> A high proportion of waged and salaried workers tends to indicate an advanced level of economic development.<sup>76</sup>

An example from the Syrian Arab Republic highlights the lack of formal protection for individuals in vulnerable employment situations by looking at the legal entitlements of women when working from home as own-account workers: “Women who work for an employer from home [...] are not subject to the provisions of the Employment Act and receive none of the benefits for which it provides, such as sick leave, paid leave and employer contributions to social insurance.”<sup>77</sup>

Economic status is a strong indicator of vulnerable employment, which refers to individuals who are employed under relatively insecure conditions.<sup>78</sup> Individuals who fall within the “Own-account worker” and “Contributing family member” categories are normally considered to be in vulnerable employment. According to ILO, there is a connection between vulnerable employment and poverty: if the proportion of vulnerable workers is sizeable, it may be an indication of widespread poverty. As it notes, “The connection arises because workers in the vulnerable statuses lack the social protection and safety nets to guard against times of low economic demand and often are incapable of generating sufficient savings for themselves and their families to offset these times.”<sup>79</sup>

Figure 31 shows the distribution of economic status across the 13 ESCWA member countries for which data was relatively comparable. Several patterns are clear in the table, including the fact that men have a greater tendency than women to be the owners of a business with employees, and that the highest rates of employers are Egyptian and Lebanese men.

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<sup>73</sup> ILO, 1993, p. 2.

<sup>74</sup> ILO, KILM 3, Status in Employment, p. 1.

<sup>75</sup> ILO, 2009a, pp. 6 and 11.

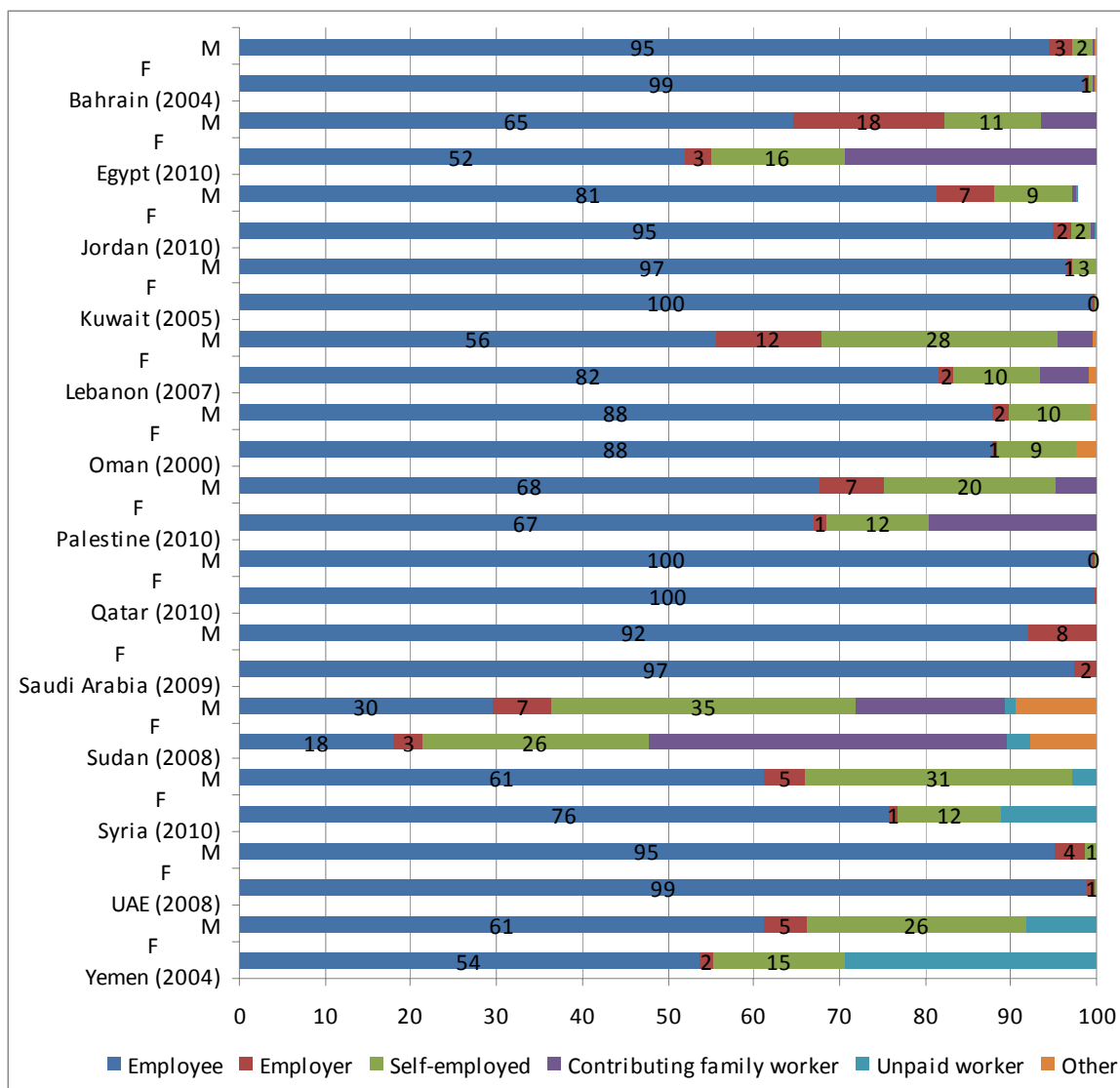
<sup>76</sup> ILO, 2010b, p. 33.

<sup>77</sup> Kattaa and Al Cheikh Hussein, 2010, p. 592.

<sup>78</sup> ILO, 2008c, p. 11.

<sup>79</sup> ILO, 2009b, p. 27.

**Figure 31. Employment by economic status and sex, selected ESCWA member countries, most recent data**  
(Percentage)



Sources: **Bahrain:** LFS 2004; **Egypt:** LFS 2010; **Jordan:** LFS 2010; **Kuwait:** Census 2005; **Lebanon:** National Survey of Household Living Conditions 2007; **Oman:** 2000 data from ILO LABORSTA Internet database; **Palestine:** LFS Database 2000-2010; **Qatar:** Census 2010; **Saudi Arabia:** LFS 2009; **The Sudan:** Census 2008; **Syrian Arab Republic:** LFS 2010; **United Arab Emirates:** LFS 2008; **Yemen:** Census 2004.

In the ESCWA region, women are overrepresented in vulnerable employment only in Yemen, the Sudan and Egypt, but not in the other member countries, which goes against the global trend of women being more likely to being employed in vulnerable statuses.<sup>80</sup> The data in Yemen contained a very high percentage of employers, since the classification included employers in both agriculture and non-agriculture, but excluded own-account workers. Data from Iraq were identified for 2006, but were not in a format applicable to the figures on employment by economic status, and were therefore excluded.

<sup>80</sup> Jütting and de Laiglesia, 2009, pp. 90-92.

There are significant differences between the proportion of individuals who are self-employed, contributing family workers or unpaid workers, with the Sudan having the largest proportion in these vulnerable employment categories. The lowest rates of vulnerable employment are in the GCC countries, where the majority of people are either employers or employees. Only Yemen, the Syrian Arab Republic and the Sudan have substantial levels of unpaid workers.

### 1. *Unemployment*

As noted in the Iraqi National Development Plan: “Unemployment may be the social challenge with the most negative effect on the economy and society as a whole.”<sup>81</sup> The unemployment rate is widely used as an overall indicator of the current performance of the labour market of a nation and its economy in general. It is useful as a stand-alone indicator, but there are several definitional issues which make comparison difficult for certain countries. Furthermore, the rates in developing countries tend to be lower, due to the lack of social insurance or other sources of income. This makes individuals more likely to engage in any activity to survive, even if it is part-time or lowly-paid; to create alternative self-employment activities; or to engage in traditional work arrangements in which all work is shared amongst a certain community, leading to fewer hours worked individually, lower incomes and lower productivity.<sup>82</sup> The effect of this is that the unemployment rate is kept low, since the ILO definition of unemployment, comprises three important characteristics: individuals have to be without work, available for work and looking for work within the reference period.<sup>83</sup> The definition of unemployment is often criticized for requiring individuals to be actively seeking work. In particular, in countries where job searching is not institutionalized, it is difficult to measure how many individuals are looking for work and this may in turn lead to underestimation of the unemployment figures.

There are several additional issues which make cross-country comparison of unemployment statistics potentially problematic. First, the age group and reference period under consideration may differ, and second, the criteria used to define availability for work and being without work depend on the institutional set-up in a country, in particular the questions used in LFS or the administrative criteria used to register unemployment.

#### **Unemployment in the ESCWA member countries**

Data on unemployment in the ESCWA member countries come from a wide variety of sources, including LFS, censuses and other household surveys, and is therefore not strictly comparable between countries or between years within the same country in some cases.

As can be seen from table 2, the data from certain countries are somewhat sporadic. Only data from Egypt, Jordan, Palestine, Qatar (except 2010) and the Syrian Arab Republic (from 2001 onwards) constitute comparable time series.<sup>84</sup> The remaining data stem from a combination of LFS, census and other household surveys. In certain cases (Lebanon, for example), it is unclear whether non-nationals are counted. It is, however, clear that unemployment rates vary significantly between countries, with recent rates substantially higher in Palestine (23.7 per cent), the Sudan (14.8 per cent) and Iraq (15.3 per cent).

The GCC countries generally have the lowest rates of unemployment. Qatar has the lowest rate (0.5 per cent), followed by Kuwait (1.8 per cent) and the United Arab Emirates (4.2 per cent). These three

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<sup>81</sup> Iraq, Ministry of Planning, 2010, p. 23.

<sup>82</sup> ILO, 2003a, p. 51.

<sup>83</sup> For further details on ILO definitions, see UNESCO, 1997.

<sup>84</sup> In order to assure perfect comparability, the content, sampling and weighting methodology of the LFS would need to be assessed, which is outside the scope of this paper.

countries also have the highest proportion of international migrants or guest workers, which skews the overall rates, since they only reside in the country while working there.

TABLE 2. UNEMPLOYMENT RATES, ESCWA MEMBER COUNTRIES, 1990-2010  
(Percentage)

Country	1990	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Bahrain	6.3	..	5.5	..	..	9.0	1.8	1.9	2.6	..	..	..
Egypt	..	9.0	9.2	10.2	11.0	10.3	11.2	10.6	8.9	8.7	9.4	9.0
Iraq	..	..	..	..	28.1	26.8	18.0	18.0	..	15.3	..	..
Jordan	..	13.7	14.7	15.3	14.5	12.5	14.8	14	13.1	12.7	12.9	12.5
Kuwait	..	0.8	0.8	1.1	2.5	1.7	2.0	1.3	1.5	1.8	..	..
Lebanon	..	..	..	..	..	7.9	..	..	9.0	..	6.4	..
Oman	..	..	..	..	..	..	7.5	..	6.7	7.1	..	..
Palestine	..	14.3	25.3	31.2	25.5	26.8	23.5	23.7	21.7	26.6	24.5	23.7
Qatar	..	..	3.9	0.9	..	..	..	0.9	0.5	0.3	0.3	0.5
Saudi Arabia	..	4.6	4.6	5.3	..	..	..	6.3	5.6	5.0	5.4	..
The Sudan	25.7	..	18.0	..	..	16.3	17.1	16.5	18.9	16.8	..	..
Syrian Arab Republic	6.8	..	11.2	11.7	10.9	12.3	8.1	8.2	8.4	10.9	8.1	8.6
United Arab Emirates	1.8	2.3	2.4	2.6	2.7	2.8	3.1	3.2	3.5	4.0	4.2	..
Yemen	8.3	5.3	..	..	..	16.2	16.0	15.7	15.3	15.0	14.6	..
Developed Economies and European Union*	..	5.6	..	..	..	6.1	5.8	5.3	4.8	5.0	7.1	..
South-East Asia and the Pacific*	..	2.5	..	..	..	3.5	3.3	3.2	3.1	3.1	3.1	..
Sub-Saharan Africa*	..	7.0	..	..	..	6.7	6.8	6.4	5.2	6.2	6.3	..

Sources: **Bahrain:** 1990 data: 1991 census data from Census 2001; 2004 data: LFS 2004; 2005 and 2006 data: ILO Economically Active Population Estimates and Projections Database (sixth edition); 2007 data: ESCWA *Statistical Abstract of the ESCWA Region – Thirtieth Issue* (2011); **Egypt:** LFS 2000-2010; **Iraq:** 2003-2008 data: COSIT 2003-2008; Employment and Unemployment Survey 2008; **Jordan:** LFS 2000-2010; **Kuwait:** National statistical publications, Kuwaitis and non-Kuwaitis included, source unknown; 2000-2001 data: ILO Economically Active Population Estimates and Projections Database (sixth edition); 2007 data: ESCWA *Statistical Abstract of the ESCWA Region – Thirtieth Issue* (2011); other data: Census 2005; **Lebanon:** National Survey of Household Living Conditions 2004 and 2007; 2009 data: Multiple Indicator Cluster Survey 2009; **Oman:** 2005 and 2007: ALO estimates; calculation of 2008 rates based on LFS (nationals only); **Palestine:** LFS Database 2000-2010; **Qatar:** LFS 2001-2009; Census 2010; 2002 data: ESCWA *Statistical Abstract of the ESCWA Region – Thirtieth Issue* (2011); **Saudi Arabia:** LFS 2000-2009; **The Sudan:** 1990 data: ILO Economically Active Population Estimates and Projections Database (sixth edition) from employment office records; Census 2008; 2001-2007 data: ESCWA *Statistical Abstract of the ESCWA Region – Thirtieth Issue* (2011); **Syrian Arab Republic:** 1991 data: ILO LABORSTA, based on LFS, methodology revised, data not strictly comparable; LFS 2001-2010; **United Arab Emirates:** 2004, 2006 and 2007 data: ESCWA *Statistical Abstract of the ESCWA Region – Thirtieth Issue* (2011); LFS 2009; **Yemen:** LFS 2003, rates calculated from values cited in labour force statistics Excel file, table 6; Census 2004; Household Budget Survey 2005-2006; *Yemen in figures 2009*.

