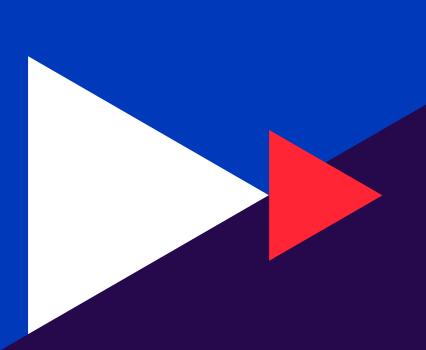


# ► The situation of workers of the occupied Arab territories

Report of the Director-General - Appendix 2021

International Labour Conference 109th Session, 2021



► The situation of workers of the occupied Arab territories

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#### ▶ Preface

In accordance with the mandate given by the International Labour Conference, this year I again established a mission to prepare a report on the situation of workers of the occupied Arab territories. Due to the coronavirus (COVID-19) pandemic, exceptionally the mission had to conduct its work by videoconferencing.

The mission had in-depth discussions with representatives of the Palestinian Authority, the Government of Israel, employers' and workers' organizations, representatives of the United Nations (UN) and other international organizations and non-governmental organizations (NGOs) as well as members of the business and academic communities. It also met virtually with the Arab Labour Organization and with constituents of the Syrian Arab Republic. They all provided information which has guided the preparation of this report.

I am grateful for the cooperation extended to the mission by all its interlocutors, which once again reaffirmed the broad support for the values of the International Labour Organization (ILO) and its ongoing work with all its constituents. As always, the mission conducted its work with the aim of producing a comprehensive, accurate and impartial assessment of the current situation of workers of the occupied Arab territories.

The last year has been extraordinarily difficult for Palestinian workers. Battered by the impact of the COVID-19 pandemic, compounded by a financial crisis, many workplaces had to remain closed for prolonged periods. Tens of thousands of Palestinian workers lost their jobs, incomes and livelihoods. Many turned their backs on a labour market that no longer delivers for them.

As so often, women have been among those hardest hit. Coping with the double burden of additional care responsibilities, including homeschooling, and mass lay-offs, many have given up looking for a new job. Female labour force participation has reached a new low.

Meanwhile, the occupation has continued unabated. For much of last year, the threat of annexation loomed over parts of the West Bank. Confrontations and violence are widespread. And there has been an acceleration in the expansion of settlements, which are a major obstacle to peace and to achieving the two-state solution in line with international law and Security Council resolutions.

In Gaza, the misery of Palestinian workers has reached alarming proportions. Less than one in five people of working age have a job. Two thirds of women and young people are unemployed and most of them now harbour little hope of ever getting into paid employment. The situation is untenable.

When can an urgently needed recovery be expected? Given the depth of the crisis and the sheer number of collapsed businesses and lost jobs, it now seems all too likely that the developments of 2020 may shape Palestinian labour market outcomes for years to come. An acceleration of the vaccination roll-out is urgently needed, both to protect public health and as a prerequisite for rebooting the economy and labour market.

Palestine cannot pull itself up on its own: it requires increased support from the international community. Donors need to engage. Investing in Palestinian recovery brings the possibility to invest in peace.

However, the aim should not be to return to the previous status quo. Rather, it needs to be to build back better and address the many rights deficits faced by Palestinian workers. In particular, the pandemic has highlighted the urgent need to provide social protection.

The Palestinian and Israeli labour markets continue to be interlinked. Israel needs Palestinian workers and Palestinians need jobs in Israel. Israel has put announced reforms of the permit regime for Palestinian workers in motion, and this is important and welcome. But key problems such as continuous exploitation by permit brokers remain unresolved. Effectively addressing these issues, and many others, will require dialogue and coordination between the two sides. Unilateral action is less likely to work well.

Ultimately, Palestinian workers will only be able to enjoy their full rights and dignity if and when the occupation is brought to an end. The time has come for the international community to return to multilateralism and restore hope through joint action towards that goal.

May 2021

Guy Ryder Director-General

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### **▶** Introduction

- 1. This Report of the Director-General presents the findings of the annual ILO mission, mandated to assess the situation of workers of the occupied Arab territories. Due to the COVID-19 pandemic and its accompanying travel restrictions and lockdowns, the mission had to be conducted by videoconferencing. As in all previous years, it was carried out in accordance with the resolution concerning the implications of Israeli settlements in Palestine and other occupied Arab territories in connection with the situation of Arab workers, adopted by the International Labour Conference at its 66th Session (1980). <sup>1</sup> The mission covered the situation of the workers of the Occupied Palestinian Territory (the West Bank, including East Jerusalem, and Gaza) and the occupied Syrian Golan. <sup>2</sup>
- 2. The Director-General's representatives were guided by the principles and objectives laid down in the Constitution of the International Labour Organisation, including the Declaration of Philadelphia, as well as the ILO Declaration on Fundamental Principles and Rights at Work, the ILO Declaration on Social Justice for a Fair Globalization and the ILO Centenary Declaration for the Future of Work. The representatives were also guided by the resolutions adopted by the International Labour Conference, as well as the principles laid down in relevant international labour standards and those enunciated by the supervisory bodies of the ILO.
- 3. In examining all the issues involved, both during the virtual mission and in the preparation of this report, the Director-General's representatives bore in mind, as they have always done, the relevant standards of international humanitarian and human rights law, in particular, the Hague Convention of 1907 (respecting the laws and customs of war on land) and the Fourth Geneva Convention of 1949 (relative to the protection of civilian persons in time of war). The work was guided by the relevant resolutions of the UN General Assembly and the Security Council, including Security Council resolutions 242 (1967), 338 (1973), 497 (1981), 1397 (2002), 1515 (2003), 1850 (2008), 1860 (2009) and 2334 (2016). It was also mindful of the Advisory Opinion of 9 July 2004 of the International Court of Justice. <sup>3</sup>
- 4. The Director-General entrusted Frank Hagemann, Deputy Regional Director for the Arab States and Director of the Decent Work Technical Support Team for the Arab States, to lead the mission. The mission team included Steven Kapsos, Head of the Data Production and Analysis Unit in the Department of Statistics; Konstantinos Papadakis, Senior Social Dialogue and Governance Specialist in the Governance and Tripartism Department; and Lisa Tortell, Legal Specialist in the International Labour Standards Department. Mounir

<sup>&</sup>lt;sup>1</sup> ILO, Resolution concerning the Implications of Israeli Settlements in Palestine and Other Occupied Arab Territories in Connection with the Situation of Arab Workers, International Labour Conference, 66th Session, 1980.

<sup>&</sup>lt;sup>2</sup> As has been pointed out in previous reports, the position of the Israeli Government regarding the Golan was stated in the following terms: "The ILO mission is meant to collect material for the Director-General's Report on the occupied Arab territories. It is the position of the Government of Israel that the Golan, to which Israeli law, jurisdiction and administration have been applied, is not now such an area. In view of this consideration, approval for a visit of the ILO mission to the Golan was given as a gesture of goodwill and without prejudice. The decision to facilitate such an informal visit shall not serve as a precedent and does not contravene the Israeli Government's position." It is recalled that the Golan was unilaterally annexed by Israel in 1981 and that Security Council resolution 497 (1981) calls on Israel to rescind its decision to annex the Golan, which has never been recognized by the UN.

<sup>&</sup>lt;sup>3</sup> ICJ, "Legal Consequences of the Construction of a Wall in the Occupied Palestinian Territory", in *Reports of Judgments, Advisory Opinions and Orders*, advisory opinion, 9 July 2004.

- Kleibo, ILO Representative in Jerusalem; Rasha El Shurafa, Programme Officer in the Office of the ILO Representative in Jerusalem; and Dalal Abu Saleh, Operations Assistant in the Office of the ILO Representative in Jerusalem, helped prepare the mission. Tariq Haq, Senior Employment Policy Specialist in the Decent Work Technical Support Team for the Arab States, acted as technical adviser.
- 5. During the period of 8 to 24 March 2021, the Director-General's representatives held videoconferences with Israeli and Palestinian interlocutors, and also those from the occupied Syrian Golan. <sup>4</sup> They met with representatives of various ministries and institutions of the Palestinian Authority and the Government of Israel, Palestinian and Israeli social partners, NGOs, researchers, business people and workers. The mission also consulted representatives of the UN and other international organizations.
- **6.** The mission held consultations by videoconference with the Syrian Government, Syrian employers' and workers' representatives and the Arab Labour Organization on 11 March 2021.
- 7. While acknowledging the inherent limitations of conducting such a mission virtually, the Director-General is pleased to recognize that his representatives enjoyed the full cooperation of all parties, both Arab and Israeli, in obtaining the factual information on which this report is based. The written submissions received by the mission are acknowledged with thanks.
- **8.** This report takes full account of written and oral information obtained by the mission, as well as relevant data, studies and reports. Information obtained in interviews with interlocutors was examined in a thorough manner and checked as far as possible with other available information. In examining the situation of Palestinian and other Arab workers, the members of the mission conducted their work with impartiality and objectivity.

<sup>&</sup>lt;sup>4</sup> A list of interlocutors is contained in the annex to this report.

### ► Chapter 1. A lost year

9. The year 2020 was dismal. After more than five decades of occupation, a hollowed-out labour market with major deficits in protection and rights had to face the fallout from the COVID-19 pandemic. The result has been devastating for Palestinian workers and their families. Economic contraction and business shutdowns have hit women and youth hardest. Moreover, with the threat of annexation looming, civilian and security coordination with Israel was halted by the Palestinian Authority for half a year in 2020 and vital revenue transfers were stalled. There was consequently no fiscal space for economic stimulus, and mitigation measures were few and far between. The perpetual state of crisis was further accentuated.

#### The occupation maintains its grip

- 10. Fifty-four years of Israeli occupation have produced a complex system of physical and administrative constraints and have left the West Bank ever more segmented. Land fragmentation, checkpoints and barriers continue to restrict mobility. East Jerusalem remains cut off from the rest of the West Bank through the Separation Barrier. <sup>5</sup> Israeli use of Area C is intensifying. Following Israeli Government announcements in the first half of 2020, there were concerns that parts of Area C, <sup>6</sup> particularly settlements and large areas of the Jordan Valley, could be annexed by Israel. The UN Secretary-General called on the Israeli Government to abandon its annexation plans and noted that, "[i]f implemented, annexation would constitute a most serious violation of international law, grievously harm the prospect of a two-State solution and undercut the possibilities of a renewal of negotiations". <sup>7</sup>
- 11. Settlement expansion has intensified, often deep inside the West Bank. In 2020, Israeli authorities "advanced controversial settlement plans that had been frozen or delayed for years". 8 As emphasized in earlier Reports of the Director-General, settlements on occupied territory are illegal under international law. UN Security Council resolution 2334 (2016) calls on Israel to immediately and completely cease all settlement activities in the Occupied Palestinian Territory, including East Jerusalem. 9 Along with the expansion of settlements, demolition and confiscations of Palestinian structures in Area C and East Jerusalem also continued, as did settler-related violence.

<sup>&</sup>lt;sup>5</sup> The Separation Barrier, of which 85 per cent runs inside the West Bank, is approximately two thirds complete. Upon completion, the Separation Barrier will be 710 kilometres in length. The Advisory Opinion of the International Court of Justice on the Barrier delivered on 9 July 2004 called for an immediate cessation and reversal of construction activity and for reparations for all damage that had been caused by it. This was endorsed by the subsequent UN General Assembly resolution A/RES/ES-10/15 of 20 July 2004.

<sup>&</sup>lt;sup>6</sup> The West Bank is divided into three areas under different jurisdictions, Areas A, B and C, defined by the Oslo II Accord. Area A includes urban centres and comprises 18 per cent of the West Bank; it is under Palestinian civil and security control. Area B covers small towns and near-urban areas; it is under Israeli security control and Palestinian civil control. Area C accounts for 61 per cent of the West Bank and is under Israeli security and civil control.

<sup>&</sup>lt;sup>7</sup> UN Security Council, "Secretary-General Calls on Israel to Renounce West Bank Annexation Plans", SG/SM/20141, press release, 24 June 2020.

<sup>&</sup>lt;sup>8</sup> UN Security Council, Implementation of Security Council resolution 2334 (2016), S/2020/1234, 16 December 2020, para. 80.

