

The Social Protection System

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Jordan

Introduction

The social protection concept is an old concept that has evolved since the Middle Ages and targeted the poor in the first place. In Europe, the function of social care allocation was basically delivered by providing funds to poor people personally or through alms. The concepts of social care evolved, historically, in the era of the Islamic State within the Zakat concept framework, where alms were channeled to provide care for the needy among the poor, elderly, orphans and widows.

At the end of the nineteenth century and the beginning of the twentieth, many countries developed social care systems, the most notable of which was the system submitted by the German chancellor Bismarck in 1883 that targeted the working class and was the first of a kind in this area. In 1911, the first national insurance system was established in Britain, which was followed by the United States in 1929 after the country witnessed what was known as the Great Depression.

The global concept of social protection shifted from a service to a right, following the Universal Declaration of Human Rights in 1948 and its texts on the right of each individual in the society to social security, or the right of each one to live at a level that guarantees health and well-being for them and their families. Since the issuance of the Universal Declaration of Human Rights, the social protection concept was consecrated as a basic human right, where it was reflected across texts in some countries constitutions, while other countries set laws and measures regulating this right and ensuring the provision of social protection to citizens.

Following this, the social security concept was considered in its minimum limits, as one of the basic rights at work and one of the decent work standards within the International Labor Organization (ILO) standards framework. Afterwards, the concept expanded to include the social protection networks that are considered as one of the interim social protection mechanisms to alleviate misery, fight poverty, empower some disadvantaged society segments due to economic regression, wars and external indebtedness and implement privatization

programs and structural adjustment based on economic reforms. Hence, these developments resulted in reducing the governmental spending aimed at meeting social needs. It paved the way as well to phasing out the use of the State social care concept by government, aggravating the unemployment and poverty issue.

The concept evolved in the context of the global financial and economic crisis consequences that subjected millions of people to indigence and poverty. Therefore, we have now a new concept for social protection that was mentioned in the ILO recommendation No. 202 of 2012, pertaining to the social protection floors. It addresses a set of specific social guarantees at the national level that ensure the protection aimed at eradicating or mitigating poverty, vulnerability and social exclusion, through a set of standards and principles such as:

inclusion of protection in the social security framework; alignment of social subsidies with the basic human needs; non-discrimination between genders; fulfillment of the vulnerable social segments special needs; integration of informal sector workers in the social security system; development of social security funding systems; guarantee of an optimal balance between the interests of both the social security funding parties and beneficiaries; development of a social security management based on transparency and good governance; inclusion of social justice standards in the social security system framework; consistency of social and economic policies and business (operation) policies in the social protection framework; promotion of coherence between the various institutions in charge of providing social protection; provision of high-quality social protection services; development of systems for objection, incrimination and complaint within the scope of the social protection services provision; evaluation of the social protection system on a regular and period basis; full respect of labor organizations and collective bargaining for workers; and consultation with the different relevant civil organizations.

This report is produced to tackle the reality of social protection in Jordan in its holistic concept which significance and contents evolved through a long process until converging with the

ILO recommendation No. 202 of 2012 related to social protection floors, which confirmed the necessity to encompass at least the basic healthcare, including the maternity care that will be accessible and of high quality, the provision of basic income for children, the access to nutrition, education and health, the provision of a basic income equivalent to the minimum wage at least for the unemployed active segments of the population, particularly in case of disease, unemployment, maternity, disability and elderly people.

We hope this report will cover the various relevant aspects, depict a clear and complete picture of the reality and present as well the set of recommendations claimed by the Jordanian civil society.

Section One: Role of the State in the development

The State general status at the economic and social levels

The economic policies undertaken by the successive Jordanian governments during the past decades were based on the liberalization of the Jordanian economy and the philosophy of the free market economy, by liberalizing foreign trade and prices, lifting subsidies for basic commodities, privatizing randomly government partnerships and through attempts to withdraw the State from the economic landscape. However, the policies that were implemented contributed to the increase of the Gross Domestic Product (GDP) growth rates during some periods. Yet, this economic growth was not coupled with improvements in the population living standards which resulted in the inability to extend the scope and quality of the social protection systems in Jordan, in addition to the incapacity to generate new and sufficiently decent job opportunities during the positive economic growth phases and did not contribute hence to reducing poverty and unemployment levels.

