# Press Release issued by the Palestinian Central Bureau of Statistics on the occasion of May 1<sup>st</sup>, International Workers' Day

- Women participation in the labour market is still low and the unemployment among educated women is very high.
- The unemployment rate in Gaza Strip is 30.3% and 20.3% in West Bank.
- The pessimism level increased regarding the economic situation, and the economic dependency ratio increased.
- More than half of wage employees in private sector do not get the rights that released by international organizations.

The Palestinian Central Bureau of Statistics shares this occasion with the Palestinian population and particularly the labour force, and highlights the current conditions that Palestinian workers live as well as future challenges.

### 4 out of 10 persons participate in the labour force.

Participation in the labour force is considered the main indicator for the efficiency and activity of the labour market in providing job opportunities. The labour force survey results showed a decrease in the participation rate from 43.6%. to 40.7% of total manpower (persons aged 15 years and over) in 2005. This means that 4 persons out of 10 are participating in the labour force.

In 2005 the participation rate in the West Bank was 42.9%, compared to 36.7% in the Gaza Strip. The female participation rate in the Palestinian Territory is considered very low compared with the male participation rate, at 13.4% (15.8% in the West Bank and 9.0% in Gaza Strip) for females, compared to 67.6% (69.5% in the West Bank and 63.9% in Gaza Strip) for males. The number of participants in the labour force is estimated to be about 827,000 (568,000 in the West Bank and 259,000 in the Gaza Strip).

#### More than one fifth of participants in the labour force are unemployed.

The percentage of unemployed among the persons participating in the labour force in 2005 was 23.5% (20.3% in the West Bank and 30.3% in Gaza Strip). The unemployment rate among females was 22.3% compared with 23.7% among men. The number of unemployed persons is estimated to be about 194,000 (115,000 in the West Bank and 79,000 in Gaza Strip).

The unemployment rate in the Palestinian Territory is considered very high compared with other countries. For instance, the unemployment rate in Jordan was 12.5% and in Israel was 10.4%.

# Hebron Governorate had the highest rate of unemployment in the West Bank while Deir Al Balah had the highest in the Gaza Strip.

In 2005, Hebron governorate had the highest unemployment rate with 26.1%, followed by Jenin governorate with 25.3%. The lowest rate of unemployment in the West Bank was in Jericho and Al-Aghwar Governorate (13.2%) and Bethlehem Governorate (13.5%). In the Gaza Strip, Deir Al Balah governorate had the highest rate of unemployed with 35.1%, then North Gaza with 33.6%; the lowest percentage of unemployed was in Gaza (26.8%)

### 633,000 employed in the Palestinian Territory.

The number of employed persons is estimated to be about 633,000 (males and females) in the Palestinian Territory in 2005 (453,000 in the West Bank and 180,000 in the Gaza Strip). The number of employed females is estimated to be about 105,000 women (85,000 in the West Bank and 20,000 in Gaza Strip). The number of persons employed in Israel and Israeli settlements from the West Bank was about 35,000 with Palestinian Identity cards and 28,000 with foreign and Israeli Identity cards, compared with less than one thousand from the Gaza Strip employed in Israel. In comparison, the number of employed persons in Israel on the eve of Al Aqsa Intifada (3<sup>rd</sup> quarter 2000) was 146,000 (116,000 from West Bank and 30,000 from Gaza Strip).

The percentage of wage employees was 59.5% of total employment (56.4% in the West Bank and 67.1% in Gaza Strip), down from 67.6% at the eve of Intifada (66.2% in the West Bank and 71.0% in Gaza Strip). The percentage of self employed increased from 18.1% in the 3<sup>rd</sup> quarter 2000 to 26.1% in 2005.

The services sector (e.g., education, health, public administration, etc.) is considered the main employing sector for the Palestinian labour force; the results showed that 34.4% of employed persons work in that sector: 49.5% of which are employed in the Gaza Strip, 31.5% are employed in the West Bank (excluding the Palestinian workers in Israel and settlements). The construction sector is considered the main sector for those working in Israel and the Settlements, with 41.9% in that sector. The trade and restaurants sector followed the services sector in the local market, employing 20.8% in the West Bank and 16.3% in the Gaza Strip, followed by the agricultural sector with 17.1% in the West Bank and 11.7% in the Gaza Strip.