<sup>&</sup>lt;sup>9</sup> UN Security Council resolution 2334.

#### Labour market in rapid decline and incomes plummeting

- **12.** Structurally weak and made fragile by decades of occupation-related obstacles, the Palestinian labour market had little resilience in the face of frequent lockdowns, workplace closures and the economic meltdown resulting from the COVID-19 pandemic and a sixmonth long stand-off between the Palestinian Authority and the Israeli Government on clearance payments. During 2020, gross domestic product (GDP) shrank by 11.5 per cent, the largest decline since the second intifada. <sup>10</sup> Key characteristics such as low labour force participation, high unemployment and far-reaching labour underutilization were further accentuated.
- 13. While the unemployment rate rose only slightly, albeit from a high level, to 25.9 per cent, labour force participation took the hardest hit. Already low in previous years, it decreased further by 3.4 percentage points during 2020 to a paltry 40.9 per cent. In view of the distressed labour market situation, many Palestinians disengaged from it altogether. The labour force shrank by 66,000 persons within one year.
- **14.** In total, 15.8 per cent of working hours were lost in 2020, the equivalent of some 161,000 jobs. This is a significant loss, and almost twice the global and regional averages. Unsurprisingly, and in line with global developments, commerce and the restaurant and hotel sector were most affected.
- 15. Special surveys on the socio-economic conditions of households and enterprises conducted by the Palestinian Central Bureau of Statistics (PCBS) <sup>11</sup> illustrate the devastating impact of COVID-19 on the labour market in the first lockdown period from early March to the end of May 2020. More than two thirds of all establishments remained shut, with the services sector particularly affected. About half of all employed workers in the West Bank were absent from work. In 42 per cent of Palestinian households, income was halved or more than halved.
- **16.** Groups susceptible to vulnerabilities and discrimination in the labour market fared worse during the pandemic. Women's labour force participation declined by 1.9 per percentage points to 16.1 per cent and ranks among the lowest in the world. Young graduates were also affected and lost whatever little foothold they had in the labour market.
- **17.** More than one quarter of Palestinians 1.4 million individuals are now considered to be living in poverty. <sup>12</sup>

### Gaza limping towards collapse

**18.** After 14 years of blockade by land, air and sea and three major armed conflicts, most resources and buffers in Gaza have been exhausted. Already before the pandemic, the majority of residents subsisted below the poverty line, and many were food-insecure. Then came COVID-19, a little later than in the West Bank but no less severe, and along with it the manifold restrictions to economic and public life, which suffocated the labour market even more. Key labour force indicators present an ever-grimmer picture. Close to a quarter of

<sup>&</sup>lt;sup>10</sup> Palestinian Central Bureau of Statistics (PCBS), National Accounts, 2021. The last time a GDP contraction of such a dimension was recorded was in 2002.

<sup>&</sup>lt;sup>11</sup> PCBS, "Palestinian Central Bureau of Statistics (PCBS) Announces Results of Impact of COVID-19 Pandemic (Coronavirus) on the Socio-economic Conditions of Palestinian Households Survey (March-May), 2020", press release, 4 October 2020; Ministry of National Economy (MONE) and PCBS, "Joint Press Release on the Impact of Coronavirus (COVID-19) Pandemic on Economic/Business Establishments during (5/3/2020–31/5/2020)", 14 November 2020.

<sup>&</sup>lt;sup>12</sup> World Bank Group, Economic Monitoring Report to the Ad Hoc Liaison Committee, 23 February 2021, para. 21.

- working hours were lost in 2020 as a consequence of COVID-19, the equivalent of some 59,000 full-time jobs. Now only a little over a third of Gazan men and women of working age participate in the labour market. In 2020, the unemployment rate stood at 46.6 per cent.
- **19.** Despair is particularly pronounced among women and youth, for whom labour force participation rates are at a new low and the number of unemployed far outweighs those employed. Many Gazans appear to have left the labour market and given up hope of finding the elusive job.
- **20.** As in previous years, external donor support provided some relief. A major Qatari contribution is now ensuring a more stable electricity supply and enabling cash transfers to the poor. But the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), a key employer in Gaza, remains underfunded and in a precarious situation. Also, Gazans' work in Israel, from which thousands benefited on the basis of trader or commercial permits, has not resumed since March 2020.

# Work in the Israeli economy: Delayed reforms with an uncertain outcome

- 21. The number of Palestinians working in Israel and the settlements had been steadily increasing in recent years, reaching 133,000 prior to the pandemic. It declined by some 6 per cent in 2020, due to sagging demand in Israel and public-health-related access restrictions.
- 22. During the lockdowns in Israel, Palestinian workers were obliged to stay overnight for prolonged periods, and employers were required to provide accommodation. The numbers of Palestinian workers dropped to between 18,000 and 30,000 in April 2020, depending on the source. There were reported issues concerning the quality of accommodation, with allegations of substandard housing, and it appears that some employers were unable or unwilling to make the necessary arrangements. While the requirement to remain in Israel was lifted later in the year, for a number of months in 2020, Palestinian workers, who used to commute on a daily basis from their homes in the West Bank to workplaces in Israel, temporarily became a quasi-resident migrant workforce.
- 23. Work for Palestinians in Israel continues to be financially rewarding but subject to major problems. A significant wage gap remains between Israel and the Occupied Palestinian Territory, and the minimum wage in Israel is close to four times higher. Yet, many Palestinian workers still benefit insufficiently from this differential, because they continue to pay up to a third of their monthly wage to permit brokers. Since 2016, the Israeli Government has been announcing an imminent reform of the work permit regime. Some first steps were taken in December 2020 when reforms of the construction sector were implemented, leading to the delinking of permit quotas from employers and hence opening up the possibility for Palestinian workers to change jobs and employers, should they so wish. This is an important move towards improving conditions. However, permit brokers still appear to be operating and are likely to continue to do so unless a functioning and inexpensive job-matching facility is established for Palestinian workers and Israeli employers, electronic payment of wages is enabled and compliance with relevant laws is enforced effectively by both Israeli and Palestinian administrations.

### Narrow policy space of the Palestinian Authority

- **24.** While the Palestinian Authority responded quickly to the public health risk posed by the pandemic and shut down major sectors over prolonged periods, it had few means at its disposal to stimulate the economy and provide financial relief to businesses and workers.
- 25. The March 2020 tripartite agreement to mitigate the effects of the COVID-19-related state of emergency declared by the Palestinian Authority and to allow wage cuts in return for no dismissals was valid for only two months and was not renewed during subsequent lockdowns. Instead, fragmented cash transfer initiatives, often including only a one-off payment, and emergency credit lines to small and medium-sized enterprises were established and run by different line ministries and agencies.
- 26. While there was no dearth of COVID-19 response and recovery plans, both nationwide and for different sectors, which were often supported by the UN, adequate funding has remained an issue. From May until November 2020, the Palestinian Authority suspended coordination with Israel and refused to receive fiscal transfers that constitute around 80 per cent of the Palestinian Authority's budget. <sup>13</sup> The step was taken in response to Israeli plans to annex part of the West Bank. Not only did this severely hamper COVID-19 mitigation and stimulus efforts, it also exacerbated the economic crisis as a result of reduced wage payments to civil servants and cuts to public expenditures.
- **27.** Donors were asked to step in and fill the gap, but the response remained lukewarm. For years, donor funding had been steadily declining. Budget support, for instance, which is vital for the functioning of the Palestinian Authority and its programmes, had dropped in 2020 to a third of the level in 2014. <sup>14</sup>
- **28.** The financial constraints notwithstanding, important policy initiatives were brought to fruition by the Palestinian Authority in the field of labour and employment. These include its first ever National Employment Strategy, which lays down goals and priorities until 2025, as well as an updated Labour Sector Strategy and a National Strategy for the Cooperative Sector.
- **29.** In the face of adversity, there was also renewed momentum to boost social dialogue, culminating in an agreement in February 2021 to increase the minimum wage by some 30 per cent.
- **30.** Notably absent, but perhaps most urgently needed, was progress on the social security front. Determined efforts to build up a social security institution, including a pension fund for private sector workers, have now been stalled for more than two years. The longer this vacuum continues, the more the protection deficits of Palestinian workers are likely to worsen.

### The Israeli-Palestinian dialogue deficit

31. Pulling the suspended social security initiative out of its current impasse could also provide the necessary basis, as per the Paris Protocol, for Israel to transfer pension funds accumulated by Palestinian workers in Israel over decades to individual accounts in the Occupied Palestinian Territory.

<sup>&</sup>lt;sup>13</sup> Office of the United Nations Special Coordinator for the Middle East Peace Process (UNSCO), *Report to the Ad-Hoc Liaison Committee*, 23 February 2021.

<sup>&</sup>lt;sup>14</sup> Data provided to the mission by the World Bank.

- 32. While financially of the utmost importance, especially for the group of often vulnerable Palestinian retirees, there has been little coordination between the Israeli and Palestinian sides on this issue. More broadly, dialogue on labour matters as such remains insufficient. For instance, many of the recent Israeli decisions concerning Palestinian workers were developed without coordination with the Palestinian Authority. There is also potential to reinforce dialogue between trade unions across the Separation Barrier, particularly with regard to coordination on skills matching and occupational safety and health awareness of Palestinians working or seeking to work in Israel.
- **33.** International support will be critical for enabling dialogue and regaining momentum for cooperation.

### Reconciliation and the peace process

- **34.** Past experience has shown that dialogue between the Palestinian and Israeli sides on matters of joint interest requires political facilitation and needs to be embedded in a broader framework of contacts and coordination. There are tacit indications now that the peace process, often declared moribund in the last few years, could be revitalized.
- 35. In early 2021, the foreign ministers of Egypt, France, Germany and Jordan (referred to collectively as the Munich Group) met twice to discuss how to relaunch the peace process, including the involvement of the Quartet on the Middle East (comprising the United Nations, the United States of America, the European Union and the Russian Federation). In addition, envoys of the Quartet met three times between December 2020 and March 2021. After a number of Arab countries agreed to establish diplomatic relations with Israel in the course of 2020, the League of Arab States reiterated its adherence to the two-state solution in an emergency meeting of Arab foreign ministers in Cairo in February 2021, and reaffirmed its support for the Arab Peace Initiative. Earlier, in September 2020, President Abbas had called for an international conference on the Palestinian–Israeli conflict to be held in early 2021. However, no concrete steps appear to have been taken and it remains unclear under whose auspices such an initiative would take place.
- 36. In the meantime, important steps have been taken towards intra-Palestinian reconciliation. Dialogue on Palestinian national unity is now under way. Fatah and Hamas met on various occasions, particularly from July 2020 onwards, and were able to overcome some of their long-standing differences. On 15 January 2021, President Abbas announced elections, the first in 15 years, and issued a decree for legislative, presidential and Palestinian National Council elections on 22 May, 31 July and 31 August 2021, respectively. Facilitated by Egypt, the Palestinian factions met twice in Cairo in February and March 2021 to discuss related arrangements. While question marks remained at the time of writing this report as to whether the elections would indeed be held in accordance with the announced schedule, there is no doubt that they will prove critical for the legitimacy of Palestinian political institutions and the reinvigoration of democratic processes and structures.