The Jordanian economy achieved during the period 2000-2010 a growth of 6 percent in the GDP, however this growth started to decline in

the following years due to the global economic crisis; it decreased to 2.7 percent during the period 2010-2012 and registered by end of 2013 a rate of 2.8 percent¹. This decline was the outcome of many internal and external factors that were represented by the global financial crisis, the drop of foreign investments and the raise of the State public debt which reached unprecedented levels in 2013, to near 20 Billion JD i.e. 80 percent of the GDP². Moreover, the measures taken to liberalize commodity prices, particularly oil derivatives, led to the inflation rates increase that reached by end of 2013 5.6 percent³. The economic policies implemented by the successive Jordanian governments contributed to the enlargement of the poverty range which attained 14.4 percent⁴.

This was coupled with an increase in the unemployment rates, as estimates indicate that unemployment among the Jordanian youth is one of the highest worldwide with 32 percent for the age category (15-19 years) and 34 percent for the age category (20-24 years) (for non-students in both categories), according to the most recent local and international statistical indicators for 2013⁵. The weakness of the economic, education and business policies and their inconsistency with the society reality and needs as well as its development requirements contributed also to the rise of unemployment rates.

The average wage in Jordan is also low taking into account the high prices of the various commodities and services. As a matter of fact, 61.2 percent of the Jordanian employees earn an average monthly wage of less than 400 JD, while the percentage of those who earn less than 300 JD per month is around 44.1 percent⁶.

1- Department of Statistics, annual reports, sporadic years, Jordan

2- Jordanian Ministry of Finance, the ministry's general financial statement, August 2014

3- Department of Statistics, the monthly bulletin of consumer prices, March 2014

4- Department of Statistics, Case Study on Poverty in Jordan, 2012

5- ILO, World of Work, 2013

6- Social Security Corporation, Annual Report 2013,

The minimum wage is 190 JD per month while the absolute poverty threshold for the standard Jordanian household with 5.3 members is 416 JD a month⁷. This illustrates the expanding scope of the poor workforce, in addition to the growing informal sector in Jordan that includes 44 percent of the Jordanian workers⁸ and most of them do not have any form of social protection. The situation has worsened over the last years due to political and security developments that hit the region and which effects reached Jordan at all political, economic and social levels. As a result, a wave of popular claims emerged demanding the implementation of political and economic reforms based on social justice and fighting corruption. On the regional front, Jordan hosted huge numbers of Syrians due to the deteriorating security situation in their country. The presence of about 600,000 Syrian refugees constituted a pressure on the different services and economic resources of the Kingdom, besides the approximate 900,000 Syrians residing in Jordan without holding though the status of refugees.

Therefore, Jordan suffers from a series of economic imbalances that led in turn to significantly increasing social imbalances especially in light of the exponential population growth that reached around 6.5 Million at the beginning of 2014⁹. These disparities are the result of undertaking economic policies that do not suit the Jordanian reality, in addition to the interruption of the political and economic reform project launched since 1989, leading to a lack of accountability and effective control.

The political legislations (election law, political parties' law, publications law, etc.) contributed to the creation of weak parliaments unable to efficiently control the government performance and of dispersed parties incapable of producing impact as well as restrictions on the freedom of speech and expression.

Amman, Jordan

7- Department of Statistics, Report on Poverty in Jordan, 2012

8- Ministry of Planning and International Cooperation, Informal Sector Study, 2012

9- Jordanian Ministry of Health, website <http://www.moh.gov.jo>

Position of social protection in the state general policy

The social work in Jordan started as voluntary but was soon institutionalized with the establishment of the Ministry of Social Development in the 1950s and the concept of social care as known across the state institutions evolved along with a set of legislations, regulations and guidelines, in addition to the design of protection policies and participation in the funding protection programs through state budgets.

The Ministry of Social Development has ever since overseen directly the implementation of social protection legislations and policies through its subsidiary authorities and institutions in order to provide social protection services. They subsequently became standalone entities at the financial and administrative levels including, inter alia, the National Aid Fund and the Higher Council for Affairs of Persons with Disabilities.

The Ministry of Social Development scope of work is based, according to its statute, on licensing and following up on nurseries and special education institutions and centers; building and maintaining quarters for poor households; funding microcredit productive projects; providing care for individuals with disabilities, children without family support, women battered by their families, outlaw juveniles and poor elderly; and following up the implementation of relevant national strategies such as the 2010 national strategy for the elderly and the 2010 national strategy for orphan and needy children.