The public sector plays the main role in hiring unemployed persons: about 26,000 persons are enrolled in the public sector, where the total employed persons are 141,000 (72,000 in the West Bank and 69,000 in the Gaza Strip). In 2005, the public sector employed 23.0% of all employed persons in the Palestinian Territory, compared to 17.4% in the 3<sup>rd</sup> quarter 2000 (eve of Intifada).

### NIS 69.2 is the average daily wage for employees in the local sector.

The average daily wage in 2005 reached NIS 73.7 for wage employees in the local sector in West Bank compared with NIS 61.9 in Gaza Strip and NIS 127 in Israel and Settlements. Also, the results showed that the average weekly work hours for employed persons in West Bank were 42.5 hours compared with 41.2 hours in Gaza Strip and 44.7 hours for those working in Israel and Settlements.

### 300,000 graduates of higher education and vocational education and training at the end of 2005

The results of the survey of conditions of graduates of higher education and vocational training, which was conducted by the PCBS during the period from 14/12/2005 to 19/1/2006 in the Palestinian Territory, indicated that the estimated number of persons aged 15 years and above currently attending educational institutions was 473,000 persons representing 22.8% of the total persons aged 15 years and above; of which 292,000 were in the West Bank and 181,000 in the Gaza Strip; while females constitute 48.7% of total persons attending education. Also, the results of the Graduates Conditions Survey showed that the number of graduates who were persons 15

years and above and holders of training /vocational education certificates were about 300,000 at the end 2005, representing 14.5% of the total population aged 15 years and above.

# The highest unemployment rate registered among the training/vocational education graduates (34.8%) in the end of 2005

The results of the Graduates Conditions Survey showed that the highest labour force participation rate was among graduates who were persons aged 15 years and above in the Palestinian Territory and their educational qualification was bachelor degree and above; participation was 89.2% (88.2% in the West Bank and 90.7% in the Gaza Strip). The results showed that the highest unemployment rate was among graduates persons holding vocational education and training certificates, at 34.8% (30.9% in the West Bank and 41.2% in Gaza Strip), while the lowest unemployment rate was registered for persons holding bachelor degrees and above at 22.1% (18.1% in the West Bank and 27.9% in the Gaza Strip).

57.3% of unemployed graduates who registered at the labour office (administered by the Ministry of Labour) are still waiting for work compared to 12.9% of those who registered and got a job; 29.8% did not register at the labour office, the main reason for not registering for 31.6% was due to not knowing about the availability of labour offices, and the second reason for 26.4%. was that the job opportunities provided were not suitable.

### **Increasing dependency ratio**

The economic dependency ratio increased in the Palestinian Territory from 4.8 to 6.2 between the 3<sup>rd</sup> quarter 2000 and 1<sup>st</sup> quarter 2006 (the change rate is 29.1%). It increased in the West Bank from 4.3 to 5.4 (the change rate is 25.6%) and in Gaza Strip increased from 5.9 to 8.4 (the change rate is 42.4%).

### Most of wage employees working under work conditions that does not match with the international standards

The results showed that more than half of employees in private sector do not have the minimum occupational safety tools. 60.6% of them do not have emergency exits, 31% do not have fire extinguishers or a first aid box. Also the results showed that 65% of employees in private sector do not have insurance against work injuries, and 62% do not have health insurance. On other side, 55.4% of employees in the public sector do not have emergency exits, 18.1% do not have first aid box and 15.8% do not have fire extinguishers.

# More than half of wage employees in private sector do not get the rights adopted by international organizations.

The results showed that 56.3% of employees in the private sector do not get annual paid vacations, while 52.3% do not get paid sick leaves and 56.0% do not get paid emergency leaves. Also, the results showed that 18.3% of wage employees in the private sector do not receive wages regularly.

### Low affiliated to a labour /occupational union.

Results showed that 68.6% of employed persons are not affiliated to a labour union, 13.3% indicated that the reason was due to union affiliation rules, and 79.3% reported that they were not interested because they were not convinced about the union's performance.