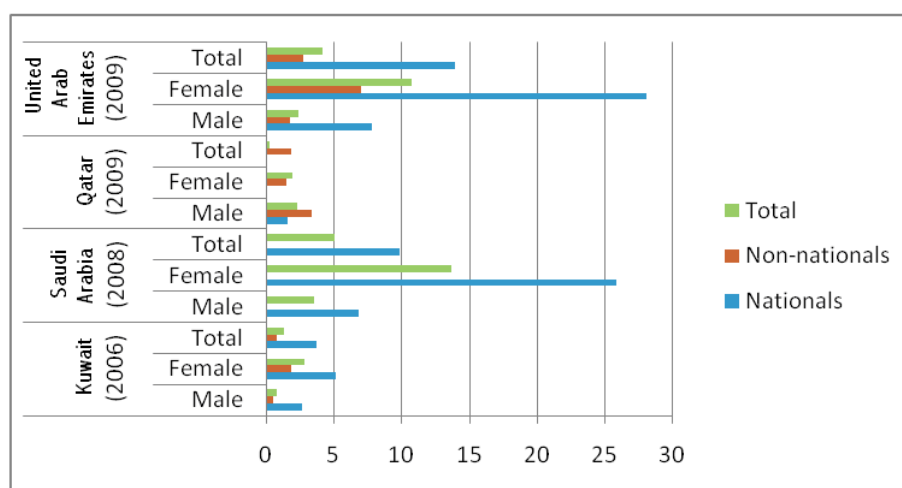
\* ILO, 2011, *Global Employment Trends 2011: The Challenge of a Jobs Recovery*, p. 63.

Two dots (..) indicate that data are not available.

It is therefore necessary to examine the unemployment data even more closely. When analysing data disaggregated by nationals and non-nationals (figure 32), it becomes clear that nationals have much higher unemployment rates than non-nationals. Since most labour migrants are required to leave the country if they become unemployed, the overall unemployment rates appear much lower than the actual rates for nationals.

As well as differences between nationals and non-nationals, figure 32 also shows substantial differences between the sexes. Male and female unemployment rates are presented in table 3 and table 4.

**Figure 32. Unemployment for nationals and non-nationals by sex, selected ESCWA member countries, most recent data**  
(Percentage)



Sources: **Kuwait:** Annual Statistical Abstracts; **Qatar:** LFS 2008 and 2009; **Saudi Arabia:** LFS 2007 and 2008 (averages of the two rounds of surveys taken); **United Arab Emirates:** LFS 2008 and 2009.

**TABLE 3. MALE UNEMPLOYMENT RATES, 1990-2010**  
(Percentage)

Country	1990	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Bahrain	5.2	..	4.1	..	..	5.6	1.1	0.5	0.4	..	..	..
Egypt	..	5.1	5.6	6.3	7.5	5.9	7.1	6.8	5.9	5.6	5.2	4.9
Iraq	..	..	..	..	30.2	29.4	19.2	16.2	..	14.3	..	..
Jordan	..	12.3	13.6	14.0	13.4	11.8	12.8	11.9	10.3	10.1	10.3	10.4
Kuwait	..	0.8	0.8	1.0	2.8	1.1	2.0	0.8	1.0	1.8	..	..
Lebanon	..	..	..	..	..	7.4	..	..	8.8	..	5.0	..
Oman	..	..	..	..	..	..	..	..	..	..	..	..
Palestine	..	14.6	27.1	33.5	26.8	28.1	23.8	24.4	22.3	..	24.1	23.1
Qatar	..	..	2.3	0.4	..	1.1	..	0.4	0.2	0.1	0.1	..
Saudi Arabia	3.7	3.8	3.9	4.2	..	..	..	4.7	4.2	3.5	3.5	..
The Sudan	..	..	..	..	..	..	..	..	..	13.9	..	..
Syrian Arab Republic	5.2	..	8.0	8.3	8.3	10.5	5.9	5.3	5.2	8.3	5.7	6.2
United Arab Emirates	1.8	2.2	2.3	2.4	2.6	..	2.5	..	..	2.0	2.4	..
Yemen	9.3	8.7	..	..	..	13.0	11.9	12.1	11.8	11.5	11.3	..

Sources: **Bahrain:** 1990 data: 1991 census data from Census 2001; 2004 data: LFS 2004; 2005 and 2006 data: ILO Economically Active Population Estimates and Projections Database (sixth edition); 2007 data: ESCWA *Statistical Abstract of the ESCWA Region – Thirtieth Issue* (2011); **Egypt:** LFS 2000-2010; **Iraq:** 2003-2008 data: COSIT 2003-2008; Employment and Unemployment Survey 2008; **Jordan:** LFS 2000-2010; **Kuwait:** National statistical publications, Kuwaitis and non-Kuwaitis included, source unknown; 2000-2001 data: ILO Economically Active Population Estimates and Projections Database (sixth edition); 2007 data: ESCWA *Statistical Abstract of the ESCWA Region – Thirtieth Issue* (2011); other data: Census 2005; **Lebanon:** National Survey of Household Living Conditions 2004 and 2007; 2009 data: Multiple Indicator Cluster Survey 2009; **Oman:** 2005 and 2007: ALO estimates; calculation of 2008 rates based on LFS (nationals only); **Palestine:** LFS Database 2000-2010; **Qatar:** LFS 2001-2009; Census 2010; 2002 data: ESCWA *Statistical Abstract of the ESCWA Region – Thirtieth Issue* (2011); **Saudi Arabia:** LFS 2000-2009; **The Sudan:** 1990 data: ILO Economically Active Population Estimates and Projections Database (sixth edition) from employment office records; Census 2008; 2001-2007 data: ESCWA *Statistical Abstract of the ESCWA Region – Thirtieth Issue* (2011); **Syrian Arab Republic:** 1991 data: ILO LABORSTA, based on LFS, methodology revised, data not strictly comparable; LFS 2001-2010; **United Arab Emirates:** 2004, 2006 and 2007 data: ESCWA *Statistical Abstract of the ESCWA Region – Thirtieth Issue*



Issue (2011); LFS 2009; **Yemen**: LFS 2003, rates calculated from values stated in labour force statistics Excel file, table 6; Census 2004; Household Budget Survey 2005-2006; *Yemen in figures 2009*.

Two dots (..) indicate that data are not available.

Male unemployment rates in the region have changed substantially over time, as shown in table 3. In Jordan, unemployment rates appear to have decreased from as high as 14 per cent in 2002 to 10.4 per cent in 2010, a trend followed by Yemen, which has experienced falling male unemployment rates since 2004, and Iraq, where available data show a substantial decrease from 30.2 per cent in 2003 to 14.3 per cent in 2008. Unemployment rates in other ESCWA member countries demonstrate less of a pattern, potentially as a result of the varying data collection methods used in different years or of fluctuations in their economies.

TABLE 4. FEMALE UNEMPLOYMENT RATES, 1990-2010  
(Percentage)

Country	1990	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Bahrain	11.8	..	10.5	..	..	20.0	4.4	6.3	9.8	..	..	..
Egypt	..	22.7	22.6	23.9	23.3	24.3	25.1	24.0	18.6	19.3	23.0	22.6
Iraq	..	..	..	..	16.0	15.0	14.2	22.7	..	19.6	..	..
Jordan	..	21.0	20.6	21.9	20.8	16.5	25.9	25.0	25.6	24.4	24.1	21.7
Kuwait	..	0.7	1.7	1.7	2.0	3.4	3.1	2.9	3.0	2.0	..	..
Lebanon	..	..	..	..	..	9.6	..	..	10.2	..	10.4	..
Oman	..	..	..	..	..	..	..	..	..	17.5	..	..
Palestine	..	12.4	13.8	17.0	18.2	20.0	22.2	20.5	19.1	24.2	26.4	26.8
Qatar	..	..	12.9	3.4	..	3.9	..	3.5	2.6	1.7	1.9	2.7
Saudi Arabia	..	9.3	9.1	11.5	..	..	..	14.7	13.2	13.0	15.9	..
The Sudan	70.1	..	..	..	..	..	..	..	..	24.7	..	..
Syrian Arab Republic	14.0	..	23.9	24.1	22.0	21.9	20.0	23.8	25.7	24.2	22.3	22.0
United Arab Emirates	2.4	3.2	3.2	3.4	3.6	..	7.1	..	..	12.0	10.8	..
Yemen	3.8	1.8	..	..	..	39.6	46.3	42.2	41.5	40.9	40.2	..
Developed Economies and European Union*	..	7.3	..	..	..	7.5	7.2	6.7	6.0	6.2	7.9	..
South-East Asia and the Pacific*	..	4.9	..	..	..	7	6.9	6.6	5.7	5.5	5.2	..
Sub-Saharan Africa*	..	9.6	..	..	..	9.2	9.2	8.5	8.3	8.3	8.1	..

Sources: As table 3, except **Bahrain**: 2005-2007 data: ESCWA *Statistical Abstract of the ESCWA Region – Thirtieth Issue* (2011).

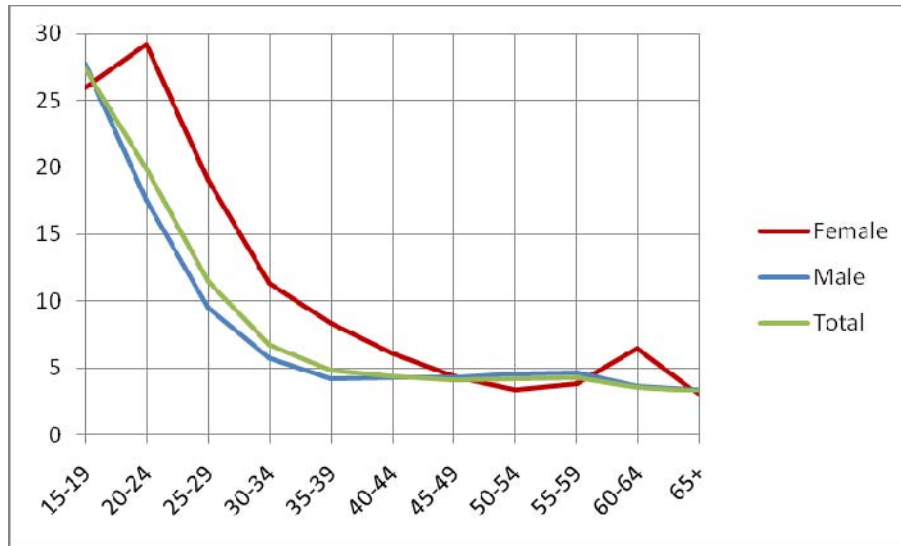
\* ILO, 2011, *Global Employment Trends 2011: The Challenge of a Jobs Recovery*, p. 63.

Two dots (..) indicate that data are not available.

Table 4 shows the available data on female unemployment for the years 1990 and 2000-2010. Female rates appear to have been growing in many countries; in particular, those in Bahrain, Iraq, Jordan, Kuwait, Lebanon, Palestine, Saudi Arabia, the Syrian Arab Republic and the United Arab Emirates appear to have increased during that period. The trends in other member countries are less clear, potentially as a result of differences in data collection methods or extremely volatile female unemployment rates. Comparing the female unemployment rates in table 4 with the male unemployment rates set out in table 3, it is noticeable that across the region overall female unemployment rates are substantially higher than male unemployment rates.

The issue of unemployment becomes much more problematic when the unemployment rates for different age groups are analysed. Figure 33 gives an overview of the average unemployment rates for various age groups in ESCWA member countries.

**Figure 33. Average unemployment rates by age group, ESCWA region, most recent data**  
(Percentage)



Sources: **Bahrain:** LFS 2004; **Egypt:** Data available from ILO Economically Active Population Estimates and Projections Database (sixth edition), but not comparable, since it uses different age groupings; **Iraq:** Employment and Unemployment Survey 2008; **Jordan:** LFS 2009; **Kuwait:** LFS 2008; **Lebanon:** National Survey of Household Living Conditions 2007 (age group 65+ contains individuals aged 65-69); **Oman:** No data found nor provided; **Palestine:** LFS Database 2000-2010; **Qatar:** Census 2010; **Saudi Arabia:** LFS 2009; **The Sudan:** Census 2008; **Syrian Arab Republic:** LFS 2010; **United Arab Emirates:** LFS 2009; **Yemen:** 1999 data: LFS 2003.

Note: This method means that all countries are weighted equally and the graph therefore shows the arithmetical average of the country data.

Figure 33 clearly shows that unemployment is highest amongst young people and significantly lower for individuals over 30. The issue of youth unemployment is highlighted in a publication from the European Commission Directorate-General for Economic and Financial Affairs, which states that: “The prevailing unemployment rates for young people [in the Arab Mediterranean countries] also risk causing permanent damage to the development prospects of these countries, to the extent that young people will be discouraged from engaging in the labour market and will see their qualifications stagnate or deteriorate as the informal economy spreads.”<sup>85</sup>

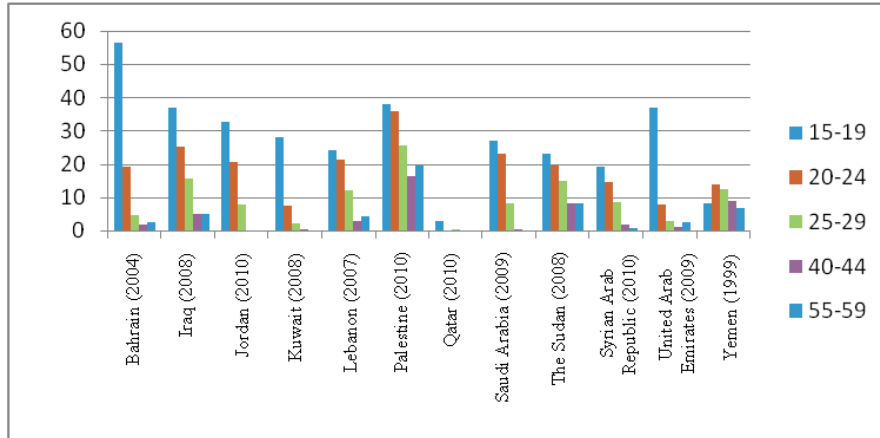
Female unemployment rates peak at a later age than those for males. While the highest male unemployment rates are seen in the 15-19 age group, the highest average female unemployment rates occur in the 20-24 age group. Figure 34 sets out male unemployment rates for selected age groups, including youth.

Comparing the rates shown for males in figure 34 with those for females set out in figure 35 also highlights significant gender differences in unemployment patterns in certain member countries. In Saudi Arabia, for example, unemployment rates for young women are very high, while those for young men are

<sup>85</sup> European Commission, 2010, p. 13.

comparable to the rest of the region. In Yemen, by contrast, the opposite is the case: female unemployment rates are very low, while male unemployment rates are relatively high. The differences between adult men and women are also clear, with women having much higher unemployment rates across all countries and in almost every age bracket.