### ► Chapter 2. Labour market developments in 2020

#### Another shock to a moribund labour market

- 37. Every labour market in the world has been affected by the COVID-19 pandemic. In addition to the direct impact of the virus on people's health and well-being, public health measures such as lockdowns and workplace closures have culminated in an unprecedented shock to the global labour market. Even those countries that were on a strong footing prior to the crisis, with sufficient fiscal space to provide buffers against the fallout, have seen steep declines in output, working hours and employment levels. Economies facing severe labour market challenges prior to the crisis and those that lacked the means to support affected enterprises and workers have suffered tremendously.
- 38. The Occupied Palestinian Territory falls squarely in the latter group. In Gaza, where 40.2 per cent of Palestinians live, the blockade has resulted in 14 years of economic depression and deindustrialization. Per-capita GDP in 2020 was 39.2 per cent lower than before the blockade began in 2007. The larger portion of Palestinians living in the West Bank under multiple and ever-changing restrictions on movement and on access to productive resources have experienced years of stagnation.
- 39. Prior to COVID-19, the Palestinian labour market was already among the worst-performing in the world. The employment-to-population ratio, a key indicator for monitoring the capacity of an economy to generate jobs, stood at only 33.1 per cent in 2019, the second lowest rate in the world. Youth unemployment stood at 40.2 per cent and Palestinian youth with a tertiary education faced unemployment rates of 63.6 per cent. These rates have been driven progressively higher over time by the inability of the private sector to generate sufficient employment opportunities for a growing number of jobseekers. Palestinian women, facing long-term economic stagnation and societal barriers to paid employment, were less likely to be employed than women in all but two countries of the world.
- 40. Against these challenges, the Palestinian Authority's meagre and shrinking resources have rendered it largely impotent in efforts to provide meaningful support to the labour market, let alone to address a shock of the scope and magnitude of the COVID-19 pandemic. With a decline of 13.7 per cent in 2020, per-capita GDP plunged to levels not seen since 2010. Although Palestinians have experienced many economic and financial crises, the impact of the pandemic differs substantially from earlier crises. The main differentiator is the direct and sudden impact on labour markets of public health measures enacted in response to the pandemic. Lockdowns and workplace closures have an abrupt impact on workers and firms. School closures immediately raise issues of care responsibilities and their distribution within households. Another prominent and related feature of the COVID-19 shock is its asymmetry; it affects certain economic sectors and categories of workers far more than others.
- **41.** Workers and firms of the Occupied Palestinian Territory were impacted by the required closure of all but essential workplaces from 22 March to 25 May 2020. A survey of 2,600 establishments across all major industries conducted by the PCBS found that more than two thirds were closed for approximately six weeks over this period. Fourteen per cent

- reported having laid off workers. <sup>15</sup> After 25 May, workplace closure measures remained in place into 2021, but were geographically targeted and restricted to specific sectors and time periods. Additionally, all schools and kindergartens in the Occupied Palestinian Territory were required to be closed for in-person learning for more than six months between March and September 2020. Some schools reopened after this period, while others remained closed into 2021.
- **42.** In Israel and the settlements, where one in eight employed Palestinians work, there were three periods of required closures for all but essential workplaces, from 1 to 25 April 2020, from 25 September to 27 October 2020 and from 27 December 2020 to 6 February 2021. <sup>16</sup> Seventy per cent of Palestinians working in Israel and the settlements were employed in the construction and agricultural sectors prior to the pandemic, both of which were deemed to be essential activities throughout the lockdown periods. Despite this designation, employment among Palestinians declined sharply in both sectors in 2020.

# Working hours plunge, women and youth disproportionately affected

- 43. The COVID-19 pandemic has not only disrupted labour markets, it has also severely complicated the analysis of labour market developments. In countries throughout the world, traditional indicators such as unemployment and employment are failing to reflect the manifold impacts of the pandemic on the world of work. For example, workers in a restaurant or a factory that has been closed due to COVID-19 restrictions will still be classified as employed if they expect to resume working once restrictions are lifted. <sup>17</sup> All those classified as employed are excluded from unemployment figures, even persons currently working zero hours. Furthermore, to be counted as unemployed, one must also be available to take up a job and must also actively seek work, both of which could be impossible in pandemic circumstances.
- **44.** In its various assessments of the impact of COVID-19 on the world of work, the ILO has focused extensively on a less traditional, but highly informative indicator in the context of the present pandemic: working hours. <sup>18</sup> Working-hour losses reflect the impact of employment losses as well as declines in working hours among the employed. Aggregate working-hour losses can also be converted into full-time equivalent (FTE) jobs lost, which provides a more accurate picture of the extent of damage to the labour market caused by the pandemic than changes in the traditional employment and unemployment indicators.
- **45.** In the Occupied Palestinian Territory, total hours worked declined by 15.8 per cent in 2020 (figure 2.1, panel A). This far exceeds the global average losses of 8.8 per cent. Gaza's workers fared worst, with a decline of 23.3 per cent, although the decline in the West Bank was also severe, at 13.9 per cent. Palestinian women experienced significantly larger working-hour losses (21.2 per cent) than men (15.1 per cent). Women in Gaza fared the worst, suffering a staggering 36.5 per cent drop in hours.

<sup>&</sup>lt;sup>15</sup> MONE and PCBS, "Joint Press Release on the Impact of Coronavirus (COVID-19) Pandemic on Economic/Business Establishments".

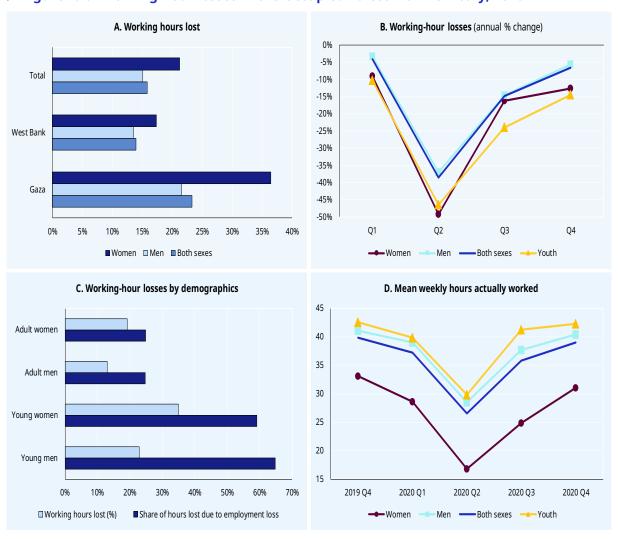
<sup>&</sup>lt;sup>16</sup> Blavatnik School of Government and University of Oxford, "COVID-19 Government Response Tracker".

<sup>&</sup>lt;sup>17</sup> ILO, Resolution concerning statistics of work, employment and labour underutilization, 19th International Conference of Labour Statisticians, 2013.

<sup>&</sup>lt;sup>18</sup> ILO, *ILO Monitor: COVID-19 and the World of Work*, second to seventh editions, available at: http://www.ilo.org/global/topics/coronavirus.

**46.** The most severe restrictions on economic activity were in place throughout most of the second quarter of 2020. This period saw the sharpest decline in working hours (38.5 per cent) (figure 2.1, panel B), with losses of nearly 50 per cent among women. Working hours rebounded somewhat in the third quarter, although they were still nearly 15 per cent lower than in the same quarter in 2019. The fourth quarter showed further recovery, with 6.6 per cent fewer total hours worked than in the same quarter in 2019. Women fared worse than men in every quarter.

▶ Figure 2.1. Working-hour losses in the Occupied Palestinian Territory, 2020

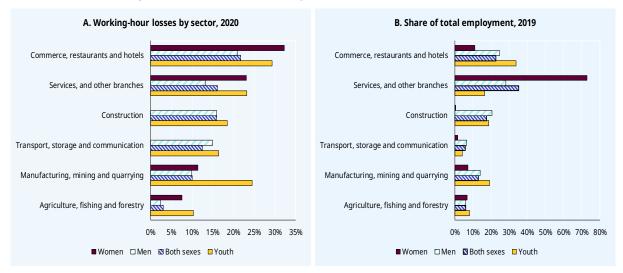


 $Source: ILO\ calculations\ based\ on\ PCBS,\ Quarterly\ Labour\ Force\ Surveys,\ 2019\ and\ 2020.$ 

- 47. The female labour force declined by 8.1 per cent in 2020, compared to a 4.1 per cent decline among men (table 2.1). Those women who remained employed saw their average weekly working hours decline by 15.8 per cent, compared to 10.1 per cent among men (figure 2.1, panel D). The number of unemployed women actually declined by around 10 per cent, reflecting the large numbers of women who exited the labour force altogether in the wake of school and kindergarten closures. Collectively, these data point to a deep gender divide in the impact of COVID-19 on the Palestinian labour market.
- **48.** Prior to the pandemic, Palestinian youth faced extremely bleak labour market prospects. Less than one in five youth aged 15 to 24 had employment, and among those, 83 per cent were employed informally, compared with 47 per cent of adults. Disturbingly, young

- workers have been disproportionately affected by the pandemic, both in terms of working-hour losses and employment losses (figure 2.1, panel C). Palestinian youth worked 23.8 per cent fewer hours in 2020 than in 2019, a far larger decline than among adults.
- 49. In contrast to adults, the bulk of youth working-hour losses were due to outright employment losses rather than to a reduction in working hours among the employed. This, in turn, could leave long-lasting scars on their employment prospects. Palestinian youth accounted for 49 per cent of the total decline in employment in 2020, although they only comprised 18 per cent of the pre-pandemic workforce. During economic downturns, young people often suffer from greater employment losses than adults, as they lack seniority and are among the first to be laid off when enterprises downsize. In addition, prior to the pandemic, one in three youth were employed in the sectors hardest hit by both working-hour losses and employment losses: commerce, restaurants and hotels (figure 2.2).

Figure 2.2. Working-hour losses and share of employment by sector, Occupied Palestinian Territory



Note: In panel B, the shares for each demographic group sum to 100 per cent. Source: ILO calculations based on PCBS, Quarterly Labour Force Surveys, 2019 and 2020.

- **50.** The Palestinian labour market has shown a similar pattern to that observed globally: employment and working hours in certain sectors have been affected much more than others by COVID-19. Commerce, restaurants and hotels saw a reduction in working hours of more than 21 per cent. The services sector saw an overall reduction of more than 16 per cent. The best-performing sector in terms of working hours was agriculture, where aggregate hours declined by only 2.3 per cent. However, this sector only accounts for 6 per cent of total employment and it has the lowest average wages among all sectors, thus limiting its capacity to serve as an economic buffer against the severe downturns in other sectors.
- **51.** Across the Occupied Palestinian Territory, total working-hour losses in 2020 were equivalent to 161,000 full-time jobs, while employment declined by 57,000. This means that around a third of working hours lost were due to employment losses, while two thirds of the lost hours were due to reduced hours among the employed. It also implies that the damage done to the labour market was far more extensive than can be seen by looking only at traditional labour market indicators. The unemployment rate, which increased only marginally to 25.9 per cent in 2020, does not convey the magnitude or scope of the damage to the labour market caused by the pandemic. This is not to say that traditional indicators

do not provide important information. Indicators such as labour force participation, the potential labour force, discouraged workers and the LU4 <sup>19</sup> measure of total labour underutilization show clear and sizeable impacts, including a sharp increase in inactivity, a surge in the number of discouraged workers and a significant rise in overall labour underutilization, all of which help to clarify the real impacts of the pandemic on the Palestinian labour market.

▶ Table 2.1. Key labour market indicators, 2019–20, Occupied Palestinian Territory

		2020 (%)	FTE losses ('000s), 2020
Working-hour losses		-15.8	161
Men		-15.1	127
Women		-21.2	33
Youth		-23.8	43
	2019	2020	2019-20
			Percentage change
Population 15+ ('000)	3 066	3 154	2.9
Labour force ('000)	1 357	1 291	-4.9
Men	1 084	1 040	-4.1
Women	273	251	-8.1
Youth	301	263	-12.5
Employment ('000)	1 014	957	-5.6
Men	853	806	-5.4
Women	161	150	-6.4
Youth	180	153	-15.3
Unemployment ('000)	344	334	-2.8
Men	232	234	1.0
Women	112	101	-10.6
Youth	121	111	-8.3
Potential labour force ('000)	124	187	50.2
Discouraged workers	73	111	51.3
Men	32	60	89.4
Women	41	51	22.0
Youth	23	35	53.8

<sup>&</sup>lt;sup>19</sup> The composite measure of labour underutilization (LU4) includes the unemployed, the potential labour force (which includes those persons who wish to work, but existing conditions limit their availability to work or seek employment) and the time-related underemployed (those wanting to work more hours and working fewer than 35 hours per week).

	2019	2020	2019-20
		Percentag	e point change
Labour force participation rate (%)	44.3	40.9	-3.4
Men	69.8	65.1	-4.7
Women	18.0	16.1	-1.9
Youth	30.3	26.2	-4.1
Unemployment rate (%)	25.3	25.9	0.6
Men	21.3	22.5	1.2
Women	41.2	40.1	-1.1
Youth	40.2	42.1	1.9
LU4 rate (%)	33.0	36.3	3.3
Men	26.1	30.0	3.9
Women	55.1	57.0	1.9
Youth	48.1	53.2	5.1
Note: Totals may not tally due to rounding. FTE = Full-time equivalent jobs.			

