**Palestinian Central Bureau of Statistics (PCBS)**

**the Labour Force Survey Results Fourth Quarter**

 **(October – December, 2020) Round**

**The Impact of the Coronavirus Pandemic on the Labour Market**

The labour market is considered the most affected sector during the ongoing Coronavirus pandemic since the beginning of March 2020, as the Palestinian government has taken several measures in addition to an emergency plan to limit the outbreak of the pandemic. Thus, the report below reflects the most important indicators of the Palestinian labour market during the 4th quarter of 2020 as follows:.

**The number of employed persons increased by 60 thousand in the 4th quarter of 2020**

The number of employed persons (excluded workers abroad)increased from 935 thousand in the 3rd quarter of 2020 to 995 thousand in the 4th quarter of 2020, by 6% compared to the 3rd quarter of 2020. It increased in the West Bank by 7.8% compared to the 3rd quarter 2020, also it increased by 1.5% in Gaza Strip for the same period.

The largest increase reported among wage employees, as this number increased by 74 thousand employed persons, while other employed persons the number decreased between the two quarters mentioned, it decreased by 11 thousand for self employed (employers and self employed), also it decreased by 3 thousand for unpaid family workers.

**Decreasing in employed persons who were absent from their work due to the pandemic**

The results showed that the number of employed persons who were absent from their jobs decreased from 117 thousand in the 3rd quarter 2020 to 61 thousand in 4th quarter 2020 by 48%. The reasons of this percentage is due to reducing measures of the Corona pandemic and gradually returning to work in the workplace recently.

**An increase in the number of employed persons in the local market between the 3rd and 4th quarters of 2020**

The number of employed persons in the local market increased from 800 thousand employed persons in the 3rd quarter of 2020 to 853 thousand employed persons in the 4th quarter of 2020, where it increased by 1.4% in Gaza Strip and increased by 8.5% in the West Bank for the same period.

The results showed that most of the activities witnessed an increase in the number of employed persons during the 4th quarter of 2020 are those employed in other services[[1]](#footnote-1), constructions, then manufacturing, agriculture and transportation, but trade commerce and hotels sector witnessed adecrease in the number of employed persons.

The average weekly working hours for wage employees in the West Bank was 43.3 hours per week compared to 33.9 hours in Gaza Strip. The average monthly working days was 22.7 working days in the West Bank compared to 21.1 working days in Gaza Strip.

**An increase in the number of employed persons in Israel and Israeli settlements by 7 thousand between the 3rd and the 4th quarters of 2020**

The number of employed persons in Israel and settlements increased from about 135 thousand employed persons in the 3rd quarter of 2020 to 142 thousand employed persons in the 4th quarter of 2020; this increase is due to reducing the measures taken to limit the outbreak of the Corona virus, where the highest increase was in the number of workers in constructions by 6 thousand, then manufacturing and agriculture sectors by 4 thousand and 3 thousand employed persons respectively. The number of employed persons in Israeli settlements increased from 19 thousand in the 3rd quarter 2020 to 20 thousand in the 4th quarter 2020.

The average daily wage for the wage employees in Israel and Israeli settlements increased between the 3rd quarter 2020 and the 4th quarter 2020 from 254 NIS to 261 NIS.

**7 out of 10 employed persons are wage employees**

74% of employed persons are wage employees, 23% of employed persons are self-employed and employers, and 3% are unpaid family members.

**About half of the wage employees in the private sector were hired without any contract.**

46% of wage employees in the private sector were hired without any contract, and 34% of wage employees receive a contribution to a pension fund/end of service compensation. Moreover, more than half of wage female employees (65%) have a paid maternity leave.

**24% of wage employees in the private sector receive less than the minimum wage (1,450 NIS) in Palestine**

The percentage of wage employees in the private sector who receive less than the minimum wage in the West Bank remains at the same level about 6% between the 3rd quarter 2020 and the 4th quarter 2020, (The number increased from 13 thousand to 17 thousand), while the percentage decreased slightly from 84% to about 79% in Gaza Strip (The number increased from 64 thousand to 68 thousand) during the same period.

The monthly minimum wage in Gaza Strip was (682 NIS) compared with (1,062 NIS) in the West Bank.

**A decrease in the labour force participation in Gaza Strip**

The participation rate in the labour force remains at the same level between the 3rd quarter and the 4th quarter 2020 about 41%, Also, data indicated that this percentage increased from 45% to 46% in the West Bank, while it decreased in Gaza Strip from 35% to 32% during the same period.

The male participation rate decreased from 66% in the 3rd quarter of 2020 to 65% in the 4th quarter 2020, while for females it remains at the same level 16% during the same period.

This explains why unemployment rates decreased slightly this quarter, as the decreasing in the labour force participation was about 6 thousand while the increase in the number of employed was about 60 thousand, so the increasing in the number of employed persons was more than the increasing in the number pf participants, so decreasing number of unemployed persons, unemployment rate among labour force participants (15 years and over) in the 4th quarter was about 23%, while the total underemployment of labour was about 35%, according to the revised International Labour Organization standards (ICLS-19th).

The number of unemployed persons reached 304 thousand in the 4th quarter of 2020; of which 168 thousand persons in Gaza Strip and 136 thousand persons in the West Bank. Hence, the disparity remains large in the unemployment rate between the West Bank and Gaza Strip, as this rate reached 43% in Gaza Strip compared to 15% in the West Bank. As for the sex level, the unemployment rate for males in Palestine reached 20% compared to 37% for females.

Within the same context, the total underutilisation reached 530 thousand persons, as this number includes 133 thousand discouraged job seekers and 17 thousand in time-related underemployment.

Unemployment Rate (ICLS 19th) by Region, 1st Quarter of 2018 – Q4-2020

1. Includes: Public administration and defence; compulsory social security, Education, Human health activities, Social work activities without accommodation, Creative, arts and entertainment activities, Libraries, archives, museums and other cultural activities, Sports activities and amusement and recreation activities, Activities of membership organizations, Other personal service activities, Activities of households as employers of domestic personnel and Activities of extraterritorial organizations and bodies [↑](#footnote-ref-1)