The social protection services included in the Ministry of Social Development scope of work are denoted by not encompassing all people entitled to this protection and by their low quality due to the limited ministry resources on the one hand, in addition to the weak performance and the faltering of the affiliated departments and institutions on the other hand, alongside the shaky control and evaluation systems in use. Therefore, media outlets come up every couple of months with scandals related to the performance deterioration across nursing facilities for disabled, children and elderly.

The State put a framework to the (healthcare) concept by founding the Ministry of Health

besides the armed forces royal medical services as the ministry oversees the implementation of the health sector strategy that includes in Jordan government hospitals and health facilities, royal medical services, private hospitals as well as the UNRWA health centers. The health services provision system was developed so that healthcare centers will spread across the Kingdom, covering the diverse social segments. However, the health protection is known for not having vertical and horizontal inclusion as those included in the health insurance system are the public sector workers and their families as well as the citizens below 6 and above 60 years old and all heart, cancer and kidneys patients¹⁰. Hence, the health protection system does not include all citizens and is denoted by the low quality of these services due to the lack of resources, decline of competent departments and institutions performance, besides the weakness of control and evaluation systems.

In the education area, the Ministry of Education supervises the education system in the Kingdom across both its public and private sections that consist of four phases: pre-school education, primary education, and secondary education as well as university studies. Despite the significant improvement Jordan has achieved in the area of education, the expansion of schools across the Kingdom and the success in reducing illiteracy which reached 6.7 percent¹¹ in 2012, Jordan faces the challenge of school dropout which was at 0.31 percent for the academic year 2011-2012¹². It suffers also from the continuous use of the two-phase system, due to the lack of government schools particularly in crowded areas. Moreover, the education outputs in Jordan are of an extremely low quality. This was actually declared by the education department owners, the minister of education and the minister of higher education; this statement was acknowledged lately by the Minister of Education who indicated that about 20 percent of the primary education students do not master

10- Jordanian Ministry of Education, *ibid*

11- Ministry of Education, newspaper declarations, March 2014

12- The National Center for Human Rights, Study on the "real spending on the rights to education, health and work in the budgets of Jordanian governments", 2010

reading, writing or even simple calculations¹³.

The successive governments developed a social protection framework consisting of a series of subscription-based programs (social insurance systems such as social security, civil and military pension), non-subscription based programs (social safety nets or social assistance like the National Aid Fund), social sector policies (services and infrastructure, education, health) and commodity subsidization.

Funds allocated for social protection from the State general budget

The State annual budget comprises permanent items for the spending on health, education, labor and social protection sectors. Jordan has in fact started the implementation of austere economic policies according to the International Monetary Fund (IMF) requisites, within the framework of the "credit readiness" convention signed in 2012, preceded by a number of restructuring programs known as (economic reform programs) since the beginning of the 1990s. The overall economic policies implemented are still focused on controlling the public spending. In this context, the different social protection programs were negatively affected by the implementation of these policies. Jordan's spending on education, health and labor declined during the period 2000-2010 in favor of security and military expenses. The spending rate on the education, health and labor sectors went down during the period 2000-2010 from 25 percent to around 23 percent in 2010, while the rate of security expenses was 24 percent, i.e. equivalent to what was spent on education, health and labor together¹⁴.

As a result of the distortions in the pension systems applied in Jordan, the pension cost for approximately 300,000 retirees from the public sector amounts to 1.46 Billion Dinars on a yearly basis (around 1.5 Billion USD) forming thus 15 percent of the overall public spending according

13- Jordanian Ministry of Finance, the government general financial statement, August 2014

14- Social Security Corporation, *ibid*

to the 2013 figures¹⁵.

As for the insurance expenses according to the Social Security Corporation system, they reached by end of 2013 around 510 Million Dinars (approximately 750 Million USD¹⁶) to be paid from the corporation funds, knowing that the government contributes to feeding this fund only by covering the dues of its employees.

The existing relationship between social protection and the tax system

The social protection policies were related to the different financial policies on public revenues and perhaps the most important of these are the tax policies as they suffer from significant distortions that affected and are still affecting directly the decline of the tax revenues (income tax) and the indirect tax revenues inflation (public tax on sales). The tax system in Jordan is denoted by the lack of justice where progressive tax is not applied, resulting in the increase of the taxation burden that reached 25 percent of the GDP, while the income tax revenues do not exceed 5 percent of the GDP¹⁷, as according to the globally recognized standards, they should not be less than 10 percent, not to mention the dissemination of the tax evasion phenomenon resulting from the weak rule of law. All this led, in addition to the implementation of non-social economic policies that did not sufficiently care for providing social protection as a human right across the successive Jordanian governments, to a negative effect on the public spending on social protection.