### Informal workers deeply affected by COVID-19 lockdowns

Source: ILO calculations based on PCBS, Quarterly Labour Force Surveys, 2019 and 2020.

- **52.** Prior to the pandemic, slightly more than half of employed Palestinians were in informal employment. Workers are classified as informally employed if they are self-employed in a business operating in the informal sector (defined as private sector enterprises that are not registered and do not keep a complete record of accounts), or if they are an employee for which the employer does not contribute to a pension fund or provide annual leave and sick leave. <sup>20</sup> In addition, all contributing family workers are classified as informally employed. Informal workers lack the basic social protection benefits enjoyed by workers in formal employment. They often have poorer access to healthcare services and are susceptible to major income losses in case of sickness or an inability to work. They have been identified by the ILO as among the most vulnerable categories of workers during the COVID-19 pandemic. <sup>21</sup>
- 53. Informal employment is widespread among workers throughout the Occupied Palestinian Territory and among Palestinian workers employed in Israel and the settlements. In 2019, prior to the pandemic, the lowest share of informal employment was in the West Bank, at 43 per cent of total employment (figure 2.3, panel A). In Gaza, 54 per cent of workers were employed informally. The main driver of the gap between the territories is the extent of informality among employees, as opposed to other categories of workers, which is significantly higher in Gaza than in the West Bank. Palestinian workers in Israel and the settlements were the likeliest of all to be informally employed, at 55 per cent. This is driven

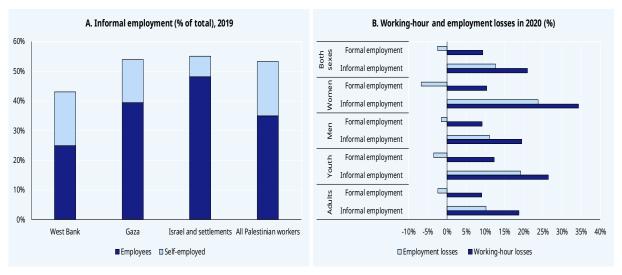
<sup>&</sup>lt;sup>20</sup> ILO, *Report of the Conference*, ICLS/17/2003/4, 17th International Conference of Labour Statisticians, Geneva, 24 November–3 December 2003.

<sup>&</sup>lt;sup>21</sup> ILO, ILO Monitor: COVID-19 and the World of Work, Third edition.

in part by the roughly one fifth of workers employed without a permit, nearly all of whom are employed informally. However, even among Palestinian workers with a permit, the informal employment share was approximately 47 per cent, higher than the corresponding share among workers in the West Bank. The vast majority of these workers are classified as informally employed because they report that they lack social protection benefits such as pensions, or annual leave and sick leave. <sup>22</sup>

54. Informal Palestinian workers were deeply affected by the pandemic. Overall, they lost 21 per cent of working hours in 2020, compared with a loss of 9.3 per cent among workers in formal employment (figure 2.3, panel B). They also suffered severe employment losses of nearly 13 per cent, compared with a small increase in formal employment. This indicates that under lockdown conditions, a large segment of the informal workforce was simply unable to carry out economic activities and earn a living. Informal women workers saw the largest declines in both working hours (34.3 per cent) and employment (23.7 per cent), but all demographic groups suffered substantial losses.

► Figure 2.3. Working-hour and employment losses by type of employment (formal/informal)



Note: For panel B, negative values indicate gains in employment.

Source: ILO calculations based on PCBS, Quarterly Labour Force Surveys, 2019 and 2020.

### **Employment declines sharply in Gaza**

55. Working-hour losses provide the clearest indication of the overall labour market impact of the pandemic in both the West Bank and Gaza. However, the mechanisms through which hours were lost in the two territories differed substantially. In the West Bank, which saw a decline in total hours worked of 13.9 per cent, nearly eight in ten working hours lost were due to reduced hours among the employed, with the remainder due to job losses. Gaza's particularly vulnerable and less formal labour market saw working hours plummet by 23.3 per cent. Nearly six in ten hours lost were due to outright job losses, with the remainder due to reduced hours among the employed.

<sup>&</sup>lt;sup>22</sup> PCBS, Quarterly Labour Force Surveys, 2019.

- 56. These different patterns are clearly reflected in employment levels and employment-to-population ratios, which were already severely depressed prior to the pandemic. Total employment fell in 2020 by 13.3 per cent in Gaza, with a more moderate drop of 2.2 per cent in the West Bank (table 2.2). Gaza's employment-to-population ratio shrank to a dramatic 18.8 per cent, which is only half the corresponding ratio in the West Bank. This means that, after adjusting for population, for every two jobs created in the West Bank, only one is created in Gaza.
- 57. As large numbers of workers and jobseekers left the labour market altogether, unemployment rates showed only a marginal increase in both the West Bank and Gaza. Nevertheless, the pandemic has put on hold any hope of a meaningful reduction in the persistently large stock of unemployed persons. Moreover, the extent of labour underutilization extends far beyond what headline unemployment figures show. The potential labour force, which is a sizeable group not captured in unemployment statistics, surged by 50 per cent in 2020, growing to 187,000. The composite measure of labour underutilization (LU4) rose by more than 11 per cent during the year, reflecting a total stock of underutilized labour of 536,000 persons.

▶ Table 2.2. Key labour market indicators, West Bank and Gaza, 2019–20

	West Bank (%)	Gaza (%)
Working-hour losses in 2020	-13.9	-23.3
Men	-13.5	-21.5
Women	-17.5	-34.9
Youth	-21.2	-36.6

	2019	2020	2019-20
			Percentage change
Labour force ('000)	1 357	1 291	-4.9
West Bank	881	867	-1.6
Gaza	477	424	-11.0
Employment ('000)	1 014	957	-5.6
West Bank	619	605	-2.2
Israel and the settlements	133	125	-6.2
Gaza	261	227	-13.3
Unemployment ('000)	344	334	-2.8
West Bank	129	136	6.1
Gaza	215	198	-8.1
Potential labour force ('000)	124	187	50.2
West Bank	11	23	108.3
Gaza	113	164	44.6

	2019	2020	2019-20
			Percentage point change
Labour force participation rate (%)	44.3	40.9	-3.4
West Bank	46.4	44.4	-2.0
Gaza	40.9	35.3	-5.6
Unemployment rate (%)	25.3	25.9	0.6
West Bank	14.6	15.7	1.1
Gaza	45.2	46.6	1.4
LU4 rate (%)	33.0	36.3	3.3
West Bank	16.9	19.1	2.2
Gaza	57.3	62.3	5.0
Employment-to-population ratio (%)	33.1	30.3	-2.8
West Bank	39.6	37.4	-2.2
Men	65.4	61.8	-3.6
Women	12.9	12.3	-0.6
Youth	24.2	21.2	-3.0
Gaza	22.4	18.8	-3.6
Men	37.6	32.0	-5.6
Women	6.9	5.5	-1.4
Youth	8.8	6.0	-2.8

Note: Totals may not tally due to rounding. West Bank working-hour losses include workers in Israel and the settlements. Source: ILO calculations based on PCBS, Quarterly Labour Force Surveys, 2019 and 2020.

- 58. Nearly nine in ten Palestinians in the potential labour force are found in Gaza, which reflects the extraordinarily difficult conditions faced by prospective jobseekers and entrepreneurs in the enclave. Long before COVID-19, the economy had been stifled by the blockade and its difficult crossing procedures for goods and people. <sup>23</sup> Gaza's manufacturing and agricultural sectors have been progressively shrunk by severely restricted access to export markets, leaving little scope for job creation outside the humanitarian aid economy.
- **59.** Regrettably, there was little change in Gaza's ability to trade over the course of the year. Approximately 3,200 truckloads of goods exited through the Kerem Shalom crossing, 75 per cent of which were goods sent to the West Bank. This remains only a small fraction of the number of truckloads exiting the crossing prior to the second intifada in 2000. Truckloads of imports into Gaza from Israel rose slightly from 95,600 in 2019 to 96,700 in 2020, but this

<sup>&</sup>lt;sup>23</sup> Restrictions include the prohibition on the importation of a long list of wide-ranging "dual-use" goods (machinery, equipment and other inputs to production) that can potentially be used for military purposes. Despite periodic updates to the list, restrictions have not significantly eased.

- remains well below the average of 112,000 between 2016 and 2018. <sup>24</sup> An additional 9,700 truckloads of imports entered Gaza via the Rafah crossing from Egypt, an increase from 7,600 the previous year.
- **60.** Gaza's electricity supply showed some improvement in 2020, providing an average of 12.7 hours per day, up from 11.9 hours in 2019. <sup>25</sup> However, power cuts remain frequent. Infrastructure remains severely depleted and inadequate to support productive activities. Gaza's sole industrial zone continued to operate at only a small fraction of its capacity, despite a continuous supply of electricity to the zone.
- 61. Agriculture was the only sector that did not see a decline in employment. This is likely a function of the sector's role as a buffer in times of crisis. The agricultural workforce stood at under 13,000 workers in 2020, less than 6 per cent of total employment. A more than doubling of desalinated water production and improved electricity supply were positive developments in 2020. However, restrictions on access to potential agricultural areas near the Separation Barrier remain in place, limiting the geographic scope for expanding crop production. Although the limitation of the permissible fishing zone was relaxed in 2019, reaching between 12 and 15 nautical miles, only limited access is allowed beyond 6 nautical miles and the extent of access fluctuates. <sup>26</sup> Overall, Gaza's agricultural sector remains severely constrained by restrictions inhibiting access to land and water resources and by continued limitations on access to export markets.
- **62.** There was hope that a growing number of Gazans would be allowed to work in Israel, providing a badly needed source of jobs and incomes. A total of approximately 7,000 commercial permits had been issued by Israel to workers from Gaza in 2019, a much-welcomed development. However, with the onset of the pandemic, access to Israel was closed to these permit holders beginning in March 2020. They were unable to work in Israel for the remainder of the year.

### Low-wage workers most affected by the pandemic

- 63. The sheer magnitude of the shock of the pandemic greatly complicates standard labour market assessments. This also applies to indicators on wages. Average nominal wages among Palestinian employees rose sharply in 2020, growing 6.2 per cent in comparison with the previous year (figure 2.4, panel A). Wages grew the most among employees in the West Bank (7.5 per cent), followed by Gaza (3.2 per cent) and Palestinian employees in Israel and the settlements (1.9 per cent).
- 64. At first glance, these wage increases are paradoxical in light of the negative impact that COVID-19 had on working hours and employment levels. Why would wages rise during a pandemic characterized by large losses in working hours and employment? To shed light on this, it is first important to understand which types of workers are included in the wage statistics. In the PCBS Labour Force Survey, wage data only cover employees, who comprised 72.3 per cent of total Palestinian employment in 2020. Employers, own-account workers and contributing family workers together accounted for the other 27.7 per cent and are not included in the wage estimates. Although the available data provide insights into the situation of employees, they do not reflect what is happening to employers in terms

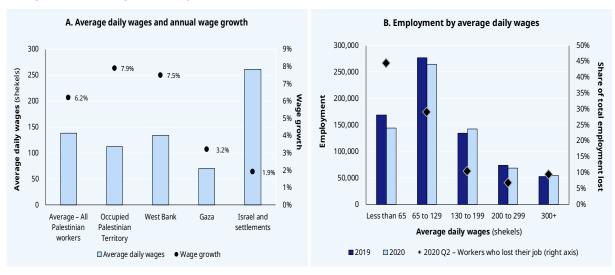
<sup>&</sup>lt;sup>24</sup> United Nations Office for the Coordination of Humanitarian Affairs (OCHA) Occupied Palestinian Territory, "Gaza Crossings: Movement of People and Goods".

<sup>&</sup>lt;sup>25</sup> OCHA, "Gaza Strip Electricity Supply".

<sup>&</sup>lt;sup>26</sup> OCHA, "Gaza Strip: Snapshot - August 2020".

of their profits and losses, or to the labour income of other self-employed workers. Furthermore, over 60 per cent of those not included in PCBS wage statistics are informal workers, who have been disproportionately affected by the lockdowns.

