

Facts Sheet on Palestinian workers in the oPt¹

Updated in September 2015

Economic context	<p>The Palestinian economy is a colonial economy, annexed to the Israeli occupying power's economy under unfavorable conditions as defined in the Paris Protocol, the economic appendix to the Oslo agreements signed in 1994. Palestinians have no free access and use of natural resources (water, land), nor any control over borders. As a consequence, Israeli products and foreign imports flood the local markets, while Palestinian products face many restrictions. The continuation of the Israeli occupation maintains the economy at the mercy of Israeli policies and collective punishment measures.</p> <p>The Palestinian economy is a services economy, and agriculture and industry are constantly declining. 89% of Palestinian economic establishments are small & micro-enterprises employing less than 5 workers². There is a sizable informal economy.</p>
Participation in labor force:	<p>1.291 million men and women aged 15 years and above were in the labor force in the 2nd quarter of 2015. The participation rate was 46.2% in West Bank and 44.9% in the Gaza Strip, but with a huge gap between men (71.2%) and women (19.6%). Palestinian women's participation rate in the labor force remains one of the lowest of the world.</p> <p>Most women outside the labor force (61.4%) are taking care of their families, while none of the men are. 26.5% women outside the labor force are studying or training, compared to 52.5% of the men outside the labor force. Only 6% of the women are outside the labor force because of old age/illness, compared to 31.4% of the men.</p>
Unemployment	<p>In the 2nd quarter of 2015, the unemployment rate stood at 24.8% using ILO standards, and the number of unemployed persons was 320,000: about 127,700 in the West Bank and about 192,400 in Gaza Strip. Unemployment is higher in the Gaza Strip due to the blockade (41.5% compared with 15.4% in the West Bank).</p> <p>Women's unemployment (38.9%) is significantly higher than men's (21%). For women, education is not a guarantee for finding a job: the unemployment rate among women with 13 years of schooling or more was 48.7%. Among age groups, youth aged 20-24 years continued to register the highest unemployment with 41.7%.</p>
Workers in the Israeli labor market	<p>In the 2nd quarter of 2015, about 112,200 workers were employed in Israel and Israeli settlements (representing 16.2% of employed persons), 61,300 with a work permit, 37,600 working without a permit and 13,300 with an Israeli identity card or foreign passport. There were 20,300 Palestinians working in Israeli settlements, due to the lack of alternatives in the Palestinian labor market.</p> <p>As per a DWRC study released in 2012, 11% of Palestinian workers in Israeli settlements</p>

¹ Source of statistical data, unless otherwise stated: Palestinian Central Bureau of Statistics, 2015. Labour Force Survey: (April –June, 2015) Round, (Q2/2015). Press Report on the Labour Force Survey Results. Ramallah - Palestine

² PCBS, The Condition of Operating Establishments in Palestine (Arabic), 2014, Ramallah-Palestine



	work on lands confiscated by the Israeli occupying power from their families.
Legislation:	<p>The Palestinian Labor Law no 7 of the year 2000 that entered in force in 2001 applies to private sector workers and an increasing number of public sector workers employed on temporary contracts due to budget crisis and “reform” to decrease public sector employment.</p> <p>The Palestinian Civil Service Law applies to employees of ministries and governmental agencies. A special regulation applies to municipal workers.</p> <p>Israeli labor law applies to Palestinian workers in the Israeli labor market.</p>
Average wages	<p>In the 2nd quarter of 2015, average net daily wages were 84 NIS, 84.6 NIS for men and 81.4 NIS for women (excluding workers in Israel and Israeli settlements). About one fifth of women workers are unpaid family members.</p> <p>One of the reasons why working in Israel and Israeli colonies remains attractive to Palestinian workers from the West Bank (no workers from Gaza are allowed to work in Israel) are the huge differences in earnings. The average daily wage for workers in Israel & Israeli settlements was 199.1 NIS, compared to 74.6 NIS in the Palestinian private sector, 99.3 NIS in the public sector and 107.3 NIS in other sector.</p>
Minimum wage	<p>The minimum wage is a right stipulated in the Palestinian Labor Law, but it took ten years for the negotiations to be opened on the subject. For the first time, a minimum wage was adopted by the West Bank government in October 2012, and entered in force in January 2013. It was set at 1450 NIS per month (roughly around 375 US\$).</p> <p>As of the 2nd quarter of 2015, 21.4% of West Bank wage workers in the private sector were still paid less than the minimum wage, causing a total monthly wage loss of about 19.3 million NIS. As per a study issued by MAS on the first 15 months of implementation of the minimum wage, more than half the women employed as wage workers in the private sector were paid less than the minimum wage. The other category most affected were youth workers.</p> <p>As for the Gaza Strip, where the minimum wage is not applicable, 66.7% of wage workers (74,700 employees) earn about half the monthly minimum wage (730 NIS on average).</p>
Minimum working age	<p>The minimum working age is set by law at 15 years. Hazardous work is prohibited for those under 18 years. As per statistics, 5% of children aged 10-17 years are working.</p>
Maternity leave	<p>In both the public and private sector, women are entitled to a paid 10-week maternity leave and a nursing leave. There is no paternity leave. Women employed in the private sector only obtain their paid leave if they have worked for 180 days for the same employer prior to the leave (while all other rights are granted after 90 days, i.e. the trial period). Employers have to pay for the maternity leave.</p> <p>In the 2nd quarter of 2015, only 36.9% of female wage employees obtained a paid maternity leave. Oftentimes, women are fired by employers due to their maternity leave, although this is prohibited by the law.</p>
Violations of workers' rights in the Palestinian private sector	<p>Almost four fifths of employees in the Palestinian private sector are deprived of their most basic rights at work. In the 2nd quarter of 2015, 78.5% of wage employees did not obtain their severance pay (which is an essential right since they do not benefit from a pension</p>



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	<p>system or have any unemployment allowances). 77.6% obtained no paid annual vacations, and 77.2% had no paid sick leave.</p> <p>Many other rights stipulated in the labor law are not respected by employers, including the obligation for the employer to pay for preliminary and regular medical check-ups, or to abide by health and safety standards. 53.1% of the workers have no work contract at all, and few employers keep official records about their employees, which is required by the law, and therefore it is more difficult for workers to claim their rights.</p> <p>Employers also take advantage of loopholes in the law, in particular the lack of proper protection against dismissal and the fact that there is no compulsory reinstatement in case of arbitrary dismissal (even for unionists).</p>
Gaps in social protection	<p>Public sector workers (21.5% of those employed, 37.8% in the Gaza Strip and 15.1% in the West Bank) contribute to and benefit from governmental health insurance and a pension system.</p> <p>There is no protection against unemployment and no pension system for private sector workers. As per an amendment to the pension law, it should also be applied to private sector workers, but the legislation has yet to be implemented and the by-law issued by the government for its application rendered it non-compulsory in violation of the law itself.</p> <p>There is no universal health insurance scheme. Employers have to insure workers against work injuries with private insurance companies, but there is no public fund to assist workers, who have no insurance coverage.</p> <p>The West Bank government, with ILO technical assistance, had formulated the project to launch a social security scheme for private sector employees by mid-2015, constituted of social insurances funds for old-age/pension, survivors, disability, work injuries and maternity benefits. Social partners have been involved in discussions of the draft system, but it has yet to be presented to the wider public.</p>