Furthermore, austere economic policies adopting the market economy system according to its neoliberal version were implemented in line with bilateral agreements with the IMF and the World Bank during the past two decades and a half. The focus was on lifting subsidies on commodities and on other policies mentioned above, increasing thus the pressure on broad segments of population in areas of basic human rights such as education, social security, health

15- Jordanian Ministry of Finance, *ibid*

16- Universal Declaration of Human Rights, 1946

17- The International Covenant on Economic, Social and Cultural Rights of 1966

and protection of marginalized segments like the elderly, children and disabled with the aim of depriving them from their rights. As a matter of fact, there was a wage freeze that kept wages at low levels as clarified earlier versus consecutive increases in inflation rates due to price liberalization, foreign trade and rise of public taxes on sales.

Section Two: Legislative framework and social protection system features

Plurality is one of the issues the social protection system is facing, resulting in multiple stakeholders supervising its management, which allowed for labeling the system as distorted and weak.

The social protection concept is based on a series of international charters and legislations endorsed by the international community and ratified for the most part by the Kingdom. The key international charters include the universal declaration of human rights of 1948, particularly article 22 stating that “Everyone, as a member of society, has the right to social security and is entitled to realization, through national effort and international co-operation and in accordance with the organization and resources of each State, of the economic, social and cultural rights indispensable for his dignity and the free development of his personality” and article 25 indicating that “Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control. Motherhood and childhood are also entitled to special care and assistance. All children, whether born in or out of wedlock, shall enjoy the same social protection¹⁸”.

The International Covenant on Economic, Social and Cultural Rights of 1966 and ratified by Jordan in 2006, particularly article 9 stating that “the States Parties to the present Covenant recognize the right of everyone to social security, including social insurance”, and article 11 indicating that “The States Parties to the present Covenant recognize the right of everyone to an

18- Phoenix Center for Economic and Informatics Studies, Statement issued by the Jordan Labor Watch on the social security temporary law, March 2013

adequate standard of living for himself and his family, including adequate food, clothing and housing, and to the continuous improvement of living conditions” as well as article 12 noting that “the States Parties to the present Covenant recognize the right of everyone to the enjoyment of the highest attainable standard of physical and mental health”. Also, article 13 states that “The States Parties to the present Covenant recognize the right of everyone to education. They agree that education shall be directed to the full development of the human personality and the sense of its dignity, and shall strengthen the respect for human rights and fundamental freedoms. They further agree that education shall enable all persons to participate effectively in a free society, promote understanding, tolerance and friendship among all nations and all racial, ethnic or religious groups, and further the activities of the United Nations for the maintenance of peace...”¹⁹. Jordan ratified as well the United Nations General Assembly declaration on the right to development in 1986 and adopted the Millennium Declaration in 2000 from which derived the eight Millennium Development Goals (MDGs) supposed to be achieved by 2015.

With regard to local legislations, the Jordanian constitution did not expressly note the right to a decent standard of living, however the Jordanian national charter of 1991 in article 8 of chapter 3 stated that “combating poverty and its effects must be made a strategic goal of the Jordanian state and a national responsibility requiring the provision of employment opportunities to all who can and want to work, with first priority to be given to Jordanians. Also, there must be a just regional and social distribution of services and development projects with the objective of meeting basic needs, marginalizing poverty and reducing its impact on the individual and society”. As for the right to work, the Jordanian constitution guaranteed in articles 6/2 and 23 the right to work for all citizens.

With respect to the rights of the child, Jordan ratified the Convention on the Rights of the Child and the Jordanian constitution secured the right to education within the limits of the State

19- The National Center for Human Rights, Human Rights Case Study in Jordan, 2012

capacity. It provided for the right to establish private schools and for compulsory education. The text of the education law provided also for a free compulsory education. Nevertheless, the Jordanian constitution did not refer to the right to health and the national legislations did not mention the State’s responsibility for ensuring the adequate conditions to exercise this right. The amended public health law No. 47 of 2008 included however material confirming the state responsibility for providing the different forms of healthcare.