#### ► Figure 2.4. Wage developments in 2020



Source: ILO calculations based on PCBS, Quarterly Labour Force Surveys, 2019 and 2020.

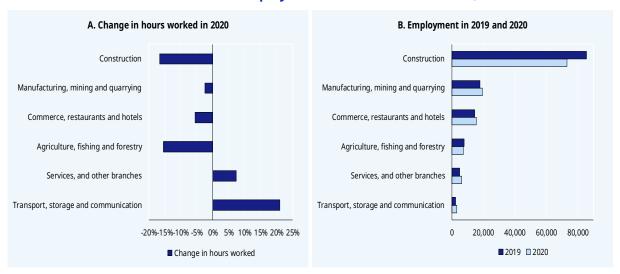
- 65. The second critical element for understanding trends in wages is that average wages are estimated based on the pool of employees in a given period. This means that if certain types of employees lost their jobs in greater numbers and these workers had higher or lower wages on average than those who remained employed, this change in the composition of the workforce would affect average wage estimates. This is precisely what happened in the Palestinian labour market during COVID-19. Panel data from the first two quarters of 2020 provide a snapshot of the characteristics of employees who lost jobs in the second quarter, the quarter with the greatest employment losses. The data show that the lowest-wage-earners lost employment disproportionately (figure 2.4, panel B). <sup>27</sup> Workers earning less than the minimum wage of 65 new Israeli shekels per day accounted for 45 per cent of all employment losses, nearly double their share in total wage employment. This development resulted in higher earners comprising a larger share of total employment and higher average wages in 2020 through a compositional effect. The reality was that the labour market was severely damaged by COVID-19 and low-income workers bore the brunt.
- 66. The data from the first two quarters for 2020 also reveal important insights into the types of employment in which these low-wage workers were engaged. They were overwhelmingly informally employed, with only 5 per cent in formal employment. Nearly half of them were engaged in either manufacturing-related occupations or services-related activities. Approximately a third were engaged in low-skilled occupations. These insights shed important light on the differential impacts of COVID-19 on the Palestinian workforce, revealing that the most vulnerable Palestinian workers have been disproportionately affected by the pandemic.

<sup>&</sup>lt;sup>27</sup> This estimate is based on matched individual records in the PCBS Labour Force Survey microdata for the first and second quarters of 2020. The matched dataset represents 43.4 per cent of the total sample from the first quarter of 2020.

# Employment declines in Israel and the settlements, permit brokering continues

- 67. In contrast to difficulties in understanding trends in average wages, the statistics unambiguously show the continued attractiveness of employment in Israel, where wages of Palestinians are 2.3 times higher on average than among workers in the Occupied Palestinian Territory. The average Palestinian worker in Israel and the settlements earns nearly four times as much per day than workers in Gaza and nearly double the daily pay of workers in the West Bank.
- 68. Palestinian workers employed in Israel and the settlements saw their working hours decline by 11.8 per cent in 2020. The losses were concentrated in the construction sector, where the majority work. The sector saw a decline in working hours of nearly 17 per cent in 2020 (figure 2.5, panel A). Palestinians working in the agricultural sector saw their hours drop by more than 15 per cent, while those working in commerce, restaurants and hotels registered a decline of around 6 per cent. Two sectors saw an increase in total hours worked: transport, storage and communication; and services. However, these are the smallest sectors in terms of Palestinian employment in the Israeli economy, accounting for fewer than 10,000 jobs.
- **69.** More than half of the overall working-hour losses stemmed from outright job losses. Employment among Palestinians working in Israel and the settlements declined by 6.2 per cent to 125,000 (figure 2.5, panel B). Employment in construction declined by more than 12,000, while agricultural employment declined modestly. The employment losses in these two sectors more than offset slight gains in other sectors.
- **70.** Previous ILO reports have provided information on the widespread brokering of employment permits, whereby Palestinian workers pay intermediaries for permits that enable them to work legally in Israel. Last year's Report of the Director-General estimated profits of at least US\$119 million by these intermediaries in 2019, a very significant sum paid out of the wages of Palestinian workers.





Source: ILO calculations based on PCBS, Quarterly Labour Force Surveys, 2019 and 2020.

- **71.** Of the 125,000 Palestinians employed in Israel and the settlements in 2020, some 78,000 were employed with a work permit and 24,000 were employed without a permit (table 2.3). The remainder are predominantly East Jerusalemites with a Jerusalem ID or Israeli identity card. Employment among workers with a permit declined by nearly 18 per cent in 2020, driven by job losses in the construction sector, where eight in ten workers are employed with a permit.
- 72. The number of workers who obtained a permit through a broker declined by around 8,000. However, this was principally driven by employment losses. The share of workers with a permit who obtained the permit through a broker stood at 44 per cent, a decline of only 1.1 percentage points compared to the previous year. The reported average monthly cost of a permit rose by 4.4 per cent, to just under 2,500 shekels. Notably, reforms to the Israeli permit system for construction sector work permits began to go into effect in December 2020. It is hoped that reforms will lead to the dismantling of permit brokering, an improvement in working conditions and an environment conducive to the full exercise of the rights of Palestinian workers in Israel.

▶ Table 2.3. Palestinian work in Israel and the settlements: Key characteristics

	2019	2020	Change (%)	
Employed ('000s)	133	125	-6.2	
Employed with work permits ('000s)	95	78	-17.6	
Obtained permit from broker ('000s)	43	34	-19.7	
Obtained permit without broker ('000s)	52	44	-15.9	
Employed without work permit ('000s)	26	24	-7.8	
Average monthly fee paid to brokers (shekels)	2 360	2 464	4.4	
			Percentage point change	
Share of permit holders paying broker (%)	45	44	-1.1	
Note: Excludes those with an Israeli or Jerusalem ID or a foreign passport.				
Source: ILO calculations based on PCBS, Quarterly Labour Force Surveys, 2019 and 2020.				

# ► Chapter 3. The pandemic compounds the impact of occupation on workers' rights

### The mechanics of occupation and settlement expansion

- 73. In 2020, the international community once again reiterated the illegality of Israeli settlements. <sup>28</sup> However, no steps have been taken to halt settlement and settlement-related activity in the year since the Director-General's last report. In fact, even during the COVID-related restrictions, illegal settlement expansion intensified in 2020.
- 74. The Israeli NGO Peace Now noted that more plans for settlement units had been advanced in 2020 than in any year since it began recording them in 2012. <sup>29</sup> During 2020, 12,159 new housing units in the West Bank, excluding East Jerusalem, had passed a planning stage, compared to 8,457 units in the previous year. <sup>30</sup> Construction began on 2,433 new units. <sup>31</sup> Tenders for additional units were announced in the E1 area, which would disrupt the contiguity of territory between East Jerusalem and the West Bank and disconnect the northern and southern West Bank. <sup>32</sup> In January 2021, an additional 2,572 tenders were announced, of which 2,112 were in the West Bank and 460 were in East Jerusalem. <sup>33</sup> Significant infrastructure development accompanied settlement expansion in 2020. <sup>34</sup>
- **75.** In addition, eleven outposts, considered illegal under both Israeli and international law, were established in 2020 <sup>35</sup> and plans were advanced to retroactively authorize another four. <sup>36</sup> On 9 June 2020, the Israeli Supreme Court struck down as unconstitutional the Settlements Regularization Law 2017 as it violated the rights of Palestinians to property, equality and dignity. While the decision prevented sweeping general regularization of outposts in the West Bank, it did not prevent regularization on a case-by-case basis. <sup>37</sup> For example, 253 units in outposts were retroactively legalized by recognizing the outposts as "neighbourhoods" of existing settlements. <sup>38</sup>
- **76.** Israeli settlers are reported to have increased attacks against Palestinians in the West Bank during the pandemic. <sup>39</sup> The UN Office for the Coordination of Humanitarian Affairs (OCHA) recorded occupation- and conflict-related violence against Palestinians in 2020 resulting in

<sup>&</sup>lt;sup>28</sup> For example, UN General Assembly resolution 75/97, adopted on 10 December 2020, Israeli Settlements in the Occupied Palestinian Territory, including East Jerusalem, and the Occupied Syrian Golan, A/RES/75/97 (2020).

<sup>&</sup>lt;sup>29</sup> Peace Now, "4,948 Settlement Units Advanced at October 2020 Higher Planning Council Sessions", 15 October 2020.

<sup>&</sup>lt;sup>30</sup> Peace Now, "Settlements Data: Construction", Plans Promoted in West Bank Settlements Per Year, November 2020.

<sup>&</sup>lt;sup>31</sup> Peace Now, "From De Jure to De Facto Annexation – Construction in Settlements 2020", 25 March 2021.

<sup>&</sup>lt;sup>32</sup> Office of the UN High Commissioner for Human Rights (OHCHR), *Israeli Settlements in the Occupied Palestinian Territory, including East Jerusalem, and in the Occupied Syrian Golan*, A/HRC/46/65, 15 February 2021, para. 10.

<sup>&</sup>lt;sup>33</sup> Peace Now, "Settlements Data: Construction", Tenders for Settlement Construction by Year (for the West Bank), and "Settlements Data: Jerusalem", Number of Israeli Neighbourhoods in East Jerusalem; Peace Now, "2,572 Settlement Housing Units in Tenders Are Published on the Eve of the Change in Government in Washington", 20 January 2021.

<sup>&</sup>lt;sup>34</sup> Peace Now, "The Roads Boom in 2020", 25 March 2021.

 $<sup>^{35}</sup>$  Peace Now, "Settlements Data: Population", Number of Outposts Established Per Year.

<sup>&</sup>lt;sup>36</sup> Peace Now, "From De Jure to De Facto Annexation".

<sup>&</sup>lt;sup>37</sup> High Court of Justice, *Silwad Municipality et al. v. Knesset et al.*, Judgment 1308/17, 9 June 2020; Adalah, "Initial Analysis of the Israeli Supreme Court's Decision in the Settlements Regularization Law Case", 15 June 2020.

<sup>&</sup>lt;sup>38</sup> OHCHR, *Israeli Settlements in the Occupied Palestinian Territory*, para. 18.

<sup>&</sup>lt;sup>39</sup> OCHA, "Data on Casualties", accessed on 16 April 2021.

30 fatalities and 2,751 injuries. In the same period, attacks by Palestinians against Israeli settlers and other civilians resulted in 3 fatalities and 58 injuries. Despite recent efforts to improve enforcement of the rule of law on violent settlers, long-standing gaps have generated a "climate of impunity". <sup>40</sup> Between 21 December 2020 and 24 January 2021, the Israeli NGO B'Tselem documented at least 26 violent settler attacks against Palestinians at which Israeli security forces were present. <sup>41</sup> The US Department of State recorded allegations that security forces disproportionally devoted enforcement actions to Palestinian neighbourhoods in East Jerusalem. <sup>42</sup>

77. Demolitions and seizures of Palestinian-owned property by Israeli authorities have accelerated. OCHA recorded 854 structures demolished in the West Bank during 2020, an increase from 628 demolitions during 2019. <sup>43</sup> In the first three months of 2021, the monthly average of structures targeted (117) was 65 per cent more than the monthly average of 71 in 2020. 44 Nearly 90 per cent of all demolitions in Area C in February 2021 were without prior warning, a significant increase compared with 30 per cent in 2020. 45 The vast majority of demolitions were justified by a lack of Israeli-issued building permits, which are nearly impossible for Palestinians to obtain. 46 There were "credible claims that municipal authorities in Jerusalem placed insurmountable obstacles to prevent Palestinian residents from obtaining construction permits". <sup>47</sup> The Planning and Licensing Subcommittee of the Civil Administration's Higher Planning Council rejected 179 of the 218 appeals against demolition orders it heard in 2020; no decision had yet been reached in the remaining 39 cases. 48 The year 2020 was marked by an increased use of military orders and other legislation limiting legal challenges against demolitions in Israeli courts. <sup>49</sup> In addition, in a change to existing administrative responsibilities, a new Israeli Ministry of Settlement Affairs was established in 2020, with Israeli media reporting that it had been allocated a large budget to survey unauthorized Palestinian construction in Area C. 50

### Workers' rights in the West Bank under occupation

**78.** Administrative and physical restrictions on movement imposed by the occupation, as well as the risk of violence against persons and property, persistently impair the ability of workers to exercise their rights across the West Bank. Pandemic-motivated limitations on movement in 2020 compounded the impact of the long-standing restrictions associated with the occupation. The "multi-layered system of physical and administrative measures" comprises physical obstacles, including checkpoints; bureaucratic and administrative

<sup>&</sup>lt;sup>40</sup> OCHA, "Unprotected: Settler Attacks against Palestinians on the Rise Amidst the Outbreak of COVID-19", 22 June 2020, *Humanitarian Bulletin*, June–July 2020.