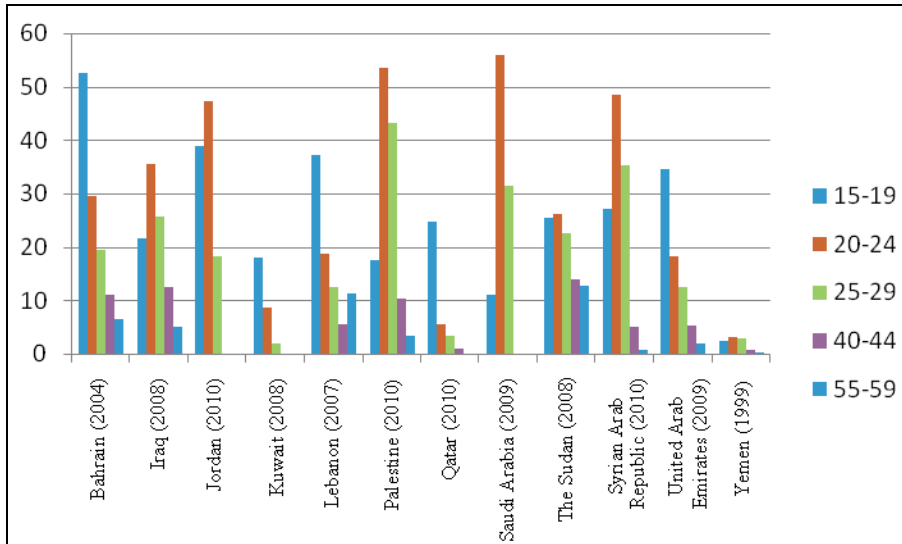
**Figure 34. Male unemployment rates, selected age groups, selected ESCWA member countries, most recent data (Percentage)**



Sources: As figure 33.

Note: Data from Jordan only cover the age groups 15-19, 20-24 and 25-29, since the other age groups are not comparable. Unemployment rates in Qatar are very low and therefore not apparent.

**Figure 35. Female unemployment rates, selected age groups, selected ESCWA member countries, most recent data (Percentage)**



Sources: As figure 33.

Note: Data from Jordan only cover the age groups 15-19, 20-24 and 25-29, since the other age groups are not comparable.

Although one explanation for the high level of youth unemployment in ESCWA member countries is the large number of young people entering the labour force (as described earlier in this paper), macroeconomic conditions appear to have a greater effect on youth unemployment than demographic trends.<sup>86</sup>

### **Unemployment and educational attainment**

The skills, abilities and knowledge of an individual are resources for the economy. Investment in education is key to increasing individual resources and thereby the human capital available to the economy. A number of authors have highlighted a mismatch between the skills needed in the ESCWA region and those available.<sup>87</sup> A mismatch between available jobs and skills is one of the key factors in creating unemployment. Consequently, education and training are frequently an element of labour market policies, as can be seen in annex II. The Egyptian Economic and Social Development Plan for 2010-2011, for example, states that education policies should be linked to the needs of the labour market. The plan further notes that in order to develop human skills, training centres should be developed and modernized.<sup>88</sup> In Saudi Arabia, the Princess Nora bint Abdulrahman University for women was founded in 2007 with the specific aim of increasing the labour market participation of women in the country. The strategies in Iraq, Jordan, Kuwait, Oman and Qatar also highlight training and education, while the five year plan from the Sudan highlights the need to align vocational training and education.<sup>89</sup>

According to the World Bank: “The educational attainment of the adult population has increased more than 150 per cent in the past three decades, making educated youths the fastest-growing segment of the population”.<sup>90</sup> Although the classifications used by ESCWA member countries diverge,<sup>91</sup> a clear picture emerges, showing that the lowest unemployment rates are found among the illiterate, while the highest are among individuals with high levels of education. This is supported by a finding by Kabbani and Kothari, who argue that, “... unemployment spells may be longer, especially for educated youth, who may require more time to find a good job match for their skills”.<sup>92</sup>

The negative relationship between education and unemployment is particularly evident amongst women, as can be seen in annex IV. Labour force survey data from the Syrian Arab Republic for the period 2001-2008 show that unemployment increased for women with secondary or higher educational attainment from 10.3 per cent in 2001 to 12.4 in 2008. (The latest data from 2010 show a rate of 18.8 per cent unemployment amongst women with university degrees). For women with secondary education, the unemployment rate stood at 24.7 per cent in 2001, but had risen to 43 per cent by 2008. For those with intermediate educational attainment, the rate increased from 9.8 per cent in 2001 to 17.2 per cent in 2008, while conversely the unemployment rate for illiterate women in 2008 stood at merely 3.3 per cent. This development is particularly interesting, given that the overall unemployment rate for women in the Syrian Arab Republic during that period did not change dramatically. It therefore appears that educated women were increasingly disproportionately affected by unemployment.

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<sup>86</sup> Kabbani and Kothari, 2005, p. 16.

<sup>87</sup> See, for example, Bardak, 2005, p. 9, or Gonzalez et al., 2008, p. 3.

<sup>88</sup> Egypt, Ministry of Economic Development, 2009, pp. 82-83 (ESCWA translation).

<sup>89</sup> The Sudan, National Council for Strategic Planning, pp. 14 and 18.

<sup>90</sup> World Bank, 2004, p. 92.

<sup>91</sup> The International Standard Classification of Education (ISCED) defines six levels of education. However, several ESCWA member countries use their own classifications, rendering comparison between countries difficult. For example, Sudanese data include a category labelled “Khalwa”, which covers religious education. Due to lack of comparability, the data, which come from a variety of sources (predominantly LFS and censuses), are presented separately for each country in annex V.

<sup>92</sup> Kabbani and Kothari, 2005, p. 8.

An equivalent relationship emerges in the Sudan, where females who have completed only primary/junior education have a substantially lower unemployment rate (19.6 per cent) than their post-secondary-educated counterparts (31.2 per cent). Egyptian data from 2009 also show increasing rates of unemployment for women with higher levels of educational attainment, ranging from 3 per cent for illiterate women to 37.2 per cent for women with intermediate educational attainment and over 30 per cent for those with higher levels of education.

The experience in Jordan has followed a similar pattern, with 53.8 per cent of unemployed women having been educated to degree level or above. The situation has been described by the World Bank in the following terms: "Jordan's women are an insufficiently utilized resource. Jordanian women tend to have high levels of education and are much less likely to emigrate than their male counterparts, implying that a large supply of well-educated women is available for employment."<sup>93</sup> If the conditions in the labour market are not sufficiently attractive, women may choose to leave the labour market completely. An analysis of the data for Jordan for the period 2000-2010 shows that the negative relationship between education and unemployment has deteriorated substantially over time. While the majority of unemployed men had less than secondary education (62 per cent in 2010), women educated to degree level or higher were increasingly overrepresented amongst the unemployed. In 2000, one in four unemployed women was educated to that level, yet by 2010 the figure had risen to 61.5 per cent.

In Oman, the highest level of unemployment for both men and women is amongst individuals who have obtained an upper secondary school education (11.2 per cent for men and 37 per cent for women). Overall, female unemployment levels are highest for women educated to higher than primary, but lower than Master's level.

Even in countries with comparatively low levels of unemployment, there is a clear tendency for educated women to be more likely to be unemployed than men or less-educated women. In Kuwait, where unemployment rates are some of the lowest in the ESCWA region, the highest unemployment rate in 2008 was amongst women with educational attainment higher than secondary, but lower than university. The unemployment rate for that group was 6.3 per cent, compared with zero per cent for the illiterate and for women who could read and write, but had no further educational attainment. For Kuwaiti men, the highest unemployment rate was amongst individuals with intermediary education (between primary and secondary schooling).

Similar patterns are seen in Lebanon, where female unemployment rates stand at 2.2 per cent for the illiterate, 15.2 per cent for those with intermediate education, 9.2 per cent for those with secondary education and 11.4 per cent for university-educated women. Lebanese men are also more likely to be unemployed if they have completed higher education (4.8 per cent for the illiterate, compared with 10.9 per cent for university graduates). In Egypt, the relationship between education and unemployment is equally clear for both men and women. For the illiterate, the unemployment rate is just 0.5 per cent, but this rate increases at every educational level until it reaches 12.4 per cent for university graduates. For women in Egypt, the rate is highest amongst women with intermediate education (37.2 per cent) and university degrees (30.5 per cent).

Such data on the relationship between education and unemployment indicate a clear gap between the skills needed in the economy, and the kind of training and education that people actually receive. Gonzales has argued that the training and education systems in the United Arab Emirates are not preparing Emiratis to meet the needs of employers,<sup>94</sup> and similar arguments are frequently expounded in most ESCWA member countries.<sup>95</sup>

### **Spatial unemployment rate**

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<sup>93</sup> World Bank, 2008, p. 46.

<sup>94</sup> Gonzalez et al., 2008, p. 112.

<sup>95</sup> United Nations Development Programme Regional Bureau for Arab States, 2009, p. 111.

Data related to the geographical distribution of unemployment are often presented for different regions, but rarely divided into urban/rural, although this would potentially create the possibility of cross-country comparison. Rural areas generally have higher rates of poverty<sup>96</sup> and may also have different development needs from urban areas. For this reason, data on urban and rural unemployment rates were not only requested from all ESCWA member countries, but also sought from national and international sources, including ILO. The data compiled through this exercise are presented in annex V.

Many countries have data on spatial unemployment by region, governorate or other geographical division, which can be highly useful for policymaking within the individual country, but is not as useful for comparison between countries. This indicator is an important tool in enabling Governments to provide support, training and jobs in areas of high unemployment. Otherwise, large urban-rural differences in employment opportunities and living standards can easily lead to urbanization through migration.

Urban/rural patterns of unemployment are particularly relevant in the ESCWA region, given that the absolute number of individuals who live in rural areas (although not the proportion) is increasing and expected to continue to rise until 2022.<sup>97</sup> This trend is occurring simultaneously with urbanization across the broader Arab region, described as “a stream of rural-urban migration”, caused by increased levels of poverty in rural areas.<sup>98</sup> Although urbanization rates are no longer as high as in the 1960s and 1970s, when they stood between 6 and 7 per cent, they are still estimated at around 3 per cent annually.<sup>99</sup>

As the data in the annex show, there appear to be substantial differences between urban and rural unemployment rates in the region, with rural rates generally being lower than urban rates. The combined pressures of urbanization and there being more individuals of working age multiply the need for urban job creation. Data from the Syrian Arab Republic LFS clearly show this trend, with unemployment rates for urban areas standing between 0.5 per cent to 4.1 per cent higher than those for rural areas during the period 2001-2009.

Looking at the available data for females in the region, in the United Arab Emirates, 17.7 per cent were unemployed in urban areas in 2009, compared with 9.2 per cent in rural areas. In Palestine, the corresponding rates were 27.6 per cent in urban areas and 20.2 per cent in rural areas. This picture is mirrored for men, although the male rates are substantially lower. In 2009, urban unemployment rates for males were 4.3 per cent in the United Arab Emirates and 11.7 per cent in Jordan, compared with rural rates of 2.1 per cent and 10.1 per cent respectively.<sup>100</sup> Data from Jordan indicate a potential shift, with decreasing differences between urban and rural unemployment rates. The most recent data (from 2010) even indicate slightly higher unemployment rates in rural areas (10.2 per cent for males, compared with 11.5 per cent in urban area). For females, this change appears to be even more dramatic: in 2009, unemployment amongst females in urban areas stood at 28.1 per cent, compared with 23.3 per cent in rural areas; yet in 2010, the female urban unemployment rate dropped by seven per cent to 21.1 per cent, while the rural rate increased to 24.8 per cent. The data further indicate that there has been an increase in both rural and urban unemployment for women in Palestine.

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<sup>96</sup> ILO, 2008a, p. 3.

<sup>97</sup> UN-DESA, 2009b, pp. 1, 4 and 11.

<sup>98</sup> Ben Jelili, 2010, pp. 9-10. According to ILO, poverty rates in the region are generally higher in rural areas. See ILO, 2008a, p. 3.

<sup>99</sup> UN-DESA, 2009b.

<sup>100</sup> In Jordan, 18 per cent of the population live in areas classified as rural, according to the Jordan Employment and Unemployment Survey 2009. According to UN-DESA Population Division, 2009b, the proportion of the population living in urban areas in 2010 was estimated at 74.14 per cent in Palestine, 84.05 per cent in the United Arab Emirates and 55.74 per cent in the Syrian Arab Republic.

## Duration of unemployment

Long-term unemployment receives a great deal of attention in developed economies as a result of its detrimental impact on individuals and families, particularly in the light of the decreasing likelihood of re-entering employment and the effect on their socio-economic position. Long-term unemployment erodes the human capital of the individual and is costly for the State in terms of unemployment benefits, retraining and potential negative socio-economic effects.

Long-term unemployment can be exacerbated by high general unemployment levels. Low economic growth, leading to fewer new job opportunities, can also have an impact on the length of unemployment. Lengthy unemployment is related to the personal characteristics of the unemployed individual and high rates of long-term unemployment are an indicator of serious problems for specific population groups.<sup>101</sup>

In an ideal situation, long-term unemployment would be analysed using longitudinal data, since such data provide information about the employment status of a particular individual over time and can therefore track his or her employment mobility. Alternatively, cross-sectional data asking the unemployed about the length of their unemployment status may be used, although this is less accurate.

A study of long-term unemployment in Jordan found that women are 1.5 times as likely as men to be unemployed for more than a year.<sup>102</sup> The study further showed that individuals who had previously worked were less likely to be long-term unemployed,<sup>103</sup> a finding highly important for youth unemployment, which can potentially signal the start of a downward spiral.

Information on long-term unemployment (specifically the most recent available data on the average duration of unemployment by age and sex) was requested from ESCWA member countries for this paper. Data for Jordan, Kuwait, Oman, Palestine, Qatar and the United Arab Emirates were either provided by focal points or sourced from national statistical websites. The data are presented in annex VI.

Unfortunately, the data were received in a variety of formats, rendering comparison difficult, and a lack of information means that it is not possible to provide a thorough analysis of long-term unemployment in the ESCWA member countries. Data from Jordan, Kuwait and Qatar indicate that women are at particular risk of being long-term unemployed. For example, the 2004 data for Kuwait show that 68 per cent of unemployed women and 29 per cent of unemployed men were unemployed for more than a year. The 2010 data from Jordan show a smaller but still significant difference, with males being less likely to be long-term unemployed than females (31 per cent for men, compared with 42 per cent for women). This is also the case in Oman, where 70 per cent of unemployed women had been unemployed for more than 12 months, compared with 65 per cent of men. The evidence from Palestine and the United Arab Emirates suggests that individuals over 50 and women in the 30-34 age group are most at risk of lengthy periods of unemployment.