Jordan ratified also the Convention on the Rights of Persons with Disabilities and the Law on the Rights of Persons with Disabilities No. 31 of 2007 regulated the rights of this population segment. The rights of elderly people were confirmed as well in the set of laws, regulations and guidelines drafted for the purpose of organizing the work, providing social aid as well as regulating and licensing nursing homes. The Ministry of Social Development is perceived as the key umbrella for elderly care in Jordan.

As such, the Jordanian legislations covered a large portion of the social protection elements within a legal framework that contained a broad set of laws, regulations and guidelines to implement the international conventions and treaties endorsed by the Kingdom. However, most of the local legislations are still having shortcomings and are not aligned with the international standards. In the area of social insurance-specific legislations, Jordan has only ratified so far one of the ILO’s conventions related to social security, which is Convention No. 102 of 1952 on the minimum standards of social security. To date, Jordan did not ratify Convention No. 121 of 1964 on Employment Injury Benefits, Convention No. 128 of 1967 on Invalidity, Old-Age and Survivors’ Benefits, Convention No. 130 of 1969 on Medical Care and Sickness Benefits and Convention No. 183 of 2000 on Maternity Protection²⁰.

On children protection, Jordan has not endorsed so far the draft law of the children rights in line with the relevant international conventions and the Jordanian government did not develop efficient mechanisms to implement article 74 of the labor

20- Jordanian Military Pension Law, ibid

law that prohibits child labor in hazardous work. As for women protection, the government did not amend the texts of both laws of civil and military pension with respect to women subject to the civil or military pension who earn an inherited salary.

If they were allocated a pension in return for the services they provided, they will receive the highest pay and the payment of the other salary will cease to avoid paying more than one pension, although both salaries represent a due being the outcome of hard work, effort and various deductions. The pension is also taken away from wives, daughters and mothers in the event they got married and is given back to them if they became widows or divorcees; in case they got married again the pension will be cut off permanently.

The social security systems working in Jordan

The social protection engines are numerous in Jordan and are divided into two parts: government and non-government. The government part includes the systems of social security, civil and military pensions, as well as some institutions and campaigns aimed at empowering marginalized segments in the community to face the livelihood challenges, including inter alia Jordan Hashemite Charity Organization, the Goodwill Campaign, Tkiyet Um Ali (Food for Life), etc. The non-official entities are represented by the different civil society organizations that provide various forms of social assistance to the poor and orphans. In recent years, the involvement of the civil society in social protection programs increased due to the state inability to adequately fulfill its role and the incapacity of the different state institutions to reach all the segments that should indeed benefit from social protection programs. This contributed to the growing intervention of the community to provide social protection services as well. The following presentation will go briefly through the most important social security systems working in Jordan alongside some social insurance programs.

Social Security:

Social security represents the largest social protection network in terms of the beneficiaries' size and the type of the social protection it provides. Like other social security systems around the globe, it is based on the contribution of both the worker and employer whether the latter was a private or public sector.

The social security law in Jordan was issued as a temporary law, law No. 30 of 1978, following the economic and social development in the Kingdom and it targeted the active population not included by other retirement systems and laws like the civil and military pension that necessitated the existence of a socio-economic umbrella ensuring the protection of these productive segments. These amendments were incorporated into the law, the most recent of which was the temporary law No.7 of 2010 endorsed by the parliament in December 2013. The social security provides insurance to the subscribers versus the old age benefits (pension), the employment injury benefits, family benefits, maternity benefits, disability and survivors' benefits, unemployment benefits (partially).

The social security currently covers according to the related figures around 66 percent of the total active population in the Kingdom. The number of the social security subscribers is about 1,050,000, while the number of women included in the social security system is lower with 258,000 subscribers, i.e. 25 percent. However, these figures are subject to accountability as the Ministry of Planning figures note that 44 percent of the workers in Jordan operate in the informal sector and do not enjoy any form of social protection. The social security is compulsively applied across all working facilities while it is optionally implemented for independent workers whether they resided within or outside the Kingdom as well as housewives or some non-regulated economic sectors.

Social security in Jordan is regarded as a coherent social protection system but like other social protection sectors suffers from weak inclusion despite the significant increase of the number of social security subscribers during the past four years due to the amendments made

on the relevant law in 2010 to cover all working facilities. The system fails also to cover all types of social insurance (health care/protection) and is subject to constant concerns about the possibility of going bankrupt. Therefore, contributions from subscribers and employers will be increased or benefits reduced with respect to pension calculation. The government does not pay either any yearly allocation from its budget for the social security fund, although many states feed social security funds through annual contributions in order to promote and expand its protectionist capacities.