 $<sup>^{41}</sup>$  BTselem, "All Foreseen and Not Prevented: Spike in Settler Violence Backed and Encouraged by State", 28 January 2021.

<sup>&</sup>lt;sup>42</sup> United States of America, Department of State, 2020 Country Reports on Human Rights Practices: Israel, West Bank and Gaza, 2020.

<sup>&</sup>lt;sup>43</sup> OCHA, "Data on Demolition and Displacement in the West Bank", accessed on 16 April 2021.

<sup>&</sup>lt;sup>44</sup> OCHA, "West Bank Demolitions and Displacement: An Overview – February 2021", 16 March 2021.

<sup>&</sup>lt;sup>45</sup> OCHA, "West Bank Demolitions and Displacement: An Overview – February 2021".

<sup>&</sup>lt;sup>46</sup> OCHA, "Peak in Demolitions and Confiscations Amidst Increasing Denial of the Right to Justice", 8 December 2020, *Humanitarian Bulletin*, October–December 2020.

<sup>&</sup>lt;sup>47</sup> US Department of State, 2020 Country Reports on Human Rights Practices: Israel, West Bank and Gaza.

<sup>&</sup>lt;sup>48</sup> Peace Now, "(Dis)Approvals for Palestinians in Area C – 2009–2020", 31 January 2021.

<sup>&</sup>lt;sup>49</sup> OCHA, "West Bank Demolitions and Displacement: An Overview – December 2020", 19 January 2021.

<sup>&</sup>lt;sup>50</sup> Hagar Shezaf, "Israel's Settlement Affairs Ministry Gets \$6 Million to Survey Unauthorized Palestinian Construction", *Haaretz*, 11 September 2020.

- requirements, such as permits; and the designation of areas as restricted or closed, including so-called "firing zones". <sup>51</sup> Three themes are particularly evident.
- 79. First, the spike in confiscation of tools, demolitions and displacement in the West Bank has a direct impact on Palestinian livelihoods. Of the 283 private structures demolished in Area C and East Jerusalem in 2020, 139 had been used to provide a main source of livelihood. They included workshops, small factories, animal shelters, poultry farms and greenhouses. <sup>52</sup> Bedouin and herding communities were especially affected: 266 structures belonging to Bedouin or herding communities in the West Bank were demolished during 2020, including those located in or around the E1 settlement plan that places 18 Bedouin communities at heightened risk of forcible transfer. <sup>53</sup> On five separate occasions in February 2021, 82 structures of the herding community of Humsa-Al Bqai'a in the northern Jordan Valley were confiscated or demolished by the Israeli authorities. <sup>54</sup> Palestinian farming and herding communities are heavily reliant on small-scale subsistence activities and have minimal ability to recover from evictions and demolitions. <sup>55</sup>
- **80.** Second, violent settler attacks, often carried out within sight of settlements and outposts, <sup>56</sup> frequently take place in Palestinian agricultural lands <sup>57</sup> and have a direct impact on the ability to farm and to secure livelihoods. This is most noticeable in relation to the spikes in violent confrontations during the wheat and olive harvests. <sup>58</sup> In the first two months of the 2020 olive harvest, 26 harvesters were injured, over 1,700 olive trees were burned or otherwise damaged and large amounts of produce were stolen by Israeli settlers. <sup>59</sup> Other Palestinian farmers were attacked by settlers while ploughing land or herding sheep, <sup>60</sup> and damage was reported to agricultural land. <sup>61</sup>
- **81.** Third, labyrinthine bureaucratic obstacles can make it difficult for Palestinian workers to access their land, particularly in the so-called seam zone. <sup>62</sup> Movement restrictions have been described as one of the main factors preventing economic stability in the occupied territories. <sup>63</sup> Seven farmers from the north-west of the West Bank petitioned the High Court in 2020, stating that the Israeli military had gradually reduced the number of access permits to, and the permissible uses of, their land in the seam zone, resulting in a 90 per cent

<sup>&</sup>lt;sup>51</sup> OCHA, "Longstanding Access Restrictions Continue to Undermine the Living Conditions of West Bank Palestinians", 8 June 2020, *Humanitarian Bulletin*, March–May 2020.

<sup>&</sup>lt;sup>52</sup> Al-Haq, *Al-Haq Annual Field Report on Human Rights Violations in 2020*, 2 March 2021; see further OCHA, "Breakdown of Data on Demolition and Displacement in the West Bank".

<sup>&</sup>lt;sup>53</sup> OCHA, "Breakdown of Data on Demolition and Displacement in the West Bank; OCHA, "West Bank Demolitions and Displacement: An Overview – December 2020".

<sup>&</sup>lt;sup>54</sup> OCHA, "West Bank Demolitions and Displacement: An Overview – February 2021".

<sup>&</sup>lt;sup>55</sup> Food Security Sector, *Livelihood Assets Demolitions Response Guidelines*, 3.

<sup>&</sup>lt;sup>56</sup> OCHA, "Unprotected: Settler Attacks against Palestinians on the Rise Amidst the Outbreak of COVID-19".

<sup>&</sup>lt;sup>57</sup> Office of the European Union Representative (West Bank and Gaza Strip, UNRWA), *Six-month Report on Israeli Settlements in the Occupied West Bank, Including East Jerusalem: Reporting Period January–July 2020*, 8 March 2021, section 4.5.

<sup>&</sup>lt;sup>58</sup> UN Security Council, *Implementation of Security Council resolution 2334 (2016)*, S/2020/555, 18 June 2020, para. 29. For wheat, see Yaniv Kubovich, Hagar Shezaf and Jack Khoury, "A Palestinian Family Was Farming Wheat, Then Soldiers Arrived and They Were Shot", *Haaretz*, 25 May 2020.

<sup>&</sup>lt;sup>59</sup> UN Security Council, *Implementation of Security Council resolution 2334 (2016)*, 16 December 2020, para. 50.

<sup>&</sup>lt;sup>60</sup> UN Security Council, *Implementation of Security Council resolution 2334 (2016)*, 18 June 2020, paras 31–32.

<sup>&</sup>lt;sup>61</sup> OCHA, "West Bank Demolitions and Displacement: An Overview – December 2020".

<sup>&</sup>lt;sup>62</sup> The "seam zone" is the area between the Separation Barrier and the Green Line (the Armistice Line between Israel and the West Bank since 1948), designated as closed.

<sup>&</sup>lt;sup>63</sup> Machsom Watch, "The Bureaucratic Maze of the Occupation".

reduction in income since the Barrier was built 15 years ago. <sup>64</sup> In 2020, access was further complicated by the Palestinian Authority's suspension of coordination with the Israeli authorities. <sup>65</sup> At the same time, other restrictions on access were loosened: the 2019 procedure which limited the number of days farmers could access land in the seam zone according to a quota was cancelled following a petition to the High Court, <sup>66</sup> and the trend towards "flexible" partial checkpoints and road gates that for the most part remain open, replacing fixed roadblocks in much of the West Bank, has continued. <sup>67</sup>

- **82.** In addition, the mission was informed that the situation in East Jerusalem continued to be problematic, with pandemic-related limitations amplifying occupation-related restrictions. For example, OCHA noted that pandemic-related measures had made living conditions more challenging for approximately 400 Palestinians with West Bank identity cards who, despite living between the Barrier and the Israeli-declared municipal boundary of Jerusalem, were not allowed to enter East Jerusalem and yet were physically separated from the remainder of the West Bank. <sup>68</sup>
- **83.** Further, it was reported that only a minority of Palestinian-run small and micro businesses in East Jerusalem accessed COVID-related State support, due to lack of awareness. Many years of restrictions on Palestinian businesses have eroded their resilience. Small shops accumulating debt in the Old City continued to risk confiscation by Israeli authorities under property legislation. The Israeli Government's long-standing prohibition on the Jerusalem Chamber of Commerce working within municipal limits <sup>69</sup> made it difficult for Palestinian businesses to take advantage of their organization's services during a time of heightened need. Likewise, the mission was informed that officials from the Palestinian General Federation of Trade Unions (PGFTU) were prevented from operating in East Jerusalem by Israeli security forces.

### Workers' rights in Gaza under blockade

- **84.** Public-health-motivated lockdowns during 2020 compounded the impact of the blockade in Gaza, exacerbating already bleak living conditions. An increasingly heavy burden falls on women and youth, with reports indicating an increased occurrence during 2020 of gender-based violence, <sup>70</sup> femicide and suicide attempts, and a spike in calls to hotlines and for phone counselling. <sup>71</sup>
- **85.** Occupation-related restrictions continue to impact particularly on the agriculture and fishing sectors that operate in access-restricted areas. During 2020, access to these areas was restricted "intermittently, and without warning" <sup>72</sup> in response to the launching of

<sup>&</sup>lt;sup>64</sup> HaMoked, HaMoked to the HCJ: Dismantle 6 Kilometers of the Separation Barrier in the West Bank; This Section Dispossesses Farmers with No Security Rationale, 3 June 2020.

<sup>&</sup>lt;sup>65</sup> OCHA, "2020 Olive Harvest Season: Low Yield Amidst Access Restrictions and Settler Violence", 13 January 2021, *Humanitarian Bulletin*, October–December 2020.

<sup>&</sup>lt;sup>66</sup> HaMoked, "2020 Annual Activity Report".

<sup>&</sup>lt;sup>67</sup> OCHA, "Longstanding Access Restrictions Continue to Undermine the Living Conditions of West Bank Palestinians".

<sup>&</sup>lt;sup>68</sup> OCHA, "16 Years After the International Court of Justice Advisory Opinion, Some 11,000 Palestinians Are Still Isolated by the Barrier", 25 August 2020, *Humanitarian Bulletin*, August–September 2020.

<sup>&</sup>lt;sup>69</sup> US Department of State, 2020 Country Reports on Human Rights Practices: Israel, West Bank and Gaza.

<sup>&</sup>lt;sup>70</sup> OCHA "A Crisis Within a Crisis: Fighting Gender-Based Violence (GBV) during COVID-19", 2 June 2020, *Humanitarian Bulletin*, March–May 2020.

<sup>&</sup>lt;sup>71</sup> OCHA "Deterioration in the Mental Health Situation in the Gaza Strip", 5 October 2020, *Humanitarian Bulletin*, August–September 2020.

<sup>&</sup>lt;sup>72</sup> Al-Haq, Al-Haq Annual Field Report on Human Rights Violations in 2020.

projectiles or incendiary balloons towards Israel. OCHA recorded that Israeli forces opened fire near its perimeter fence around Gaza and off the coast on numerous occasions, apparently to restrict Palestinian access to these areas; <sup>73</sup> Al-Haq monitored over 73 Israeli attacks on Palestinian fishers off the Gaza coast. <sup>74</sup>

# Palestinians working in the Israeli labour market: Emerging possibilities, continued vulnerability

- 86. Since the Director-General's last report, there have been important developments in relation to the employment of Palestinian workers in the Israeli labour market. The mission noted with interest the implementation of the long-anticipated reform to the permit system in the construction sector since 6 December 2020 and in the industry and services sector since 21 March 2021. There are plans for future extension into the agricultural sector. The reform to the permit system followed the Israeli State Comptroller's conclusion in August 2020 that trafficking in Palestinians' permits, and fees illegally charged by employers and middlemen to Palestinian workers, had been partially attributable to the non-implementation of earlier reform measures, which were first announced in 2016. 75
- 87. The mission was informed that the intention of the reform was to allow Palestinian workers to be able to work in Israel without being dependent on a specific employer as in the past. The most significant change was that the permit quota had been decoupled from the employer, and permits could no longer be traded. According to the regulations, permits are "owned" by the workers for the duration and sector of their employment, with a right to apply for permits to seek employment within an additional 60-day period in the construction sector. <sup>76</sup> In the industry and services sectors, this is limited to an additional ten days. <sup>77</sup> Instead of each employer having an allocated quota for Palestinian workers – which enabled unused permits to be traded - the regulations set a quota for each sector. 78 Registered employers can employ the number of Palestinian workers who agree to be employed by them, subject to the availability of work permits within the quota, on a first come, first served basis. 79 Permits are for direct employment of a worker by a registered employer, and workers cannot be transferred to other employers. 80 Non-compliance is punishable by administrative sanctions, fines or indictment. 81 Interlocutors from the Israeli Coordination of Government Activities in the Territories informed the mission that the reform of the permit system would be accompanied by software designed to run on mobile devices and web browsers that would match registered Israeli employers with Palestinian workers seeking jobs. This software application was expected to be in use by July 2021.