From a policy perspective, collecting additional data on the length of unemployment by educational level and geographic region is also important, but such data are not currently available in all ESCWA member countries.

## 2. Underemployment

For lower-income countries, the measurement of underemployment may be more important than the measurement of unemployment, since individuals are forced to take or create any work possible to support their subsistence.

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<sup>101</sup> ILO, 2010b, p. 29.

<sup>102</sup> Alhawarin and Kreishan, 2010, p. 63.

<sup>103</sup> Ibid., pp. 56 and 58.

As well as looking at whether individuals are employed, indicators of the level of utilization of labour are relevant for policymakers, as discussed in the section on the employment-to-population ratio above. Even with very low unemployment rates, a country can be far from achieving full utilization of the available labour force. Underemployment can have various expressions. It can be linked to time-related underemployment or to individuals being over skilled for the job they are currently holding. The underemployed may consider themselves unemployed, but will not be included in unemployment statistics. By ignoring underemployment, labour utilization is overestimated.

TABLE 5. COMPONENTS OF LABOUR UNDERUTILIZATION: “REFINED”  
LABOUR FORCE FRAMEWORK

Component	Definition	General interpretation
Time-related underemployed	Employed persons working less than a specified number of hours, who are willing and available to work more hours.	Underutilization of the productive capacity of the employed population in terms of hours of work.
Employed with low earnings	(1) Full-time workers whose total monthly earnings were below a specified threshold; (2) persons working less than full time with low hourly earnings; and (3) persons working more than the typical number of hours for full-time work with low earnings.	Inadequate earnings.
Employed with underutilized skills	Employed persons in jobs with skill requirements that are below their educational level.	Underutilization of the productive capacity of the employed population in terms of use of skills (the return on investment in their education and training is somewhat wasted).
Discouraged workers	Persons not economically active who were available for work and had sought work over the previous six-month period, but did not actively seek work during the last four weeks because of their discouragement from past failure to find work.	Underutilization of the productive potential of an economy due to discouragement in the job search.
Other inactives available for work	Persons not economically active who were available for work but did not actively seek work during the last four weeks for reasons other than discouragement.	Underutilization of the productive potential of an economy due to reasons other than discouragement (not knowing where or how to look for work, for example).

Source: Adapted from ILO, 2010, *Women in Labour Markets: Measuring Progress and Identifying Challenges*, p. 26.

### Measuring underemployment

Of the components of labour underutilization set out in table 5, only time-related underemployment is clearly visible in the statistics. According to ILO, “[...] there is not yet sufficient country-level information to analyse in depth the broader measure of labour underutilization”.<sup>104</sup> The underemployed are defined as those “involuntarily working less than the normal duration of work determined for the activity, who were seeking or available for additional work during the reference period”.<sup>105</sup> The ILO guidelines on defining and measuring underemployment were presented in the proposals of the sixteenth International Conference of Labour Statisticians (ICLS) in 1998. They took two elements into consideration: the number of people in time-related underemployment and the volume of time-related underemployment. The first of these two elements provides results in terms of head count and the second in terms of time units, such as working days, half-days or hours. The three criteria for the identification of workers in time-related underemployment are

<sup>104</sup> ILO, 2010b, p. 28.

<sup>105</sup> ILO, 1998, p. 14.



the willingness to work additional hours, the availability to work such hours and the total number of hours actually worked during the reference period below a specified cut-off. A rate of time-related underemployment can be calculated as the ratio between the number of persons in time-related underemployment and the total number of employed persons.<sup>106</sup>

### Measuring underemployment in the ESCWA member countries

Underemployment is generally not reported in the ESCWA region. Data on underemployment were requested from member countries for the purposes of this paper, but were provided only by Iraq, Palestine and the Syrian Arab Republic. Table 6 gives an indication of the extent of underemployment in Palestine and clearly shows that men are more likely to be underemployed. It also highlights the fact that certain sectors are much more prone to underemployment, in particular low-skilled sectors such as construction, and the primary sector, which includes agriculture, hunting and forestry. The table also shows a clear increase in the rates of underemployment in 2006-2007 and again in 2010.

TABLE 6. UNDEREMPLOYMENT, PALESTINE, 2000-2010  
(Percentage)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Estimates of female underemployment as a percentage of total females employed	2.6	1.9	2.1	2.9	2.5	2.1	2.8	2.4	2.1	2.3	2.7
Estimates of male underemployment as a percentage of total males employed	5.6	4.3	4.8	7.0	7.1	7.5	9.1	9.2	7.9	6.8	8.1
Estimates of underemployment as a percentage of total employed	5.1	4.0	4.4	6.4	6.4	6.6	8.0	8.0	6.9	5.9	7.1
Sector with highest percentage of underemployed: construction	23.7	18.7	25.6	24.9	24.4	26.2	23.4	26.2	23.9	24.6	24.0
Sector with second highest percentage of underemployed: agriculture, hunting and forestry	19.5	18.7	19.2	22.4	24.4	23.4	21.9	20.8	21.4	24.1	23.6

Source: Adapted from Palestinian LFS Database 2000-2010.

Unfortunately, the data from Iraq (see table 7) give no indication of developments over time or which sectors are particularly affected. The table shows different proxy estimates of underemployment, for example, individuals with suboptimal working hours and those with low working hours who would like to work more hours.

TABLE 7. UNDEREMPLOYMENT, IRAQ, 2005-2008  
(Percentage)

	Underemployment rate: lack of working hours for those aged 15+			Underemployment rate: low working hours and the desire to work more hours		
	2005	2006	2008	2005	2006	2008
Females	60.57	66.92	53.12	4.85	2.83	2.7
Males	21.21	30.85	23.37	10.83	12.2	9.73
Total population	30.36	37.83	28.74	9.36	10.38	8.46

Source: Adapted from Iraq Employment and Unemployment Surveys 2005, 2006 and 2008, tables 3-45 and 3-46.

<sup>106</sup> Ibid., and ILO, 2000.

A study by Øvensen and Sletten in 2007 estimated the underutilization rate in the Syrian Arab Republic at approximately 30 per cent, including discouraged workers, the underemployed and the unemployed.<sup>107</sup> Surveys conducted by the Syrian Central Bureau of Statistics only provide estimates of underemployment and highlight the fact that women are more likely to be underemployed than men. The evidence further suggests that underemployment is most common within the agricultural, service and construction sectors. The definition used for underemployment in the Syrian Arab Republic includes employed individuals who satisfy the following three conditions during a specific period: (a) would like to work more hours, (b) are ready to work more hours and (c) are working less than 24 hours per week. These criteria are in line with international guidelines.

Table 8 gives an overview of the underemployment data available in the Syrian Arab Republic. It is clear that the percentages vary substantially depending on the year selected. This is likely to be a reflection of the different data collection methods used, but, unfortunately, ESCWA does not have more detailed information about those methods at its disposal. Independently of the comparability of the data across years, however, three patterns emerge clearly: first, that underemployment exists; second, that it is substantially more prevalent amongst women; and third, that certain low-skilled sectors have higher underemployment rates than others.

TABLE 8. UNDEREMPLOYMENT, SYRIAN ARAB REPUBLIC, 2001-2009  
(Percentage)

	Estimates of underemployment as a percentage of total employed	Estimates of male underemployment as a percentage of total males employed	Estimates of female underemployment as a percentage of total females employed	Sector with highest percentage of under-employed	Sector with second highest percentage of under-employed
2001	5.3	3.6	13.4	Agriculture	Services
2002	1.5	1.1	3.3	Services	Agriculture
2003	6.8	5.2	14.4	Agriculture	Services
2005	2.3	1.7	6.3	Services	Construction
2006	2.6	1.8	7.8	Services	Construction
2007	3.0	2.0	9.8	Services	Construction
2008	8.7	6.8	20.0	Agriculture	Services
2009	4.7	3.7	11.4	Agriculture	Services

Source: Data provided by focal point; no data provided for 2004. Table based on surveys conducted by the Syrian Central Bureau of Statistics.

Looking at the data from Iraq, Palestine and the Syrian Arab Republic, it is clear that more evidence needs to be collated to underpin any conclusions related to underemployment in the region. Indicators of underemployment will give policymakers clearer information about the utilization of the available resources in the economy.

### 3. Informal employment

Informal employment has been increasing rapidly globally<sup>108</sup> and can be found across all sectors and in a wide variety of job functions. The concept originates from an ILO study in Kenya in 1972, and gained increased focus from a growing understanding in the 1980s and 1990s that increasing levels of movement from rural to urban areas did not necessarily create higher levels of unemployment in urban areas. Instead, individuals found jobs in micro-level production and the distribution of goods and services. Informal employment is hence a result of the limited ability of the agricultural sector and the formal economy to

<sup>107</sup> Øvensen and Sletten, 2007, p. 58.

<sup>108</sup> Lund and Nicholson, 2004, p. 14.

absorb surplus labour. Another reason for the increase in informal employment is the increasing importance of the service sector, where informality is often present.

Informal employment is largely unrecognized, unrecorded, unregulated and unprotected small-scale activity. There are few or no barriers to entry for both employers and employees, and incomes are not only volatile, but also dependent on the seasons and the general availability of work. It can be seen as a residual category, which has been described as labour market dualism.<sup>109</sup> In reality, however, formal and informal employment work as a continuum of each other, in which certain individuals work in semi-formal arrangements.

The concept of informal employment (or the informal sector) has long suffered from a lack of clear definitions, and this is evident in statistics regarding informal employment, which are frequently either absent or estimated. Definitions differ with regard to the inclusion or exclusion of agricultural activities and domestic help; the focus on regulations, contracts, social security or other elements; and also the importance of the size of the firm. The selection of definition is directly related to the estimated size of the sector. Since it is difficult to define the exact boundaries of informal employment due to the different criteria used to define informality, cross-country comparison is problematic. Definition of the informal sector still diverges in the statistics produced by different countries.<sup>110</sup> The international standards do, however, allow for a degree of flexibility in measuring informal activities.<sup>111</sup>

Informality is a key labour market indicator and the informal sector was included in the United Nations Minimum National Social Data Set as a sub-indicator to the employment-to-population ratio. In addition, urban informal sector employment as a percentage of total urban employment is one of the ILO key indicators of the labour market.<sup>112</sup> In 1993, the fifteenth ICLS adopted an international statistical definition of the informal sector, which was later included in the System of National Accounts 1993. An expanded definition was endorsed by the International Labour Conference (ILC) in 2002 and the ICLS in 2003. This definition includes certain types of informal wage employment outside the informal sector, but leaves it to individual countries to decide whether to include agriculture in the indicators.<sup>113</sup>

The definition of informal employment may therefore include (a) rural self-employment (agricultural and non-agricultural); (b) urban self-employment in manufacturing, trade and services; and (c) informal wage employment (including day labourers in construction and agriculture, industrial outworkers, and others).<sup>114</sup> There is thus a dual focus, firstly on work in informal production units, and secondly on informal individual arrangements.

The informal sector and informal employment in general is highly relevant to policymakers due to the potential loss of income from taxes, the large number of employees in such jobs, and the difficulties of monitoring working conditions and providing social security within an informal setting. Challenges to Governments revolve around improving working conditions, providing legal and social protection, increasing the productivity of informal sector activities, training and skills, and the organization of informal workers. Additional challenges include the development of appropriate regulatory frameworks and, potentially, Government reform.

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<sup>109</sup> Richards and Waterbury, 1996, p. 140.

<sup>110</sup> For a description of the international conceptual differences involved in agreeing on a definition of the informal sector, see Al-Kawaz, 1999, p. 10.

<sup>111</sup> ILO, 1999b, p. 3.

<sup>112</sup> Ibid., p. 1.

<sup>113</sup> Chen, 2008, p. 19.

<sup>114</sup> Ibid.

## Estimating informality

Informal employment may be measured using either direct or indirect methods. According to ILO, direct methods are based on establishment or enterprise censuses, tax audits and surveys, household surveys, LFS and mixed surveys. Due to underreporting, however, surveys are unlikely to capture all informal activities.<sup>115</sup> Indirect methods, by contrast, are based on subtracting formal sector employment from total employment. This is referred to as the “residual method”. Further alternatives include looking at other indicators of production, such as electricity consumption, or analysing discrepancies between national expenditure and income statistics, which may provide information on the extent of informal employment.<sup>116</sup>

Three predominant criteria are used in the estimation of informal employment: (a) non-registration of firms under national legislation; (b) the number of employees (there is no fixed number, but fewer than five or ten is commonly taken as the standard); and (c) lack of contract between employer and employee.<sup>117</sup>

The ILO recommends “giving thorough attention to the development of an integrated statistical system on employment in the informal sector, which includes:

- Improving work statistics, including formal and informal employment, as a basis for macroeconomic analysis;
- Developing quantitative information on the contribution of the informal sector and informal employment on all aspects of economic activity and social development;
- Producing data for the design and monitoring of policies specific for improving the effectiveness of informal sector and its capacity to generate jobs.”<sup>118</sup>

Currently, ESCWA member countries diverge significantly in terms of their efforts to estimate informal employment and their level of success in doing so. In certain countries, estimating informal employment is a stated objective of national statistical strategies. In Jordan, for example, the National Statistical Strategy 2008-2013 acknowledges that, “... the informal sector is not covered by the economic survey system, and the Department of Statistics lacks the techniques and expertise to include it.”<sup>119</sup> By contrast, data on informal employment are more readily available in the Syrian Arab Republic. Estimates for the Syrian Arab Republic for 2006 by ILO indicated informality levels of 14 per cent of female employment and 38 per cent of male employment.<sup>120</sup> In response to those findings, the Syrian Arab Republic changed its LFS questionnaire in 2008 to improve the data on informality. According to the ILO, the new survey “[Included] additional questions, such as: ‘Are you registered in social security?’; ‘Do you benefit from any type of social protection?’; ‘Is the enterprise you work for registered, and what is its size in terms of number [of workers]?’ and ‘Do you benefit from paid vacation, health insurance, maternity leave, unemployment benefit, and pension?’”<sup>121</sup>

Informality in the Syrian labour market has been surveyed by the Central Bureau of Statistics for a number of years. The data show wide variations between years, which may be due to differing survey methods or to actual variations in the proportion of informality in the country. Table 9 shows the available

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<sup>115</sup> ILO, 1999b, p. 3.

<sup>116</sup> ILO Regional Office for Arab States and Centre of Arab Women for Training and Research (CAWTAR), 2008, p. 12.

<sup>117</sup> ILO, 1999b, p. 2.

<sup>118</sup> Achikbache, 2009, p. 22.

<sup>119</sup> Jordan, Department of Statistics, 2009.

<sup>120</sup> ILO Regional Office for Arab States and CAWTAR, 2008, p. 14.

