

# Palestinian Central Bureau of Statistics (PCBS)

*On the occasion of May 1— International Workers' Day*

## Indicators of the Labour Force in the Palestinian Territory

The Palestinian Territory has witnessed a new and continuous period of suffering since September 28, 2000, when the relatively stable situation that prevailed in the Palestinian Territory since the establishment of the Palestinian National Authority in 1993 collapsed and all previous agreements with Israel were frozen. The most serious difficulty in the recent period has been the building of the Expansion and Annexation Wall and the imposed closure on the main Palestinian cities. Palestinian workers who had been working in Israel and Israeli Settlements on the eve of the Al Aqsa Intifada lost their jobs and the loss of income directly affected the economic cycle of the Palestinian economy.

Since September 2000 until now the Palestinian labour market has faced continuous crisis. On the anniversary of International Workers Day celebrated by the world, one third of the Palestinian labour force has no hope to find job opportunities in the near future that would secure their minimum levels of living. The Palestinian population is seeking freedom, a decent life and achievement of all their rights; workers particularly are eager for stability and economic development in order to find job opportunities.

The PCBS shares with the Palestinian population and particularly the labour force, on this occasion, and highlights the conditions that Palestinian workers live and future challenges.

<b>4 out of 10 persons participate in the labour force.</b>
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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 down to 39.7% of total manpower (persons aged 15 years and over) during the period January-March 2005. This means that 4 persons out of 10 are participating in the labour force. The participation rate had been 43.5% on the eve of the Al Aqsa Intifada, July-September, 2000, and 40.1% in the 1<sup>st</sup> quarter 2004.

The participation rate reached in the 1<sup>st</sup> quarter 2005 in the West Bank was 41.4%, compared with 36.6% in the Gaza Strip. Female participation rate in the Palestinian Territory is considered very low compared

with males, at 12.2% (14.1% in the West Bank and 8.6% in Gaza Strip), compared with 66.8% for males (68.1% in the West Bank and 64.2% in Gaza Strip). The number of participants in the labour force is estimated to be about 794 thousands (540 thousands in the West Bank and 254 thousands in Gaza Strip).

**The participation rate in the labour force in the Palestinian Territory is higher than Jordan and lower than Israel.**

In comparison with neighboring countries, the participation rate in the Palestinian Territory is seen to be higher than that of Jordan, which reached about 37.4%. Also the female labour force participation rate in Jordan is considered very low, about 10.4%. When compared with Israel, with a total participation rate and female participation rate of 54.4% and 49.1% respectively, the discrepancy is very high for both countries.

The labour force is classified into two categories: employed and unemployed persons; employed persons are classified as fully employed or underemployed. The percentage of employed persons in the Palestinian Territory reached 73.7% from total persons participating in the labour force, of which about 7.9% are underemployed.

**More than one fourth of participants in the labour force are unemployed.**

The percentage of unemployed among the persons participating in the labour force in the 1<sup>st</sup> quarter 2005 was 26.3% (22.6% in the West Bank and 34.0% in Gaza Strip). Also the unemployment rate among females reached 20.2% compared with 27.3% among men. The number of unemployed persons is estimated about 208 thousands (122 thousands in the West Bank and 86 thousands 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 reached 12.5% and 10.7% in Israel.

**Jenin had the highest percentage of unemployment in the West Bank while Khan Younis was highest in the Gaza Strip.**

In the 1<sup>st</sup> quarter 2005, Jenin governorate had the highest unemployment rate with 29.3%, followed by the Hebron governorate with 27.4%. The lowest percentage of unemployment in West Bank was in Bethlehem where it reached 12.4%. In the Gaza Strip, Khan Younis governorate had the highest percentage of unemployed with 36.6%, then North Gaza with 36.2%, while the lowest percentage of unemployed was in Rafah (30.1%)

**586 thousands employed in the Palestinian Territory.**

The number of employed persons is estimated about 586 thousands (males and females) in the Palestinian Territory in the 1<sup>st</sup> quarter 2005 (418 thousands in the West Bank and 168 thousands in Gaza Strip). The number of employed females is estimated about 96,000 women (76,000 in the West Bank and 20,000 in Gaza Strip). The number of persons employed in Israel and Israeli settlements from the West Bank reached about 33,000 with Palestinian Identity cards and 27,000 with foreign and Israeli Identity cards, compared to 1,000 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 thousands (116 thousands from West Bank and 30,000 from Gaza Strip).

The percentage of wage employees reached 61.0% from total employees (58.6% in the West Bank and 67.2% 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% from 3<sup>rd</sup> quarter 2000 to 26.8% in the 1<sup>st</sup> quarter 2005.

The services sector (e.g., education, health, public administration, ... ) is considered the main employing sector for the Palestinian labour force; the results showed that 35.8% of employed persons work in that sector: 50.1% of which are employed in Gaza Strip, 33.2% employed in West Bank and 11.3% working in Israel and settlements. The construction sector is considered the main sector for those working in Israel and the Settlements, with 43.9% in that sector. The trade and restaurants sector followed the services sector in the local market, employing 20.7% in the West Bank and 14.8% in Gaza Strip, followed by the agricultural sector with 14.4% in the West Bank and 13.2% in Gaza Strip.