<sup>&</sup>lt;sup>73</sup> For example, OCHA, "Gaza Strip: Snapshot – May 2020", 26 June 2020.

<sup>&</sup>lt;sup>74</sup> Al-Haq, *Al-Haq Annual Field Report on Human Rights Violations in 2020*.

<sup>&</sup>lt;sup>75</sup> State Comptroller of Israel, "Civil Administration Staff Officers in the Judea and Samaria Region", *Annual Report 70C*, 2020 (unofficial translation), 2–3.

<sup>&</sup>lt;sup>76</sup> Regulation on the Employment of Palestinian Workers in the Construction Industry in Israel, 6 January 2021, paras B.6, B.9–11 (unofficial translation).

<sup>&</sup>lt;sup>77</sup> Regulation on the Employment of Palestinian Workers in the Industry and Services Sector in Israel, 1 March 2021, para. B.8–9 (unofficial translation).

<sup>&</sup>lt;sup>78</sup> Palestinian Workers in Construction, para. B.2; Palestinian Workers in Industry and Services, para. B.2.

<sup>&</sup>lt;sup>79</sup> Palestinian Workers in Construction, para. B.12; Palestinian Workers in Industry and Services, para. B.10.

<sup>&</sup>lt;sup>80</sup> Palestinian Workers in Construction, para. C.3; Palestinian Workers in Industry and Services, para. C.3.

<sup>&</sup>lt;sup>81</sup> Palestinian Workers in Construction, para. B.14; Palestinian Workers in Industry and Services, para. B.12.

- 88. Three months after the start of its implementation, there was a mixed reception to the reform in the construction sector. It was generally accepted that its full effect would not be felt without greater awareness among workers and the implementation of the software to match employers and workers. Making it possible, and ultimately mandatory, to pay wages through bank transfers, rather than in cash as is currently the practice, would also be critical. Some interlocutors stressed the reform's positive objectives and potential, while others were unconvinced, particularly since brokers were still operating and many Palestinians continued to pay broker fees. Other interlocutors stressed the lack of cooperation and coordination with the Palestinian Authority, as stipulated in the Paris Protocol, and the limited nature of consultation with Israeli social partners. The Protocol provides that "[t]he Palestinian side has the right to regulate the employment of Palestinian labor in Israel through the Palestinian employment service, and the Israeli Employment Service will cooperate and coordinate in this regard". 82
- 89. The mission was advised that the Israeli inter-ministerial initiative to develop and implement its action plan against trafficking, coordinated by the Ministry of Justice, now considered that Palestinian workers fall within its ambit, and that it would monitor the implementation of the reformed permit system to ensure it contributed to anti-trafficking initiatives. The US Department of State report on trafficking in persons 2020 recognized the Israeli Government's serious and sustained efforts in relation to trafficking in persons, but noted that "[s]ome employers in the construction sector illegally charge Palestinian workers monthly commissions and fees, and in many cases employers illegally hire out Palestinian workers to other workplaces; these workers are vulnerable to forced labor". 83
- 90. The number of occupational accidents among Palestinian workers in Israel remained a concern. Figures provided by the Palestinian and Israeli authorities, although not directly comparable, both suggest a decrease in the numbers of accidents in 2020. While efforts have been exerted by the Israeli authorities to improve occupational safety and health on construction sites, the decrease could also be partially attributable to the 15 per cent decline in the number of Palestinians working in Israel during the year. The Palestinian Ministry of Labour, which does not break the figures down by sector, recorded 47 fatalities among Palestinian workers in Israel during 2020, of which 23 occurred in workplaces and were registered as occupational accidents, and 7,000 injuries. 84 This is a decrease from the 28 workplace fatalities that the Ministry recorded in 2019. The Israeli Ministry of Labour, Social Affairs and Social Services, which provides a sectoral breakdown, reported 10 fatalities among Palestinian workers in Israeli construction sites in 2020, compared to 12 such fatalities in 2019. 85 The mission was informed of continuing initiatives by the Palestinian and Israeli Ministries of Labour, the PGFTU, the General Federation of Labour in Israel (Histadrut) and the Manufacturers Association of Israel to improve the occupational safety and health awareness of Palestinian workers in Israel, including in relation to COVID-19. The Israeli Ministry of Labour reported 12,250 inspections undertaken in the construction sector in 2020 - an increase of 47 per cent - and 5,532 safety orders made, of

<sup>&</sup>lt;sup>82</sup> Gaza–Jericho Agreement, Annex IV, Protocol on Economic Relations between the Government of the State of Israel and the PLO, representing the Palestinian people, Paris, 29 April 1994, Article VII, para. 1.

<sup>83</sup> US Department of State, 2020 Trafficking in Persons Report: Israel, June 2020.

<sup>&</sup>lt;sup>84</sup> Palestinian Authority, "A List Palestinian Workers Who Died Inside the Green Line in 2020" (unpublished), and "Israeli Violations against Labour 2020" (unpublished).

<sup>&</sup>lt;sup>85</sup> Israeli Ministry of Labor, Social Affairs and Social Services, "Recent Governmental Actions Linked to Palestinian Workers in Israel Presented to the ILO Mission at a Virtual Meeting on March 16, 2021" (unpublished).

which 2,977 ordered the closure of a site for at least 48 hours. <sup>86</sup> At the same time, it has been alleged that the police unit responsible for investigating workplace accidents that resulted in death or severe injuries had carried out less than ten investigations since its launch in 2019. <sup>87</sup>

- 91. The way in which COVID-19 measures have affected the rights and conditions of Palestinians working in Israel highlights continuing structural issues. During the first COVID-19 lockdowns in Israel, Palestinians working in sectors deemed to be essential including construction and agriculture could continue working only if they remained in Israel rather than crossing back and forth daily. The mission was informed that many Palestinian workers slept in unacceptable accommodation. <sup>88</sup> Some had the cost deducted from their wages or recompensed the employer by working extra hours, <sup>89</sup> others with suspected COVID-19 were left at checkpoints without having received medical care, <sup>90</sup> and others still had their identity documents retained by employers. <sup>91</sup> The mission was made aware that some crossings into Israel through holes opened in the Separation Barrier during the COVID-related lockdowns were tolerated. It appears that some of the workers crossing in this way did not have permits, <sup>92</sup> others were avoiding long queues at the checkpoints, and others still were evading the requirement that workers should stay overnight in Israel. Such unauthorized crossings were unpredictable and dangerous.
- **92.** Governmental regulations and legislation in May and August 2020 clarified rights and responsibilities relating to the housing and health insurance of Palestinian workers during the period in which they were required to remain in Israel. <sup>93</sup> Labour inspection and enforcement services, including particularly the Commissioner for foreign workers' labour rights, provided advice and instigated ongoing investigations into allegations of substandard accommodation provided by some employers. The Commissioner received 69 complaints or inquiries from employers and 35 from Palestinian workers relating to COVID-19 measures during 2020. <sup>94</sup> The mission was informed by both Palestinian and Israeli interlocutors that formal complaints were few, possibly because Palestinian workers feared losing their jobs.
- **93.** The pandemic has shone a spotlight on serious gaps in relation to social benefits for Palestinian workers. For example, Palestinian workers in Israel were ineligible for Israeli unemployment benefits during the COVID-19 lockdowns: "whilst Israeli workers received up to 75% of their monthly pay in unemployment benefits, tens of thousands of Palestinians spent months without pay". <sup>95</sup> There was a widespread lack of clarity about other social

<sup>&</sup>lt;sup>86</sup> Israeli Ministry of Labor, Social Affairs and Social Services, "Recent Governmental Actions Linked to Palestinian Workers in Israel".

<sup>&</sup>lt;sup>87</sup> US Department of State, 2020 Country Reports on Human Rights Practices: Israel, West Bank and Gaza.

<sup>&</sup>lt;sup>88</sup> For example, Nir Hasson, "Palestinian Workers Forced to Sleep in Trash-sorting Plant because Employers Feared Coronavirus Lockdown", *Haaretz*, 14 July 2020.

<sup>&</sup>lt;sup>89</sup> Walid Habbas, "West Bank-Israel Wall During COVID-19: Migrant Labour Upends Border Function", *Borders in Globalization Review*, 2(1) (Fall/Winter 2020): 56.

<sup>&</sup>lt;sup>90</sup> Palestinian Authority, "Israeli Violations against Labour 2020".

<sup>&</sup>lt;sup>91</sup> US Department of State, 2020 Trafficking in Persons Report: Israel.

<sup>&</sup>lt;sup>92</sup> Note that the State Comptroller found that the use of work permits has not been enforced in the West Bank: State Comptroller, Annual Report (unofficial translation), 2–3.

<sup>&</sup>lt;sup>93</sup> US Department of State, 2020 Country Reports on Human Rights Practices: Israel, West Bank and Gaza.

<sup>&</sup>lt;sup>94</sup> Israeli Ministry of Labor, Social Affairs and Social Services, "Recent Governmental Actions Linked to Palestinian Workers in Israel".

<sup>&</sup>lt;sup>95</sup> ITUC, Workers' Rights in Crisis: Palestinian Workers in Israel and the Settlements, 2021, 14.

- benefits for Palestinian workers in Israel, and interlocutors agreed that workers often had not taken full advantage of the range of benefits to which they were entitled.
- 94. Israeli and Palestinian interlocutors pointed to procedures that each side, separately, had under way concerning funds related to Palestinian employment in Israel that have accumulated rather than been disbursed to workers. Notably, Israeli authorities informed the mission that in 2022 a private Israeli pension fund would start managing Palestinian pensions, including the considerable accumulated funds; the Paris Protocol envisaged contributions being transferred into a Palestinian institution. <sup>96</sup> Palestinian authorities were meanwhile continuing an investigation to determine the amounts involved and legal options in relation to both accumulated pension and sickness insurance funds.
- **95.** At the time of writing, the Palestinian vaccination campaign against COVID-19 had begun, although availability of vaccines remained a key concern. <sup>97</sup> Israel extended its vaccination programme to Palestinians in East Jerusalem and, from March 2021, to Palestinians from the West Bank holding permits to enter Israel. <sup>98</sup> The programme did not include Palestinians working without permits. While most Palestinians in the West Bank and Gaza were still awaiting vaccination, the majority of the Israeli adult population had already been offered, and received, the vaccine. Five Israeli and Palestinian NGOs petitioned the High Court demanding that Israel immediately secure vaccines for the Palestinians, referring to legal, moral and ethical obligations due to its occupation of the West Bank and Gaza. <sup>99</sup>
- **96.** Meanwhile Israeli trade unions continued to advocate for the effective protection of Palestinian workers' rights and conditions. Histadrut engaged with Palestinian workers to raise awareness of their rights, including through the provision of Arabic-language reception centres and a hotline which saw a 300 per cent increase in inquiries in 2020. <sup>100</sup> It explained that the Grievance Committee for Palestinians working in the construction sector had heard 1,120 cases during 2020, roughly the same number as in 2019. <sup>101</sup> In May 2020, the Population, Immigration and Border Authority of Israel announced that it would immediately cease all deductions of trade union dues from Palestinian workers, in response to a petition to the Labour Court. As a result, union dues had not been deducted from Palestinians' wages and transferred to Histadrut; <sup>102</sup> accordingly the PGFTU had also not received the 50 per cent of those dues that Histadrut had paid to it since 2008. <sup>103</sup>

<sup>&</sup>lt;sup>96</sup> Gaza–Jericho Agreement, Annex IV, Protocol on Economic Relations between the Government of the State of Israel and the PLO, representing the Palestinian people, Paris, 1994. Article VII, paragraphs 4–5, state that "Israel will transfer, on a monthly basis, to a relevant pension insurance institution to be established by the Palestinian Authority, pension insurance deductions ... Upon the receipt of the deductions, the Palestinian Authority and its relevant social institutions will assume full responsibility ... for pension rights and other social benefits of Palestinians employed in Israel".