<sup>121</sup> Ibid.

data, highlighting the extent of informality (which is estimated to stand between 22.4 per cent and 37.4 per cent) and the fact that Syrian men in particular are highly likely to be working in informal settings (estimated between 22.6 per cent and 38.9 per cent of all employed males).

A further issue highlighted by the data from the Syrian Arab Republic is that informality is most common in the agricultural, construction and transport sectors. The construction and service sectors were also those where underemployment was most common, indicating a potentially high level of vulnerable conditions for workers in those sectors.

TABLE 9. INFORMAL EMPLOYMENT, SYRIAN ARAB REPUBLIC, 2001-2010  
(Percentage)

	Total informal employment as a percentage of total employed	Male informal employment as a percentage of total males employed	Female informal employment as a percentage of total females employed	Sector with highest percentage of informal employment	Sector with second highest percentage of informal employment
2001	37.4	38.9	30.3	Construction	Agriculture
2002	23.1	25.8	11.5	Agriculture	Construction
2003	37.4	35.9	44.6	..	..
2004	31.0	..	..	..	..
2005	24.9	27.3	9.5	..	..
2006	31.4	34.4	11.3	Construction	Agriculture
2007	33.7	36.1	17.0	Construction	Transportation
2008	22.4	22.6	20.7	Construction	Agriculture
2009	32.6	34.0	22.4	Construction	Transportation
2010	29.7	30.9	21.4	..	..

Source: Data provided by focal point; 2010 data from Central Bureau of Statistics website (Statistical Abstracts and LFS). Table based on surveys conducted by the Syrian Central Bureau of Statistics.

Two dots (..) indicate that data are not available.

Overall, it is difficult to find data on informal employment in the ESCWA region. Certain limited indicators are available, including ILO estimates that the percentage of young people working without the protection of employment contracts is as high as 60.4 per cent in the Syrian Arab Republic and 73.3 per cent in Egypt.<sup>122</sup> Overall, young people are perceived as being more likely to be working informally than other age groups. Estimates of informality as a share of total non-agricultural employment are available for Lebanon, where 51.8 per cent of total non-agricultural employment is considered informal, Palestine (43.4 per cent), the Syrian Arab Republic (30.7 per cent) and Yemen (51.1 per cent).<sup>123</sup> Box 6 provides a review of informality in Egypt, which may offer some suggestions as to the reasons underlying informality in the region.

#### Box 6. Informality in Egypt

Informal activities are found in both urban and rural areas. In Egypt, informal employment has been estimated at 45.9 per cent of the employed population outside agriculture.<sup>a/</sup> There is some evidence that informal employment conditions have become more prevalent over the last twenty years. McCormick and Wahba found that the predicted probability of a new entrant being informal in 1998 was 5 per cent higher than in 1990. They also found that informality became substantially more prevalent in the 1990s and concluded that the Egyptian labour market has experienced an increase in the informalization of new workers.<sup>b/</sup> It is estimated that in 2006, close to 90 per cent of all micro-enterprises and small enterprises were informal.<sup>c/</sup> The category of non-paid family workers also increased, from 12.8 per cent in 1990 to 14.1 per cent in 2008.<sup>d/</sup>

<sup>122</sup> ILO, 2010a, p. 21.

<sup>123</sup> Jütting and de Laiglesia, 2009, pp. 34-35.

The reasons for the increase of informality in Egypt are likely to be attributable to a reduction in new public sector positions; the privatization of public companies, which resulted in job losses; and decreases in real wages, which resulted in more people taking on additional jobs.<sup>e/</sup>

**Box 6 (continued)**

Informal workers are predominantly male, and young people in the age group 20-29 are more likely to be in informal employment than other population groups. This is related to the difficulties faced by new entrants to the labour market and the lack of new jobs being created in the formal sector. Informal workers come from a variety of educational backgrounds, but the lowest occurrence is found amongst individuals with an intermediate level of education and above. Educated individuals have a higher likelihood of moving from informality to semi-informality or to formal employment over time. The same pattern is evident for males,<sup>f/</sup> suggesting that in Egypt, informal work can be seen as a stepping stone for highly-educated male workers, but a dead end for the uneducated and for female workers.<sup>g/</sup>

<sup>a/</sup> Jutting and de Laiglesia, 2009, p. 34.

<sup>b/</sup> McCormick and Wahba, 2004, pp. 2 and 53-56.

<sup>c/</sup> Assaad, 2007, p. 38.

<sup>d/</sup> Labour Force Sample Survey data: 2008 data available from CAPMAS ([www.capmas.gov.eg](http://www.capmas.gov.eg)); 1990 data from ILO LABORSTA.

<sup>e/</sup> Wahba, 2009a, p. 2.

<sup>f/</sup> Ibid, p. 7.

<sup>g/</sup> Wahba, 2009a.

Incomes are generally lower in the informal economy; for women in particular, the wage gap is higher than in the formal economy. Informal work hence exacerbates the overall income gap between men and women.<sup>124</sup> In most regions of the world, women are overrepresented amongst informal workers. In the ESCWA region, however, as has been noted, a higher percentage of men than women work in informal jobs.<sup>125</sup> This is linked to the higher male labour force participation rate.

Despite the lower proportion of women in informal work arrangements, the combination of informality and gender creates increased levels of vulnerability. This occurs as a result of lower wages and patriarchal social norms that result in differences in access to education and employment. It also leads to women being far more likely to work from home than men.<sup>126</sup>

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<sup>124</sup> Lund and Nicholson, 2004, p. 15.

<sup>125</sup> Chen, 2008, p. 20.

<sup>126</sup> ILO Regional Office for Arab States and CAWTAR, 2008, p. 15.

## V. SUMMARY OF FINDINGS

The centrality of accurate and timely data for policymaking has been highlighted throughout this paper. Various possible data sources and methodologies used for collecting labour market data have been presented and an overview of the sources used within ESCWA member countries shown. From this, it is apparent that the extent and frequency of data collection diverges substantially across the region.

While certain countries, such as Egypt and Palestine, have very regular LFS, combined with a variety of other labour-related data sources, other countries, such as Lebanon and Yemen, only collect labour market-related data infrequently. Overall, those indicators which focus on social aspects and vulnerability tend not to be collected as frequently as those which examine economic resources. Specific gaps exist for data related to underemployment, informal employment and in-depth information about the characteristics of individuals, such as long-term unemployment. For certain countries, even the most basic information regarding unemployment rates is not readily available; it was particularly difficult to find unemployment data for Oman.

There is a clear trend that data focusing on individuals working in the formal sector and other data which can be obtained through establishment surveys are more widely available than data which examines the nature of employment (informal employment, vulnerable employment or underemployment). In order to obtain this type of data, it is essential that specific questions related to these issues be included in LFS and other household surveys.

Many ESCWA member countries, such as Iraq and the Syrian Arab Republic, have increased their focus on labour market data by increasing the frequency of data collection and moving towards integrated LMIS. The availability of data to the public is, however, limited in almost all countries, despite increased efforts to use statistical agency websites for data dissemination (Qatar and the United Arab Emirates being good examples of this practice). One major issue with data dissemination in the region is that metadata are often either sparse or completely absent. This issue is magnified by the lack of streamlining of classifications across the region, which makes comparison of certain variables difficult. In particular, data on education do not necessarily utilize the international standard classification (ISCED-97).

Specific population groups are of particular importance to labour market policies. As this paper has shown, the labour markets in the ESCWA member countries can be described as segregated markets, divided across lines of formal/informal, national/non-national, public/private, age and gender. In order to assess the extent of these divisions and clarify to what extent they reflect deep societal division, further studies are needed.

ESCWA member countries generally struggle against low female labour force participation and high youth unemployment, as well as high levels of both immigration and emigration. In order to achieve economic development and growth, greater focus on the utilization of all available resources is essential.

The inclusion of women in the labour market further broadens the pool of increasingly well-educated economic resources within a country, which can have a positive impact on the economy. Female labour force participation may increase overall economic growth and limit economic risk factors for individual families as a result of the diversification of sources of income. According to Nabli, higher female labour force participation could allow family incomes to increase by between 15 per cent and 30 per cent in most countries, noting furthermore that such participation would enhance the flexibility of families to adapt to changing economic conditions.<sup>127</sup> Increased female labour participation can provide a “coping strategy” to weather the income shocks associated with the loss of employment by a male breadwinner.

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<sup>127</sup> Nabli, 2007, p. 24.

The data presented in this paper show that most female economic inactivity is due to household obligations. It appears that women tend to move directly from education into household obligations without getting a proper foothold in the labour market. In order to properly assess this thesis, however, longitudinal studies focusing on female labour force participation and the transition between education and work are needed.

This paper has also shown that women occupy a narrower set of occupations than men and are particularly concentrated in specific sectors. In addition, women with higher education are more likely to be unemployed than their less-educated counterparts and are also more likely to experience long-term unemployment, which is clearly detrimental to human resources at both the individual and national levels. It is therefore evident that women in the ESCWA region are not yet sufficiently integrated into the labour market.

Young people require, and have received, particular attention. Youth unemployment discourages an entire cohort of the population, which in the worst case scenario may increase the likelihood of conflict. This paper has demonstrated that most labour inactivity amongst young people is due to studying, but has also shown that unemployment rates across the region are substantially higher for young people than for other age groups. Average youth unemployment rates in the region stand at 25 per cent for those aged 15-19 and almost 20 per cent for those aged 20-24, while average unemployment for individuals over the age of 34 stands around 5 per cent, which is comparable to international levels. Unemployment in the ESCWA region is thus predominantly a youth problem.

The limited data available on underemployment and informal employment in the region clearly demonstrate that these two issues do not receive sufficient attention. Furthermore, vulnerable employment, covering such categories as “Family workers” and “Own-account workers”, is common in ESCWA member countries, highlighting the need for more information to be collected regarding individuals working outside the formal labour market. Individuals working in informal or vulnerable conditions are most at risk of poverty and social exclusion, and, in addition, it appears that they are also excluded from labour market data. Given the potential negative social impact of such types of employment, it is essential that far greater attention be accorded to them by member countries.



## VI. RECOMMENDATIONS

On the basis of the findings in this paper, the following recommendations regarding labour market data in the ESCWA member countries can be made:

1. In order to improve data, regular, comprehensive LFS should be implemented, both to draw the attention of Governments to labour-related challenges, and to inform policy decisions and labour market strategy.
2. LFS or other household surveys should be adapted to include questions related to underemployment and informality, as well as questions related to data typically captured by administrative data (such as wage information).
3. LFS should be standardized to increase cross-country comparability.
4. Standard definitions and common classifications for education, occupation and sectors should always be applied in order to improve international comparisons.
5. Data captured should include motives or reasons for the status and situation of individuals (for example, motives for female participation in the labour market or those for seeking informal employment).
6. Data collected should be more widely distributed to the broader community and more easily accessible.
7. Integrated LMIS should be established to provide a fuller picture of the issues within each country for policymakers and other economic actors.
8. Longitudinal studies focusing in particular on youth and the transition from education to work should be conducted to give policymakers a more complete understanding of the challenges faced by young people in the region.
9. Qualitative studies should complement the quantitative data for greater information about motivations and decision-making amongst potential labour market participants.

Annex I

**LIST OF VARIABLES REQUESTED**

1. Labour force participation rate by age and sex.
2. Labour force participation rate, spatial disaggregation (urban/rural).
3. Employment-to-population ratio (employment as a percentage of population aged 15-64).
4. International migrant labour as a share of total labour force (percentage).
5. Number of employed by private/public sector and sex.
6. Number of employed by economic sector, youth/adult and sex.
7. Employment by occupation and sex.
8. Employment by economic status and sex.
9. Employment rate by educational attainment and sex.
10. Employment rate among working-age persons with disabilities by sex.
11. Employment rate by age and sex.
12. Average daily wage for waged employees by educational attainment and sex (in US\$).
13. Average daily wage for waged employees by sector and sex (in US\$).
14. Average weekly hours actually worked by waged employees by sector.
15. Usual weekly hours worked, disaggregated by sector.
16. Average daily wage for waged employees by occupation and sex (in US\$).
17. Labour productivity by sector (in constant US\$).
18. Unit labour costs by sector (in constant US\$).
19. Occupational injuries.
20. Unemployment rate by age and sex.
21. Unemployment rate by educational attainment and sex.
22. Unemployment rate by spatial disaggregates (urban/rural) and sex.
23. Average duration of unemployment by age and sex (most recent data).
24. Reasons for inactivity (most recent data).
25. Estimates of underemployment.
26. Estimates of informal employment.
27. Average contribution by employers to social security per employee by sex (In US\$).
28. Average contribution by employees to social security by sex (in US\$).
29. Industrial disputes.
30. Unionization rate by sector.

## Annex II

### **OVERVIEW OF LABOUR ELEMENTS IN THE DEVELOPMENT STRATEGIES OF ESCWA MEMBER COUNTRIES**

Country	Labour strategy goals	Key elements
Bahrain <sup>1</sup>	<ul style="list-style-type: none"> <li>▪ Achieve national consensus between Government, employers and employees</li> <li>▪ Support the private sector to become the main activator of economic development</li> <li>▪ Fulfil the needs of employers for foreign employees in a balanced manner</li> <li>▪ Attain the goal of making Bahrainis the best option for employers</li> <li>▪ Minimize illegal practices in the labour market</li> </ul>	<ul style="list-style-type: none"> <li>▪ “Bahrainization”</li> <li>▪ Granting facilities and better services to foreign employers</li> <li>▪ Providing licences to private employment offices</li> <li>▪ Increasing competitiveness</li> <li>▪ Improving human resources</li> <li>▪ Moving towards closer integration with the GCC and the rest of the Arab world</li> <li>▪ Increasing social dialogue</li> <li>▪ Improving the institutionalized labour market framework</li> <li>▪ Increasing gender equality in employment</li> </ul>
Egypt <sup>2</sup>	<ul style="list-style-type: none"> <li>▪ Target employment and growth</li> <li>▪ Consolidate the relationship between growth and employment, so that increased levels of employment are simultaneously a cause and a result of development efforts</li> </ul>	<ul style="list-style-type: none"> <li>▪ Providing an environment that encourages production, growth and employment</li> <li>▪ Acknowledging the contribution of the private sector to economic growth</li> <li>▪ Enhancing human skills through the development and modernization of training centres</li> <li>▪ Linking education and training policies with the actual needs of the labour market</li> <li>▪ Promoting the participation of women in the labour market, especially in small and micro-projects, and those which generate income for households headed by women, particularly in rural areas</li> <li>▪ Intensifying development efforts in the governorates of Upper Egypt which suffer from relatively high unemployment rates, with 42 per cent of public investment being deployed in that region<sup>3</sup></li> </ul>
Iraq <sup>4</sup>	<ul style="list-style-type: none"> <li>▪ Design a population policy that will achieve a balanced population growth rate, resulting in better human development, and which considers the needs of the job market, thereby securing an optimal employment of the labour force</li> <li>▪ Reduce the unemployment rate</li> </ul>	<ul style="list-style-type: none"> <li>▪ Supporting sectors which absorb large numbers of workers</li> <li>▪ Diversifying the economy and reinforcing the importance of the growth of non-oil economic sectors</li> <li>▪ Crafting a new economic policy focused on liberating the market and working to support the private sector and reinforce its participation in economic activities so as to promote growth and create job opportunities</li> </ul>

<sup>1</sup> Bahrain, Labour Market Regulatory Authority, 2007.