Civil pension:

It is one of the government social protection systems and it came into effect in 1959. It includes the employees of the government civil apparatus, the diplomatic corps staff and both the parliament and cabinet members. In 1955, the inclusion of newly appointed employees in the civil apparatus in the civil pension law ceased and appointments across the civil organization structure became subject to the social security system with the exception of senior civil servants. Under this system, workers and retirees receive a set of benefits such as old age benefits (pension), employment injury benefits, family benefits, maternity benefits as well as disability and survivors' benefits.

This system currently includes some discriminatory texts as it grants senior civil servants pension privileges that are not awarded to the vast majority of civil servants, particularly in the pension conditions; it requires that regular staff have at least 20 years of service to qualify for the pension, while the senior civil servants are allowed to enjoy a pension after less than 10 years of service. A great debate is currently ongoing in Jordan on these privileges for the purpose of cancelling them, especially after the King rejected the draft law presented to him by the parliament and senate which provided for these privileges. He requested the members of both bodies to develop a more equitable law. This occurred after a broad wave of protests among the majority of the social categories and segments.

Military pension:

It is one of the government pension systems that came into effect in 1959. It included subscribers from all the Jordanian Armed Forces (JAF) and other relevant security bodies appointed before 2003, as after that date the inclusion of the JAF new recruits in the military pension law ceased and hence they were no longer subject to the social security law provisions. Under this system, retirees receive a basic pension with a maximum of 125.0 percent of the last basic salary in addition to personal and family raises, noting that retirees and their families are included in the military health insurance system. The funding of this system is based on deducting contributions from the subscribers and government, where part of the pension expenses are covered through the military pension system subscriptions while the remaining part is covered from the public treasury. The early military pension fund was established to cover the interval pending retirement. The Retirement and Compensations Directorate in the Jordanian Ministry of Finance oversees the implementation of the military pension law. This system encompasses a set of benefits comprising the old age benefits (pension), the employment injury benefits, family benefits, maternity benefits, disability and survivors' benefits.

Professional labor organization funds

Professional labor organizations are institutions that operate according to private laws representing the interests of tens of thousands of professionals like medical practitioners, engineers, lawyers, nurses, etc. and provide diverse social protection systems funded completely through member subscriptions. These systems cover the subscriber pensions and provide health insurance and social solidarity funds denoted by their stability as they are managed by experts elected by the general secretariat of these professional labor organizations and are subject to their follow-up and control.

Health insurance:

The first government health insurance system in Jordan was established in 1965 and was based on the services provided within state

hospitals and health centers for subscribers and beneficiaries as well as for the free treatment of the needy. Many amendments were introduced to the system, the latest of which was in 2004. Accordingly, the health insurance fund was established and was financed from the allocations of the relevant general budget, the subscription fees planned according to the system provisions, the medication revenues, the fee set pursuant to the system provisions, the returns on the fund investments as well grants and donations, subject to the approval of the Cabinet if they were from a non-Jordanian origin in addition to any other revenues feeding into the fund under any other legislation.

The health insurance covers children below six years old, social security retirees from the government employees and related beneficiaries, spouses of government female staff and retirees, children of subscribed female employees (between 18 and 25 years old), retired daily-paid workers, rural population, extremely poor areas population, needy Jordanians based on official social studies, patients suffering from chronic diseases like renal failure and cancer, elderly people above sixty and pregnant women. The health insurance covers around one third of the population.

Section Three: Social coverage reality

The Jordanian legislations addressed the social protection elements within a legal framework that comprised a large set of laws, legislations and guidelines, however, most of the local legislations are still tainted by shortcomings and not aligned with the relevant international standards. In the area of social insurance legislations, Jordan has not ratified yet four international conventions tackling the different social insurance issues, except for the ILO Convention No. 102 of 1952 on the Minimum Standards of Social Security that was ratified at the beginning of 2014. The Kingdom did not endorse either Convention No. 121 of 1964 on the employment injuries benefits, Convention No. 128 of 1967 on Invalidity, Old-Age and Survivors' Benefits, Convention No. 130 of 1969 on Medical Care and Sickness Benefits, Convention No. 183 of 2000 on Maternity Protection and Convention No. 87 concerning the Freedom of Association and Protection of the Right to Organize, which is one of the social

protection floor standards reviewed above.