The public sector plays the main role in hiring unemployed persons: about 18,000 persons are enrolled in the public sector, where the total employed persons are 133 thousands (73,000 in West Bank and 60,000 in Gaza Strip). In 2004, the public sector employed 22.0% of all employed persons in the Palestinian Territory, compared to 17.4% in the 3<sup>rd</sup> quarter 2000 (eve of Intifada).

**NIS 67 is the average daily wage for employees in the local sector.**

The average daily wage in the 1<sup>st</sup> quarter of 2005 reached NIS 71.1 for wage employees in the local sector in West Bank (NIS 59.8 in Gaza Strip and NIS 121.8 in Israel and Settlements). Also, the results showed that the average weekly work hours for employed persons in West Bank were 42.2 hours (40.5 hours in Gaza Strip and 44.5 hours for those working in Israel and Settlements).

**About half of all private sector wage employees receive annual paid vacations.**

The results of the work conditions survey that PCBS conducted during the period of May-June of 2004 showed that 81.7% of wage employees in the private sector receive wages regularly, and 43.7% of employees in the private sector get annual paid vacations, while 47.7% have paid sick leaves.

**Half of all private sector wage employees feel job security**

Data showed that 24.8% of employees in the private sector receive cash incentives and 54.5% receive in-kind incentives, while 39.0% of employees participate in decision making and 49.9% feel job security.

**61.9% of private sector wage employees do not have contracts with their employers.**

38.1% of wage employees in the private sector in the Palestinian Territory have written contracts with their employers (35.1% in the West Bank and 51.8% in Gaza Strip). Results also showed that 89.3% of employees having written contracts include work safety environment regulations (86.6% in the West Bank and 97.7% in Gaza Strip).

Wage employees encountering sex discrimination totaled 2.2% (2.0% for males and 3.0% for females). Employees encountering age discrimination reached 4.9% (5.4% for males against 2.7% for females).

Results showed that 10.7% of total wage employees in the private sector encountered insulting/ verbal violence during work (11.6% for males and 7.1% for females). Also, Results showed that 33.7% of wage employees have private health insurance, 4.0% have public health insurance and 35.0% have insurance against work injuries.

In addition, results showed that 24.8% of employed persons who have diploma and above indicated that their occupation suits their qualifications (23.0% in the West Bank, 32.7% in Gaza Strip).

**Less than half of the public sector employees find that their occupation suits their qualifications.**

Results showed that 10.0% of total Palestinian Territory wage employees encountered insulting/ verbal violence during work (10.5% for males and 8.1% for females). Also, results showed that 3.2% of wage employees have private health insurance and 37.0% have insurance against work injuries.

In addition, data showed that 93.3% of wage employees stated that they have first aid equipment at work: 84.2% have fire extinguishers, 81.9% have emergency exits, 82.7% have instructions and awareness-raising bulletin boards, 44.6% have a first aid provider, and 50.7% have natural ventilation.

Results showed that 46.6% of employed persons in the public sector who have a diploma and above indicated that their occupation suits their qualifications (58.4% in the West Bank, 33.9% in Gaza Strip).

**Half of all employed persons were exposed to inhaled dust.**

The results showed that 36.2% of employed persons work under sunlight, 50.6% are exposed to inhaled dust, 19.0% are exposed to smoke and 5.8% to gas inhalation. Also, results showed that 9.3% of employed persons work at a height above the ground, 27.5% work near sharp machines, 7.6% work near chemicals, explosives and flammable materials, 27.3% of employed persons stated that their job required to remain sitting for more than 4 hours daily, compared with 43.2% who stand for more that 4 hours daily and 28.1% report that their job is lifting heavy weights.

The results showed that 23.8% of employed persons are required to wear protective clothes during their work; 70.5% of them indicated that protective clothes are available, and of these 59.5% of the employed who have protection equipments said they use it regularly, 38.0% use it sometimes and 2.5% do not use it.

**31.4% of employed persons are affiliated to a labour/occupational union.**

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

**7.5% of employed persons were exposed to work injuries.**

Results showed that 7.5% of employed persons in the Palestinian Territory were exposed to work injuries (9.0% in the West Bank and 2.9% of Gaza Strip). Also, the results indicated that 57.5% of these injuries were concentrated in the upper extremities, and 27.9% in the lower extremities; 38.6% of injuries resulted from dealing with sharp equipment. The results showed that 66.5% of employed persons who were exposed to injuries in Palestinian Territory were absent from their work due to the injury, distributed by 64.2% in West Bank and 87.8% in Gaza Strip.

**40,000 employed children in 2004.**

The Child Labour survey that PCBS conducted in 2004 showed that 40,000 of children aged 5-17 years worked in 2004, of which 35,000 were males and 5,000 were females. That number constitutes 3.1% of children aged 5-17 years (3.8% in the West Bank and 1.9% in Gaza Strip). The employed children were distributed by locality type: 2.6% in urban areas, 4.6% in rural and 1.8% in camps.

**Commitment and collaboration from the local society increased the efficiency of development planning.**

The official statistics produced by PCBS are the main bases for strategic planning for use by decision makers. PCBS works diligently to develop and improve the methods of data collection and processing in order to maintain the high quality of data to serve the development process in the Palestinian Territory. The continuing commitment and collaboration of the society with PCBS will ensure data of a high quality and up-to-date information.