<sup>2</sup> Egypt, Ministry of Economic Development, 2009, pp. 82-83 (ESCWA translation).

<sup>3</sup> Egypt, Ministry of Economic Development, 2007, Introduction.

<sup>4</sup> Iraq, Ministry of Planning, 2010, pp. 38-39.

Country	Labour strategy goals	Key elements
	<ul style="list-style-type: none"> <li>▪ Increase economic participation</li> <li>▪ Link education and training with labour market needs</li> <li>▪ Improve the quality of the labour force, including efficiency and productivity</li> <li>▪ Create job opportunities to achieve optimal employment levels</li> <li>▪ Promote performance levels in both the public and private sectors</li> </ul>	<ul style="list-style-type: none"> <li>▪ Reconsidering all economic, financial and business regulation and legislation</li> <li>▪ Increasing private sector investment through legal, institutional, financial and monetary incentives</li> <li>▪ Providing unemployment benefits to help the unemployed start small projects</li> <li>▪ Offering programmes that promote and reinforce the skills of workers, particularly female workers</li> <li>▪ Preparing a special training policy which works to improve the qualifications of the labour force and takes a lead in making the necessary structural changes</li> </ul>
Jordan <sup>5</sup>	<ul style="list-style-type: none"> <li>▪ The employment focus of the National Agenda divides the goals for the labour market into three phases:</li> <li>▪ Phase one (2007-2012): minimize the current unemployment rate by developing export industries with condensed labour</li> <li>▪ Phase two (2013-2017): raise the average income of Jordanian citizens through productivity enhancement programmes and direct labour towards value added jobs</li> <li>▪ Phase three (2018-onwards): orient the economy towards becoming a knowledge economy</li> </ul>	<ul style="list-style-type: none"> <li>▪ Upgrading the skills of the unemployed through training programmes oriented towards the labour market</li> <li>▪ Replacing imported labour with qualified local workers</li> <li>▪ Involving the private sector in vocational training management, and the provision and funding of training programmes</li> <li>▪ Restructuring employment through changes to the technical, vocational training and education sectors</li> </ul>
Kuwait <sup>6</sup>	<ul style="list-style-type: none"> <li>▪ Work towards sustainable economic growth and increased participation of non-oil sectors</li> <li>▪ Increase Government expenditure on mega-development projects, creating greater job opportunities for Kuwaiti nationals</li> </ul>	<ul style="list-style-type: none"> <li>▪ Adopting scientific workforce planning in order to identify future employment requirements in the public and non-governmental sectors</li> <li>▪ Improving the environment and working conditions in the private sector, thus maximizing the chances of free competition in the labour market in favour of national employment and amending legislation in order to increase opportunities for the national workforce</li> <li>▪ Increasing the employment rate of nationals by expanding the production base and investment opportunities for the private sector, and developing a system of financial incentives for the national work force willing to work in the private sector</li> <li>▪ Issuing legislation pertaining to small and medium-sized business in order to raise the proportion of national employment in the private sector</li> <li>▪ Developing and raising the ability of the national work force to work in the private sector through training that is commensurate with labour market</li> </ul>

<sup>5</sup> Jordan, Ministry of Labour, p. 5.

<sup>6</sup> Kuwait, 2010, pp. 53-55 (ESCWA translation); Hasan and Mohamed, 2010.

Country	Labour strategy goals	Key elements
Lebanon <sup>7</sup>	<ul style="list-style-type: none"> <li>▪ Improve opportunities for equitable and safe employment</li> <li>▪ Strengthen the relationship between wages and the cost of living</li> <li>▪ Encourage and enforce formalization of enterprises and workers</li> <li>▪ Ensure a safe working environment</li> <li>▪ Ensure continuous on-the-job improvement of labour force skills</li> <li>▪ Work towards strengthening job security</li> <li>▪ Reduce inequalities in employment opportunities</li> <li>▪ Reduce inequalities in the working conditions of Lebanese, Arab and other foreign workers</li> <li>▪ Empower and ensure the independence of labour unions</li> <li>▪ Strengthen labour market institutions</li> </ul>	<p style="text-align: center;">needs</p> <ul style="list-style-type: none"> <li>▪ Instituting regular reviews of the minimum and average wage to ensure that the levels adopted are sufficient to provide a decent standard of living for workers</li> <li>▪ Instituting intragovernmental coordination mechanisms and providing establishments with simple, low-cost procedures to encourage business registration and enforce the protection of all employees, including temporary and seasonal workers</li> <li>▪ Reviewing legislation and empowering labour inspectors to enforce the strict application of safety and hygiene standards at work</li> <li>▪ Providing workers with opportunities for on-the-job training, standardizing training and establishing links between training and advancement</li> <li>▪ Instituting effective and powerful legal recourse mechanisms for workers filing complaints against employers and for protecting jobs during economic downturns</li> <li>▪ Working towards providing equal employment opportunities based solely on ability and qualifications, and establishing mechanisms that facilitate female participation in the labour market</li> <li>▪ Expanding the protection of labour legislation to all workers in the Lebanese territory and enforcing the application of the tenets of decent work and human rights to all workers</li> <li>▪ Amending the law to ensure strict protection of the independence of trade unions</li> <li>▪ Encouraging trade union reform with a view to achieving greater transparency, democracy, representativeness and effectiveness</li> <li>▪ Reviewing the Labour Law with a view to achieving greater alignment with ratified labour conventions, establishing a labour management information system and empowering the National Labour Office to play its full role as the steward of labour market information</li> <li>▪ The National Employment Office has as its mission combating unemployment, improving working conditions and regulating the labour market<sup>8</sup></li> </ul>
Oman <sup>9</sup>	<ul style="list-style-type: none"> <li>▪ Create job opportunities for Omanis who wish to work, and provide training and rehabilitation commensurate with labour market needs</li> </ul>	<ul style="list-style-type: none"> <li>▪ Seeking to provide employment opportunities for citizens looking for work</li> <li>▪ Preparing a qualified national workforce by providing education and training opportunities for young people to develop their knowledge and skills in order to meet the needs of the knowledge economy</li> </ul>

<sup>7</sup> Lebanon, Ministry of Social Affairs, 2011, pp. 63-64. The Strategy has yet to be endorsed by the new Government.

<sup>8</sup> Lebanon, Legislative decree no. 80/77.

<sup>9</sup> Oman, Seventh Development Plan 2006-2010, pp. 429-431 (ESCWA translation).

Country	Labour strategy goals	Key elements
	<ul style="list-style-type: none"> <li>▪ Replace the expatriate labour force with a highly-qualified Omani workforce for the transition from a low value to a high value economy</li> <li>▪ Increase the labour market contribution of Omanis in general and enhance the contribution of Omani women in particular</li> <li>▪ Raise efficiency by reducing the gap between the public and private sectors</li> </ul>	<ul style="list-style-type: none"> <li>▪ Raising the rate of Omanization within the various sectors of the economy and ensuring Omanization at the sectoral level, aligned with the outputs of education and training</li> <li>▪ Increasing participation of employers in the development of the national workforce to support production and operations</li> <li>▪ Enhancing productivity and the provision of care and protection for workers in the workplace</li> </ul>
Palestine <sup>10</sup>	<ul style="list-style-type: none"> <li>▪ Optimize the Palestinian labour market by achieving harmony between national education and training systems on the one hand, and the needs of the labour market on the other hand</li> <li>▪ Provide labour in accordance with the requirements of the labour market and provide job opportunities</li> <li>▪ Enable the economy to absorb the annual flow of rising labour through rehabilitation</li> <li>▪ Secure a decent life for Palestinians, including income security and individual empowerment</li> </ul>	<ul style="list-style-type: none"> <li>▪ Creating decent employment and encouraging the acquisition of skills and competencies which meet the demands of the labour market</li> <li>▪ Creating an environment which is conducive to private sector growth as a source of employment</li> <li>▪ Promoting the rights and interests of labour in accordance with Palestinian labour law, labour standards and international human rights</li> <li>▪ Promoting social integration and addressing the needs of special groups, such as youth, women and those with special needs</li> <li>▪ Ensuring equality of services between different geographical regions</li> <li>▪ Promoting equality and equal opportunities between women and men in access to employment and skills</li> <li>▪ Promoting social dialogue as a tool for achieving that strategy, including the importance of strengthening cooperation between the Ministry of Labour, employers and workers, in order to build consensus and ensure the involvement of all stakeholders in the labour market</li> <li>▪ Implementing the reform agenda in the Palestinian Authority, which relies on coordination and comprehensive planning</li> <li>▪ Strengthening coordination and partnership between all authorities in the labour sector</li> <li>▪ Facilitating the ability of international partners to support Palestine more effectively and efficiently, in accordance with national priorities</li> </ul>
Qatar <sup>11</sup>	<ul style="list-style-type: none"> <li>▪ Manage economic growth and the labour market</li> </ul>	<ul style="list-style-type: none"> <li>▪ Creating stronger links between education and training and the labour market, including aligning technical education and vocational training with the</li> </ul>

<sup>10</sup> Palestinian Authority, Ministry of Labour, 2009, pp. 8-9.

<sup>11</sup> Qatar Secretariat for Development Planning, pp. 13-16.

Country	Labour strategy goals	Key elements
		<p>needs of the education sector and the labour market</p> <ul style="list-style-type: none"> <li>▪ Analysing the barriers to entrepreneurship and launching initiatives to tackle them, including incentives, business training and capacity-building, both at home and abroad</li> <li>▪ Reviewing the wage structure with a view to minimizing the gaps between nationals and non-nationals, and between the public and private sectors</li> <li>▪ Implementing the above reform measures will contribute towards the following labour market outcomes: expanding high-quality training opportunities for Qataris; providing incentives for Qatari private sector employment; boosting labour force productivity; attracting and retaining high-quality expatriate talent; nurturing and managing human resources; improving labour market flexibility; building the evidence base necessary for optimal policymaking; and enhancing employment and career counselling services</li> </ul>
Saudi Arabia <sup>12</sup>	<ul style="list-style-type: none"> <li>▪ Provide sufficient job opportunities at appropriate wage levels for the employment of all Saudi nationals with a view to achieving a competitive advantage for the economy</li> <li>▪ Provide high value-added jobs</li> <li>▪ Develop Saudi human capital and raise productivity</li> </ul>	<ul style="list-style-type: none"> <li>▪ Creating a comprehensive labour market database, including information on vacancies</li> <li>▪ Establishing female recruitment units in labour offices and training for women</li> <li>▪ Establishing youth recruitment units and providing more information to young job seekers and students</li> <li>▪ Developing the services offered by labour offices</li> </ul>
Sudan <sup>13</sup>	<ul style="list-style-type: none"> <li>▪ No specific labour market strategy, but the National Development Plan aims to:</li> <li>▪ Promote sustainable economic development</li> <li>▪ Reduce poverty and make progress towards achieving the MDGs</li> <li>▪ Maintain the stability and sustainability of macro-economic policies and work for the re-distribution of the benefits of growth in such a way as to increase employment opportunities, mitigate poverty and accelerate the achievement of social welfare</li> <li>▪ Support and protect jobs in the social sector which provide a service to society, and activities aimed at the increased use of technology and the</li> </ul>	<ul style="list-style-type: none"> <li>▪ Enhancing direct investment</li> <li>▪ Aligning vocational training and education outputs with the needs of the labour market</li> <li>▪ Encouraging a competitive private sector, supporting key infrastructure and agricultural projects, and building a knowledge-based economy</li> </ul>

<sup>12</sup> Saudi Arabia, Ministry of Labour.

<sup>13</sup> The Sudan, National Council for Strategic Planning, pp. 5, 14 and 32.

Country	Labour strategy goals	Key elements
	alleviation of poverty	
Syrian Arab Republic <sup>14</sup>	<ul style="list-style-type: none"> <li>▪ Provide employment opportunities for all who wish to work, through high rates of growth and income-generating opportunities</li> <li>▪ Create the climate, infrastructure, systems and legislation necessary to promote investment</li> <li>▪ Reform the education system and develop competencies</li> </ul>	<ul style="list-style-type: none"> <li>▪ Increasing employment opportunities through the expansion of investment in economic and social activities</li> <li>▪ Promoting business and labour-intensive projects which employ low-skilled workers</li> <li>▪ Implementing targeted programmes related to generating income and improving employment rates for the poorest social groups and least developed areas</li> <li>▪ Increasing productivity through training and rehabilitation opportunities, and identifying the potential use of technology to improve financial returns for the existing workforce</li> <li>▪ Supporting companies, working to increase their size and to ensure their rights and interests, along with those of their workers</li> <li>▪ Harmonizing the education system with the needs of the labour market and developing it in such a way as to reduce unemployment</li> <li>▪ The eleventh five-year plan aims to create 1.25 million jobs in order to provide employment for new entrants to the job market and 250,000 new jobs to provide employment for individuals who are currently unemployed<sup>15</sup></li> <li>▪ The plan also aims to create changes to the regulatory and taxation regimes in order to promote increased domestic and foreign investment, continue to develop microfinance and SME support programmes, increase liberalization and decrease subsidies<sup>16</sup></li> </ul>
United Arab Emirates <sup>17</sup>	<ul style="list-style-type: none"> <li>▪ Build a competitive and resilient economy</li> </ul>	<ul style="list-style-type: none"> <li>▪ Harnessing the full potential of national human capital through higher education</li> <li>▪ Focusing on innovation and national entrepreneurship</li> <li>▪ Moving towards economic diversification</li> <li>▪ Increasing levels of foreign direct investment</li> </ul>
Yemen <sup>18</sup>	<ul style="list-style-type: none"> <li>▪ Achieve high economic growth and create job opportunities</li> </ul>	<ul style="list-style-type: none"> <li>▪ Diversifying away from oil and gas dependency</li> <li>▪ Enhancing productivity</li> <li>▪ Increasing industrialization and rejuvenating rural and coastal regions</li> </ul>

<sup>14</sup> Syrian Arab Republic, National Planning Committee, *Tenth Five-Year Plan 2006-2010*, pp. 186 and 188 (ESCWA translation).