With regard to the alignment of the social protection systems in Jordan with the highest social protection standards mentioned in the ILO recommendation No. 202 on social protection floors, we found that the social protection system is still dispersed, horizontally and vertically weak as it does not include all citizens and does not provide full coverage. Therefore, it is not inclusive and does not meet all the special needs of the vulnerable social segments, is unable to integrate the informal sector workers in the social security system, and ineffective in terms of funding, with the reliance of its main pillars on beneficiary subscriptions only. Moreover, questions are always raised on the transparency level and the use of the good governance standards in the management of some relevant elements particularly the social security fund. Weakness is also noted in the alignment of economic, social and business (operation) policies within the social protection framework and the same applies to the promotion of consistency between the various institutions in charge of ensuring social protection. The quality levels of many social protection services are still low as well.

Furthermore, there is no sufficient respect for the freedom of association, collective bargaining and consultation with the different relevant civil organizations. This is a priority issue considered as necessary to ensure balance among the diverse society components. Weakness is also noted in providing protection to children especially dropouts entering the labor market and in ensuring a basic income equivalent to the minimum wage at least for all the active population and those unable to work as well as in cases of disease, unemployment, maternity, disability and for the elderly.

Section Four: Future trends and suggested alternatives

In light of the analytical review in the past sections of the report, it is clear that the economic policies implemented in Jordan over the last decades which were based on the free market philosophy in its neoliberal form

and which adopted austere economic policies were used according to bilateral agreements with the IMF and the World Bank and focused on lifting subsidies on commodities, privatizing many public entities, liberalizing foreign trade and prices, weighing on wages and increasing indirect taxes and other non-social policies, as well as the State renunciation of playing its role in ensuring economic and social rights including social protection, led together to more pressure on large segments of population and weakened the social protection system in Jordan.

In addition to that, the role of the Jordanian civil society organizations is very weak in terms of contributing to the improvement of the social protection enjoyment, in particular the organizations that are supposed to play a pivotal role in this area such as labor organizations which role has declined in protecting the majority of Jordan's workers, specifically in the social protection field. Their efforts were limited to the participation in the social security related debates held by ad-hoc parliamentary committees, where some labor organizations took part in the work of the labor and social development committee during the discussion of the social security proposed law. It should be noted that the independent labor organizations (not recognized by the government) played a concrete role in improving the social security law texts, unlike the official labor organizations which participation was just a formality. The balance of social, economic and political powers in Jordan did not allow for imposing the implementation of healthcare services in favor of the social security subscribers and retirees, as this right is still not applicable.

Additionally, the role of the existing labor organizations is still limited in terms of creating a sort of social pressure to enforce and implement the new social security law and hundreds of thousands of workers are still deprived from enjoying this right due to the employers' objection.

In a nutshell, the social protection system is Jordan needs substantial reforms to make sure it covers all recipients as a right and these reforms can be summed up as follows:

1. Reconsider the existing development model and the resulting economic policies to build it on the human rights system, including the social protection and guide all policies towards enforcing these rights.
2. The government should ratify the ILO conventions related to social security, represented by Convention No. 121 of 1964 on the employment injuries benefits, Convention No. 128 of 1967 on Invalidity, Old-Age and Survivors' Benefits, Convention No. 130 of 1969 on Medical Care and Sickness Benefits and Convention No. 183 of 2000 on Maternity Protection.
3. The necessity to proceed with the standards integration of the social protection floors mentioned in the ILO recommendation No. 202 of 2012 in all social protection related legislations.
4. The need to make structural amendments to the government administrative system in order to consolidate the institutional references that provide social protection services and avoid their diffusion which will broaden the beneficiary base on the one hand and put an end to the squandered social protection spending resulting from this diffusion on the other hand.
5. A real shift to the consolidation of social security and military/civil pension systems within the framework of the Social Security Corporation without discrimination against senior and junior civil servants, which will reduce the civil and military pension system burden on the state treasury.
6. The necessity to accelerate the implementation of all the social security law benefits, particularly the healthcare for subscribers and retirees as one of the fundamental standards of social protection.
7. The necessity to accelerate the implementation of the social security law to cover all workers and deter employers

from opposing their integration in the system to evade the payment of their financial obligations.

8. The necessity to increase the public spending allocations for health services in the State general budget in order to improve the quality of health services provided to the citizens.
9. The necessity to increase the public spending allocations for education services in the State general budget in order to improve the quality of education services provided to the citizens.