<sup>15</sup> Oxford Business Group, 2011.

<sup>16</sup> For further information, see <http://www.syria-today.com/index.php/january-2011/714-focus/13361-qa-amer-housni-lutfin>.

<sup>17</sup> United Arab Emirates, 2011, *Vision 2021: United in Ambition and Determination*.

<sup>18</sup> Yemen, Ministry of Planning and International Cooperation, 2005, pp.3-4, 7-8 and 12.



Country	Labour strategy goals	Key elements
		<ul style="list-style-type: none"> <li data-bbox="816 212 1411 247">▪ Developing export potential by providing free zones</li> <li data-bbox="816 268 1411 304">▪ Doubling female labour force participation by 2025</li> <li data-bbox="816 325 1411 1003">▪ The provisional Fourth Development Plan for Poverty Reduction also aims to encourage the establishment of small and medium-sized enterprises by providing incentives and support, and facilitating procedures; stimulate private investment through intensified attention to small projects; meet the needs of the labour market more effectively by focusing on expanding skills through the development of the education system in general and vocational training institutes in particular; create an environment that stimulates growth in both production and employment, and provides decent work and a decent standard of living; expand labour-intensive small and micro-projects; activate the role of the Social Fund for Development, the Public Works Project and credit funds; activate civil society organizations and the private sector through industrial projects, and the expansion of medium-sized enterprises and development projects in all governorates; use civil service employment to meet evolving needs in education, health and public services; and coordinate with labour markets in neighbouring countries in order to increase the employment opportunities available to Yemenis</li> </ul>

Annex III

**DATA COLLECTED BY ESCWA MEMBER COUNTRIES**

Country	Census	Labour force surveys (LFS)	Household surveys	Other sources of information, including administrative data
Bahrain	<ul style="list-style-type: none"> <li>▪ Census 1991, 2001 and 2010</li> </ul>	LFS 2004	<ul style="list-style-type: none"> <li>▪ Household Expenditure and Income Survey 2005-2006</li> <li>▪ Previous survey 1995</li> </ul>	<ul style="list-style-type: none"> <li>▪ Establishment Survey 2006</li> <li>▪ Administrative records from employment offices</li> <li>▪ Unemployment insurance records from the Ministry of Labour</li> <li>▪ Administrative records of the Department of Labour Relations, Ministry of Labour</li> </ul>
Egypt	<ul style="list-style-type: none"> <li>▪ Population and Housing Census 2006</li> </ul>	<ul style="list-style-type: none"> <li>▪ Quarterly Labour Force Sample Survey (conducted annually between 1968 and 1985)</li> <li>▪ The Egyptian Labour Market Panel Survey was conducted in 1988, 1998 and 2006, providing longitudinal labour force data.<sup>19</sup></li> </ul>	<ul style="list-style-type: none"> <li>▪ Household Survey 1999 and 1997</li> </ul>	<ul style="list-style-type: none"> <li>▪ Indicators of Social Statistics 2000-2008</li> <li>▪ Annual Establishment Survey</li> <li>▪ Records of the Labour Inspectorate</li> <li>▪ Labour relations records</li> </ul>
Iraq	<ul style="list-style-type: none"> <li>▪ General Census of Population and Housing 2010 (postponed to 2011)</li> <li>▪ Previous censuses 1997 and 2001</li> </ul>	<ul style="list-style-type: none"> <li>▪ Annual Employment and Unemployment Survey, carried out since 2003, although the methodology has changed</li> </ul>	<ul style="list-style-type: none"> <li>▪ Iraq Rapid Household Budget Survey 2005 (Part 5: individual characteristics)</li> <li>▪ Iraq Household Socio-Economic Survey 2007 (conducted every 5 years)</li> <li>▪ Iraq Living Conditions Survey 2004</li> </ul>	

<sup>19</sup> For further information, see Assaad (2007).

Country	Census	Labour force surveys (LFS)	Household surveys	Other sources of information, including administrative data
Jordan <sup>20</sup>	<ul style="list-style-type: none"> <li>▪ Population and Housing Census 2004.</li> <li>▪ Previous General Census of Population and Housing conducted in 1994; next census planned for 2014. Censuses include non-nationals</li> </ul>	<ul style="list-style-type: none"> <li>▪ Employment and Unemployment Survey (household sample survey carried out quarterly since 1999)</li> <li>▪ Job Creation Survey (annual)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Household Income and Expenditure Survey 2008</li> <li>▪ Jordan Living Conditions Survey 2003</li> </ul>	<ul style="list-style-type: none"> <li>▪ Employment Survey (annual sample survey for all establishments, both public and private, with more than 50 employees, carried out by the Department of Statistics)</li> <li>▪ Establishment Census 2006</li> <li>▪ Administrative database of the Social Security Corporation (contains information about employed individuals contributing to the Social Security Corporation)</li> <li>▪ Administrative data on public employees held by the Civil Service Bureau</li> <li>▪ Ministry of Labour database on foreign workers holding work permits and their employers</li> <li>▪ Insurance records</li> </ul>
Kuwait	<ul style="list-style-type: none"> <li>▪ Census 2011</li> <li>▪ Previous censuses 2005 and 1995</li> </ul>	<ul style="list-style-type: none"> <li>▪ LFS 2008 and 2003</li> <li>▪ Next survey planned for 2013</li> </ul>	<ul style="list-style-type: none"> <li>▪ Income and Expenditure Household Surveys 2007/2008 and 1999/2000</li> <li>▪ Next survey planned for 2012</li> </ul>	<ul style="list-style-type: none"> <li>▪ Annual Statistical Abstract (produced by the Central Statistical Office)</li> <li>▪ Records of the Labour Inspectorate</li> <li>▪ Civil Service Commission maintains details of the number of Kuwaiti nationals registered as seeking employment</li> <li>▪ Statistical Report on Unemployment in Kuwait: Facts and Figures (June 2006)</li> </ul>
Lebanon	<ul style="list-style-type: none"> <li>▪ Last Census conducted in 1932 (sic)</li> <li>▪ No current plans for census</li> </ul>	<ul style="list-style-type: none"> <li>▪ No LFS</li> </ul>	<ul style="list-style-type: none"> <li>▪ National Survey of Household Living Conditions 2007 and 2004</li> </ul>	<ul style="list-style-type: none"> <li>▪ Université Saint-Joseph, <i>L'Entrée des jeunes libanais dans la vie active et l'émigration</i>, June 2002</li> <li>▪ Administrative data from the Ministry of Labour (work permits) and the business register</li> </ul>
Oman	<ul style="list-style-type: none"> <li>▪ Census 2010</li> <li>▪ Previous censuses 2003 and 1998</li> </ul>	<ul style="list-style-type: none"> <li>▪ Ad hoc LFS 2008, 2006, 2000 and 1996</li> <li>▪ Annual Manpower Survey</li> </ul>	<ul style="list-style-type: none"> <li>▪ Household Expenditure and Income Survey 2007-2008</li> <li>▪ Previous survey 1999; planned annually from 2011</li> </ul>	<ul style="list-style-type: none"> <li>▪ Labour-related Establishment Survey 2001-2002</li> <li>▪ Annual industrial surveys planned for 2011-2015</li> </ul>

<sup>20</sup> The Department of Statistics conducts three types of LFS: a quarterly labour and unemployment household-based survey, a household survey of newly-created jobs conducted twice a year, and an annual survey of labour utilization in economic establishments.

Country	Census	Labour force surveys (LFS)	Household surveys	Other sources of information, including administrative data
Palestine	<ul style="list-style-type: none"> <li>▪ Population, Housing and Establishment Census 2007</li> <li>▪ Previous census 1997</li> </ul>	<ul style="list-style-type: none"> <li>▪ LFS conducted quarterly since 1995</li> <li>▪ Annual Report 2000-2009 and 1999</li> </ul>	<ul style="list-style-type: none"> <li>▪ Expenditure and Consumption Survey 2004/2007, 2001/2002 and 1996/1998, (different rounds)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Statistical Atlas of Palestine 2009 and 2004</li> <li>▪ Information on work permits for workers in Israel and the settlements</li> <li>▪ Rounds of vocational training and workplace inspection are collected but not used for research purposes due to low quality, although they are sometimes used to verify LFS estimates</li> <li>▪ Work Conditions Survey 2004</li> </ul>
Qatar	<ul style="list-style-type: none"> <li>▪ Population and Housing Census 2010 (covered nationals and non-nationals)</li> <li>▪ Population and Housing Census 2004, 1997 and 1986</li> </ul>	<ul style="list-style-type: none"> <li>▪ Labour force sample survey 2009, 2008, 2007, 2006 and 2001 (conducted annually since 2006)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Household Expenditure and Income Sample Survey 2006-2007 and 2000-2001</li> </ul>	<ul style="list-style-type: none"> <li>▪ Employment, Wages and Working Hours Survey 2005 and 1987</li> <li>▪ Administrative records of the Ministry of Labour</li> <li>▪ Records of the Labour Inspectorate</li> <li>▪ Establishment surveys</li> </ul>
Saudi Arabia	<ul style="list-style-type: none"> <li>▪ Population and Housing Census 2010</li> <li>▪ Previous censuses conducted in 2004 and 1992</li> </ul>	<ul style="list-style-type: none"> <li>▪ LFS (labelled Manpower Survey) 2006, 2002, 2001, 2000 and 1999. Conducted twice annually from 2007</li> </ul>	<ul style="list-style-type: none"> <li>▪ Household Expenditure and Income Survey Bulletin 2006</li> </ul>	<ul style="list-style-type: none"> <li>▪ Establishments Census 2003</li> <li>▪ Annual Establishment Surveys</li> <li>▪ Administrative data from the Ministry of Labour, Ministry of Civil Service and General Directorate of Passports</li> </ul>
Syrian Arab Republic	<ul style="list-style-type: none"> <li>▪ Census 2004</li> </ul>	<ul style="list-style-type: none"> <li>▪ Labour Force/Manpower Survey 2000-2010, 1998 and 1994</li> </ul>	<ul style="list-style-type: none"> <li>▪ Income and Family Expenses Survey 2010, 2009, 2007 and 2007</li> </ul>	<ul style="list-style-type: none"> <li>▪ 2005 Establishment Survey</li> <li>▪ Statistical Abstract (produced annually between 2003 and 2010)</li> <li>▪ Records of the Labour Inspectorate and the General Establishment of Social Security</li> </ul>
The Sudan	<ul style="list-style-type: none"> <li>▪ Census 2008</li> <li>▪ Previous census 1993</li> </ul>	<ul style="list-style-type: none"> <li>▪ Migration and Labour Force Survey 1996 and 1990</li> </ul>	<ul style="list-style-type: none"> <li>▪ Sudan National Baseline Household Survey 2009</li> </ul>	<ul style="list-style-type: none"> <li>▪ Survey of Employment, Wages and Hours of work (establishment survey), conducted every three years. Covers establishments with ten or more employees in the private and public sectors in the Khartoum region only</li> <li>▪ Records of the Employment Office</li> </ul>

Country	Census	Labour force surveys (LFS)	Household surveys	Other sources of information, including administrative data
United Arab Emirates	<ul style="list-style-type: none"> <li>▪ Census 2010 planned but not implemented</li> <li>▪ Previous census 2005</li> </ul>	<ul style="list-style-type: none"> <li>▪ LFS (conducted annually from 1999 to 2009)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Household Expenditure And Income Survey 2007; conducted every three years, latest data publicly available 2007</li> </ul>	<ul style="list-style-type: none"> <li>▪ Administrative records from the Ministry of Labour, Ministry of the Interior, Federal Authority for Government Human Resources, National Human Resource Development and Employment Authority, National Bureau of Statistics and other local governmental departments</li> <li>▪ Employment, Wages and Hours of Work surveys, conducted every 2 years</li> </ul>
Yemen	<ul style="list-style-type: none"> <li>▪ Population, Housing and Establishment Census 2004</li> <li>▪ Previous census 1994</li> </ul>	LFS 1999	<ul style="list-style-type: none"> <li>▪ Household Budget Survey 2005-2006 and 1998</li> </ul>	<ul style="list-style-type: none"> <li>▪ Employee data from the administrative system of the Ministry of Civil Service and Insurance</li> <li>▪ Data on foreign workers from the Ministry of Labour</li> <li>▪ Industrial Survey 2003 and 2004</li> <li>▪ Labour Force Demand Survey 2003</li> </ul>

*Sources:* National statistics websites and questionnaire responses from member countries.

Annex IV

**UNEMPLOYMENT BY EDUCATIONAL ATTAINMENT**

<b>Bahrain (LFS 2004)</b>	<b>Males</b>	<b>Females</b>	<b>Total population*</b>
Illiterate	3.2	2.7	3.0
Less than secondary	7.9	11.6	8.7
Secondary	6.6	34.7	12.7
Diploma	5.1	24.2	10.7
Bachelor's degree and above	1.8	18.1	5.4
Total	5.5	20.0	9.0

<b>Egypt (LFS 2009)</b>	<b>Males</b>	<b>Females</b>	<b>Total population*</b>
Illiterate	0.5	3	1.2
Able to read and write	0.9	7.4	1.5
Lower than intermediate	1.8	25	4
Intermediate	7.6	37.2	14.2
Higher than intermediate, lower than university	9	31	15.5
University and above	12.4	30.5	18.4
Total	5.2	23	9.4

	<b>LFS 2000</b>			<b>LFS 2009</b>			<b>LFS 2010</b>		
<b>Jordan</b>	<b>Males</b>	<b>Females</b>	<b>Total population*</b>	<b>Males</b>	<b>Females</b>	<b>Total population*</b>	<b>Males</b>	<b>Females</b>	<b>Total population*</b>
Illiterate	2.6	1.3	2.3	1.5	0.2	1.1	1.2	0.1	0.8
Less than Secondary	67.6	21.8	56.7	63	13.8	46.1	62.1	9.8	45.4
Secondary	12.2	13.5	12.5	10.3	8.6	9.7	9.7	5.1	8.2
Intermediate diploma	6.7	35.9	13.6	6.1	23.6	12.1	5.8	23.6	11.5
Bachelor's degree and above	10.9	27.6	14.9	19	53.8	31	21.2	61.5	34.1
Total	4 525	1 419	5 944	5 041	2 653	7 694	4 869	2 289	7 158

	<b>LFS 2003</b>			<b>LFS 2008</b>		
<b>Kuwait</b>	<b>Males</b>	<b>Females</b>	<b>Total population*</b>	<b>Males</b>	<b>Females</b>	<b>Total population*</b>
Illiterate	0.8	0.2	0.6	0.4	0.0	0.3
Able to read and write	0.3	0.0	0.1	0.6	0.0	0.4
Primary	3.8	1.6	3.1	2.3	2.7	2.4
Intermediate	6.2	5.5	6.0	3.5	4.5	3.7
Secondary or equivalent	3.3	3.5	3.3	2.1	3.0	2.3
Above secondary, below university	2.8	5.4	3.8	2.3	6.3	3.8
University degree	1.1	2.0	1.4	1.6	1.9	1.7
"Above university"	0.0	1.7	0.4	1.2	2.2	1.5
Total	2.8	2.0	2.5	1.8	2.0	1.8

<b>Lebanon (National Survey of Household Living Conditions 2007)</b>	<b>Males</b>	<b>Females</b>	<b>Total population*</b>
Illiterate	4.8	2.2	4.2
Able to read and write	5.8	9.3	6.2
Primary	8.2	12.0	8.7
Intermediate	8.1	15.2	9.1
Secondary	9.8	9.6	9.7
University	10.9	11.4	11.1
Unspecified	10.0	70.5	23.5
Total	8.8	10.2	9.2

<b>Oman (Manpower Survey 2008)</b>	<b>Males</b>	<b>Females</b>	<b>Total population*</b>
Illiterate	0.8	1.1	0.9
Able to read and write	1.9	1.6	1.9
Primary	3.8	8.7	4.3
Lower secondary	5.4	19.6	6.3
Upper secondary	11.2	37.0	16.0
Diploma	3.3	17.5	7.6
University	1.7	12.6	4.3
Master's degree	0.2	4.7	0.8
Doctorate	0.0	0.0	0.0
Total	5.0	17.5	7.1

<b>Qatar (LFS 2009)</b>	<b>Males</b>	<b>Females</b>	<b>Total population*</b>
Illiterate	0.0	0.0	0.0
Read and write	0.1	0.0	0.1
Primary	0.2	0.7	0.2
Preparatory	0.1	4.1	0.2
Secondary	0.2	9.0	0.8
Diploma	0.0	0.4	0.1
University and above	0.3	1.0	0.4

<b>The Sudan (Census 2008)</b>	<b>Males</b>	<b>Females</b>	<b>Total population*</b>
Primary/junior	9.9	19.6	11.5
Secondary	10.7	23.5	13.8
Post-secondary	15.7	31.2	21.4
Khalwa (religious schooling)	10.9	16.9	11.6
Not stated	15.0	19.2	16.6

<b>Syrian Arab Republic (LFS 2001-2008)</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
<b>Females</b>								
Primary education or less	27.2	25.8	16.7	26.4	16.0	24.7	26.9	24.0
Preparatory	32.4	26.9	39.5	32.7	29.6	33.8	39.6	30.5
Secondary education	24.7	36.3	44.0	30.3	37.4	38.6	42.8	43.0
Intermediate	9.8	13.3	16.4	9.5	15.1	13.9	16.2	17.2
University and higher	10.3	13.4	13.2	9.0	13.7	13.5	11.7	12.4
<b>Males</b>								
Primary education or less	8.8	8.3	8.4	11.2	5.9	4.9	4.8	8.6
Preparatory	7.5	9.6	8.4	10.6	6.1	5.3	5.1	7.6
Secondary education	6.8	8.5	11.1	11.3	7.2	7.7	7.1	11.0
Intermediate	5.1	9.7	7.6	6.5	6.2	6.6	6.8	7.6
University and higher	3.3	3.8	3.4	3.5	3.7	4.3	4.8	4.0
<b>Total population*</b>								
Primary education or less	12.4	11.8	9.7	13.0	6.9	6.8	6.9	10.0
Preparatory	10.7	12.2	13.1	13.5	9.0	8.8	9.2	10.5
Secondary education	10.4	14.6	20.4	15.6	13.9	14.6	14.8	18.8
Intermediate	7.1	11.3	11.6	7.8	9.7	9.7	10.9	11.7
University and higher	4.9	6.2	6.0	5.0	6.5	6.9	6.8	6.8

<b>Syrian Arab Republic (LFS 2010)</b>	<b>Males</b>	<b>Females</b>	<b>Total population*</b>
Illiterate	4.3	3.3	4.1
Literate	8.3	8.4	40.9
Elementary	3.9	19.1	4.8
Preparatory	6.1	28.0	8.4
Secondary	7.8	44.0	16.4
Intermediate institutes	6.7	22.5	13.6
University and above	7.0	18.8	11.0
Total	5.7	22.5	8.4

	<b>Educational level</b>	<b>United Arab Emirates (LFS 2009)</b>	<b>Saudi Arabia (LFS 2009)</b>	<b>Palestine (LFS 2010)</b>
Female	No schooling	0.6	0.2	1.5
	Primary education incomplete	0.4	0.3	4.4
	Primary education completed	2.2	1.4	6.7
	Lower secondary education	8.2	16.6	12.7
	Upper secondary education	17.8	..	15.2
	Post secondary education	12.9	28.7	37.1
Male	No schooling	1.6	0.5	24.3
	Primary education incomplete	0.9	2.7	30.0
	Primary education completed	4.1	2.8	26.9
	Lower secondary education	3.2	5.9	25.4
	Upper secondary education	3.0	..	20
	Post secondary education	1.9	4.4	15.4
Total population* <sup>1</sup>	No schooling	1.4	0.4	13.8
	Primary education incomplete	0.8	2.4	25.1
	Primary education completed	3.8	2.7	25.1
	Lower secondary education	4.0	6.5	24.5
	Upper secondary education	6.1	..	19.6
	Post secondary education	4.4	11.0	24.0

Two dots (..) indicate that data are unavailable.

\* Population totals are not necessarily the average of male and female values.



Annex V

**SPATIAL UNEMPLOYMENT**

	<b>Female</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Iraq	Rural	..	..	..	..	..	..	8.0	..	8.3	..	..
	Centre urban	..	..	..	..	..	..	37.4	..	25.0	..	..
	Other urban	..	..	..	..	..	..	36.8	..	36.1	..	..
	Total	..	..	..	..	..	..	22.7	..	19.6	..	..
Jordan	Urban	24.6	22.4	25.9	26.9	21.8	33.0	31.2	34.0	31.4	28.1	21.1
	Rural	20.2	20.2	21.1	19.5	15.4	24.6	23.8	24.2	23.0	23.3	24.8
	Total	21.0	20.6	21.9	20.8	16.5	25.9	25.0	25.6	24.4	24.1	21.7
Palestine	Urban	12.4	13.5	17.9	19.9	21.6	23.3	24.5	20.4	24.7	27.6	..
	Rural	7.7	9.9	11.3	11.6	13.7	15.9	21.7	13.3	17.3	20.2	..
	Camps	25.0	24.2	26.9	30.2	33.5	37.3	30.0	31.3	38.6	36.1	..
	Total	12.4	13.8	17.0	18.2	20.0	22.2	24.4	19.1	24.2	26.4	..
United Arab Emirates	Urban	..	..	..	..	..	8.1	..	..	17.8	17.7	..
	Rural	..	..	..	..	..	6.9	..	..	10.6	9.2	..
	Total	..	..	..	..	..	7.1	..	..	12.0	10.8	..

	<b>Male</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Iraq	Rural	..	..	..	..	..	..	15.0	..	14.9	..	..
	Centre urban	..	..	..	..	..	..	19.7	..	13.1	..	..
	Other urban	..	..	..	..	..	..	12.6	..	15.4	..	..
	Total	..	..	..	..	..	..	16.2	..	14.3	..	..
Jordan	Urban	13.0	15.3	16.7	17.0	15.2	17.5	15.5	12.1	12.4	11.7	10.2
	Rural	12.1	13.3	13.3	12.5	11	11.8	11.2	10.0	9.7	10.1	11.5
	Total	12.3	13.7	14.0	13.4	11.8	12.8	11.9	10.3	10.1	10.3	10.4
Palestine	Urban	13.6	24.2	30.4	25.2	27.2	22.4	21.7	22.0	28.3	24.5	..
	Rural	15.3	29.4	35.6	27.8	27.6	23.8	16.5	21.4	24.4	22.4	..
	Camps	17.3	33.2	39.8	31.1	32.9	29.0	29.5	25.5	28.5	25.7	..
	Total	14.6	27.1	33.5	26.8	28.1	23.8	20.5	22.3	27.2	24.1	..
United Arab Emirates	Urban	..	..	..	..	..	3.9	..	..	3.7	4.3	..
	Rural	..	..	..	..	..	2.2	..	..	1.6	2.1	..
	Total	..	..	..	..	..	2.5	..	..	2.0	2.4	..

		<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Iraq	Rural	..	..	..	..	..	..	13.2	..	13.3	..	..
	Centre urban	..	..	..	..	..	..	22.9	..	15.2	..	..
	Other urban	..	..	..	..	..	..	16.2	..	18.5	..	..
	Total	..	..	..	..	..	..	17.5	..	15.3	..	..
Jordan	Urban	14.5	16.1	18.0	18.3	16.0	19.7	17.8	15.9	15.8	14.8	12.2
	Rural	13.4	14.4	14.6	13.5	11.5	13.8	13.2	12.6	12.1	12.5	13.9
	Total	13.7	14.7	15.3	14.5	12.5	14.8	14.0	13.1	12.7	12.9	12.5
Palestine	Urban	13.4	22.8	28.7	24.4	26.3	22.5	24.0	21.8	27.7	25.1	..
	Rural	14.1	26.7	32.1	24.9	24.9	22.3	20.6	19.6	22.9	21.9	..
	Camps	18.3	32.1	38.3	30.9	32.9	30.1	30.0	26.4	30.2	27.5	..
	Total	14.3	25.3	31.2	25.5	26.8	23.5	23.7	21.7	26.6	24.5	..

		2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Syria Arab Republic	Urban	..	11.6	13.6	11.2	..	9.0	9.3	10.0	13.1	9.3	8.3
	Rural	..	9.0	9.5	10.7	..	7.3	7.3	7.0	9.2	7.2	8.5
	Total	..	11.2	11.7	10.9	12.3	8.1	8.2	8.4	10.9	8.1	8.4
United Arab Emirates	Urban	..	..	..	..	..	4.5	..	..	6.6	7.3	..
	Rural	..	..	..	..	..	2.9	..	..	3.4	3.5	..
	Total	..	..	..	..	..	3.1	..	..	4.0	4.2	..

Sources: **Iraq:** Employment and Unemployment Survey 2008, Unemployment Survey 2006; **Jordan:** LFS 2000-2010; **Palestine:** LFS Database 2000-2010; **Syrian Arab Republic:** 2001-2010 LFS provided by focal point; **United Arab Emirates:** Census 2005; LFS 2008 and 2009.

Two dots (..) indicate that data are unavailable.

Annex VI

**DURATION OF UNEMPLOYMENT**

<b>Jordan</b>						
<b>Percentage of unemployed by duration of unemployment (in months) and sex</b>						
Duration of unemployment	2009			2010		
	Male	Female	Total*	Male	Female	Total*
One month or less	21.7	14.4	19.2	25.4	17.1	22.8
2-3 months	12.8	10.2	11.9	12.0	8.8	10.9
4-6 months	12.2	11.2	11.8	10.5	10.1	10.4
7-12 months	22.2	22.0	22.2	21.4	22.2	21.6
13-24 months	20.2	22.4	20.9	19.4	21.8	20.2
Over 25 months	10.9	19.8	14.0	11.3	20.1	14.1

Source: LFS 2009 and 2010.

<b>Kuwait</b>						
<b>Duration of unemployment (in months) by sex</b>						
Duration of unemployment	2010			2011		
	Male	Female	Total*	Male	Female	Total*
Less than 6 months	1 375	1 621	2 996	2 437	3 190	5 327
6-12 months	1 052	1 823	2 875	1 054	2 805	3 859
Over 12 months	1 297	10 098	11 395	1 234	9 853	11 087

Source: Unemployment in Kuwait (Facts and Figures) 2004, table "Distribution of unemployed Kuwaitis by sex".

<b>Oman 2008</b>			
<b>Percentage of unemployed by length of unemployment</b>			
	Male	Female	Total*
1-6 months	15.9	12.0	14.5
7-12 months	18.5	18.6	18.5
13-18 months	7.0	5.7	6.5
19-24 months	17.8	19.4	18.4
25-30 months	4.1	3.2	3.8
31-36 months	11.0	10.8	10.9
37-42 months	2.7	2.7	2.7
43-48 months	5.6	8.7	6.8
Over 49 months	17.4	19.0	18.0
Total	100.0	100.0	100.0

Source: Manpower Survey 2008.

<b>Palestine</b>												
<b>Average duration of unemployment (in months) by age and sex</b>												
Age	15-19	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65+	Total*
Male	11.7	15.8	18.8	17.3	15.9	16.9	19.3	20.7	22.2	20.4	14.2	16.7
Female	..	10.6	19.6	20.6	17.8	17.0	12.4	..	..	..	..	15.6
Total	11.6	14.3	19.1	18.1	16.1	16.9	18.9	20.1	21.5	19.4	13.1	16.5

Source: LFS Database 2000-2010.

<b>Qatar</b>												
<b>Unemployed (15 years +) by duration of unemployment (in months) and sex</b>												
Duration of unemployment	2001			2007			2008			2009		
	Male	Female	Total*	Male	Female	Total*	Male	Female	Total*	Male	Female	Total*
Less than 1 month	142	359	500	..	..	..	0	40	40	0	17	17
1-6 months	1 769	1 548	3 317	516	1 027	1 543	544	910	1 454	511	793	1 304
7-12 months	1 870	1 758	3 628	499	604	1 103	522	580	1 102	508	745	1 253
Over 13 months	2 356	2 814	5 170	554	1 103	1 657	433	577	1 010	529	858	1 387

Source: LFS 2001, 2004, 2006, 2007, 2008 and 2009.

<b>United Arab Emirates</b>											
<b>Average duration of unemployment (in months) by age and sex</b>											
Age	15-19	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65+
Male	4.7	7.7	9.4	7.0	11.5	8.2	8.9	18.7	8.4	8.3	52.4
Female	5.8	5.4	7.7	8.2	7.7	4.9	8.6	7.6	1.7	2.3	21.1
Total	5.0	6.5	8.3	7.7	8.9	6.7	8.8	14.9	7.8	6.7	34.4

Source: LFS 2009.

\* Population totals are not necessarily the average of male and female values.

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