<sup>&</sup>lt;sup>97</sup> UNSCO, "Security Council Briefing on the Situation in the Middle East, Reporting on UNSCR 2334", 25 March 2021.

<sup>&</sup>lt;sup>98</sup> UNSCO, "Security Council Briefing on the Situation in the Middle East, Reporting on UNSCR 2334", 25 March 2021.

<sup>&</sup>lt;sup>99</sup> Physicians for Human Rights, "5 Israeli & Palestinian Organizations: Demanding Israel Immediately Secure a Uniform Supply of Vaccines to the Palestinian Population", 25 March 2021.

<sup>&</sup>lt;sup>100</sup> Histadrut, "Annual Report on Situation of Palestinian Workers 2021" (unpublished).

<sup>&</sup>lt;sup>101</sup> Histadrut, "Annual Report on Situation of Palestinian Workers 2021". The Grievance Committee is an alternative dispute resolution mechanism for Palestinian workers seeking to claim their rights, established under the General Collective Agreement between the Israel Builders' Association and the Histadrut Federation of Builders and Wood Workers.

<sup>&</sup>lt;sup>102</sup> MAAN – Workers Association, "Following MAAN's petition, Israeli Interior Ministry's Payments Section has stopped deducting service fees from the wages of Palestinian workers. The fees were paid to the Histadrut since 1970 and to Histadrut Leumit since 2019", 8 December 2020.

<sup>&</sup>lt;sup>103</sup> ITUC, "Israeli and Palestinian Trade Unions Reach Historic Agreement", 6 August 2008.

# ► Chapter 4. Governance and institution-building amid the pandemic

- 97. The COVID-19 pandemic put additional strain on the ability of the Palestinian Authority to ensure effective governance, enforce its international commitments and protect citizens' rights, including labour rights. <sup>104</sup> Stop-start political processes, reflecting both the occupation and internal division, and lockdowns and closures from March 2020 have further reduced economic activity and fiscal space, at a time when demand for expenditure in health and public welfare has been increasing. The restart of coordination with Israel in mid-November 2020 and subsequent transfer to the Palestinian Authority of 3.7 billion shekels (US\$1.08 billion) in clearance revenues collected by Israel on behalf of the Palestinian Authority <sup>105</sup> created some breathing space for government finances, at a time of decreasing foreign aid and increasing domestic borrowing. <sup>106</sup>
- **98.** Several interlocutors pointed to eroding public trust in Palestinian governance institutions <sup>107</sup> and to shrinking civic space. This was exemplified by the promulgation in early 2021, without stakeholder consultation, of a decree that purported to increase governmental control over civil society organizations. <sup>108</sup> It was vociferously criticized for several weeks, after which the Prime Minister froze its implementation. <sup>109</sup>
- 99. Fifteen years after the last elections, a long-anticipated presidential decree announcing legislative, presidential and Palestinian National Council elections (on 22 May, 31 July and 31 August 2021, respectively) was issued on 15 January 2021. The high public interest in elections, especially among youth, is reflected in the exceptionally high voter registration levels (91 per cent, or 2.6 million out of the 2.8 million who are eligible to vote until 31 July 2021). <sup>110</sup> Nonetheless, interlocutors raised concerns that the stringent criteria which have been adopted for the presentation of candidacies point to weaknesses in the upcoming process. <sup>111</sup> At the time of writing, uncertainty remained as to whether the envisaged election dates would be adhered to, and whether Israel would allow elections to be held in East Jerusalem and agree to international observers.

<sup>&</sup>lt;sup>104</sup> By 1 April 2021, the West Bank and Gaza had 242,353 confirmed infections and 2,627 deaths. Johns Hopkins Coronavirus Resource Center, "COVID-19 Dashboard", accessed on 16 April 2021.

<sup>&</sup>lt;sup>105</sup> Since early 2019, the Palestinian Authority had been refusing to accept anything but full customs and clearance payments from Israel.

<sup>106</sup> World Bank Group, Economic Monitoring Report to the Ad Hoc Liaison Committee, 23 February 2021, para. 28.

<sup>&</sup>lt;sup>107</sup> See further: Palestinian Center for Policy and Survey Research, "Press Release: Public Opinion Poll No. 79", 23 March 2021.

<sup>&</sup>lt;sup>108</sup> Al-Haq, "Position Paper on the Law by Decree No. 7 of 2021 Concerning the Amendment of the Law No. 1 of 2000 on Charitable Associations and Civil Society Organisations and its Amendments", 10 March 2021.

<sup>&</sup>lt;sup>109</sup> Decree No. 7 of 2021 Concerning the Amendment of the Law No. 1 of 2000 on Charitable Associations and Civil Society Organisations and its Amendments.

<sup>&</sup>lt;sup>110</sup> Central Elections Commission – Palestine, "Statistics/Final Voters List", accessed on 16 April 2021.

<sup>111</sup> Candidates for the legislative council must be at least 28 years old, provide proof of having resigned from their job if it falls into one of the stated categories, and pay a "guarantee deposit" of US\$20,000. Central Elections Commission – Palestine, "Nomination for the 2021 Legislative Elections".

## Labour market governance and labour administration during the COVID-19 crisis

- **100.** The Palestinian Authority initiated efforts to recalibrate core planning documents and associated policies that lay down its vision for labour market governance in the Occupied Palestinian Territory, including in the light of the socio-economic impacts of the pandemic. The National Policy Agenda <sup>112</sup> is under review, while the Labour Sector Strategy has been updated for the period 2021–2023 and adopted. <sup>113</sup>
- 101. The Palestinian Authority also developed several sectoral COVID-19 emergency response plans for mitigating impacts on the economy and society more broadly. <sup>114</sup> A Ministry of Labour emergency response plan focused on improving tripartite social dialogue and labour relations and aimed at building Palestinian workers' awareness of COVID-19 risk mitigation and prevention measures, protecting Palestinian workers' income and ensuring business continuity. <sup>115</sup> Using an emergency assistance fund established for compensating workers affected by COVID-19 and the accompanying emergency measures, <sup>116</sup> the Ministry of Labour assisted some 40,000 unemployed workers, of whom 18.5 per cent were women, <sup>117</sup> through a one-off cash transfer of 700 shekels (US\$212) per person. A second phase is planned for later in 2021. <sup>118</sup>
- **102.** Progress has been sluggish on legal reforms to align Palestinian regulations with international labour standards and international human rights treaties, including gender-equality requirements. Draft amendments to the current Palestinian Labour Law (No. 7 of 2000) were finalized in 2020 by specialized tripartite committees but not submitted to the Council of Ministers, pending examination by the Ministry of Labour of additional comments received. <sup>119</sup> Similarly, steps to finalize the draft Trade Unions Organization Law made little progress and, in the absence of tripartite consensus, the draft law remained on hold
- **103.** The Ministry of Labour fully digitized its databases and procedures in 2020, and began operating tools such as a web-based automated labour inspection system. <sup>120</sup> Inspections led to some 3,000 measures being taken against non-compliant workplaces, down from 7,000 in 2019, reflecting the impact of the pandemic. These included 89 referrals to court (down from 300 in 2019) and the closure of 42 establishments (73 in 2019) many for violations relating to occupational safety and health. The Ministry of Labour developed two draft regulations to operationalize Decree Law No. 3 of 2019 on Occupational Safety and

<sup>&</sup>lt;sup>112</sup> Palestinian National Authority (PNA), *National Policy Agenda, 2017–2022: Putting Citizens First*, December 2016 (unofficial translation).

<sup>&</sup>lt;sup>113</sup> PNA, Ministry of Labour, *Labour Sector Strategy (2021–2023): The Road to Decent Work and Employment Opportunities Improvement*, April 2020.

<sup>&</sup>lt;sup>114</sup> United Nations Sustainable Development Group (UNSDG), *UNCT COVID-19 Development System Response Plan: United Nations in the Occupied Palestinian Territory*, 2020.

<sup>&</sup>lt;sup>115</sup> ILO, Enhanced Programme of Development Cooperation for the Occupied Arab Territories, GB.340/POL/5, October-November 2020.

<sup>&</sup>lt;sup>116</sup> The fund was announced by the Prime Minister on 29 March 2020. The PGFTU contributed to it 5 million shekels.

<sup>&</sup>lt;sup>117</sup> Democracy and Workers' Rights Centre (DWRC), *The Impact of the Covid-19 Pandemic and Containment Measures on Palestinian Women Workers in the West Bank, including East Jerusalem, and the Gaza Strip*, August 2020, 11.

<sup>&</sup>lt;sup>118</sup> PNA, Ministry of Labour, "2020 Annual Performance Report of the Ministry of Labour" (unpublished).

<sup>&</sup>lt;sup>119</sup> PNA, Ministry of Labour, "2020 Annual Performance Report".

<sup>&</sup>lt;sup>120</sup> ILO, "Labour Inspection in Palestine in 2020", 30 November 2020, 51.

- Health Committees and Supervisors in the Enterprises, <sup>121</sup> and also held ten workshops to train labour inspectors on matters relating to COVID-19 and the state of emergency. <sup>122</sup>
- 104. Managing labour disputes has been a key priority for the Ministry of Labour in the last 12 months, with many disputes arising from the state of emergency and successive lockdowns. The PGFTU raised concerns over improper use during the pandemic of article 41 of the Labour Law, which regulates lay-offs during enterprise restructuring. 123 It was reported to the mission that thousands of workers may have lost their jobs without compensation. The Ministry of Labour received and processed over 90 requests for restructuring (compared with 71 in 2019) while reportedly dismissing most such requests initiated by large enterprises, notably in construction. 124 The Ministry of Labour also processed 1,192 workers' complaints and provided some 15,000 legal opinions, many related to unpaid wages and employment benefits such as severance pay. A quarter of private sector workers still receive less than the minimum wage. Similarly, only around a quarter receive employment benefits, such as participation in a pension fund to which an employer contributes and paid annual leave, sick leave and maternity leave. In Gaza, 92 per cent of private sector workers earn less than the minimum wage 125 and they rarely, if ever, receive employment benefits.
- **105.** Talks between the Ministry of Labour and the High Judicial Council on establishing dedicated labour courts with a view to expediting labour litigation <sup>126</sup> have not been conclusive. The mission was informed that labour disputes would instead be dealt with by specialized labour chambers, in conformity with the Palestinian Courts Law, which grants the High Judicial Council the authority to form specialized chambers of existing courts (magistrates' courts, courts of first instance and courts of appeal). <sup>127</sup>

# Social dialogue and tripartism: Important steps amid increasing challenges

**106.** Since the beginning of the pandemic, the Ministry of Labour and the social partners have made numerous efforts to place tripartite social dialogue at the heart of the COVID-19 response. As noted in last year's report, a tripartite social agreement signed in mid-March 2020 between the Ministry of Labour, the Private Sector Coordination Council and the PGFTU authorized private employers affected by the crisis to pay only 50 per cent of wages (or at least 1,000 shekels) to their employees for March and April 2020. In exchange, employers committed to not dismiss staff, to pay the 50 per cent balance at the end of the crisis, and to provide flexible work arrangements for working mothers. The agreement also

<sup>&</sup>lt;sup>121</sup> PNA, Ministry of Labour, "2020 Annual Performance Report".

<sup>&</sup>lt;sup>122</sup> Declared by the Palestinian Prime Minister on 5 March 2020, the state of emergency comprised a blend of measures, including running public-awareness campaigns; limiting social gatherings; closing educational facilities, worship spaces and restaurants; and establishing full or partial lockdowns and curfews.

<sup>&</sup>lt;sup>123</sup> Article 41 stipulates: "The employer may terminate the work contract for technical reasons or due to a loss, which made it necessary to reduce the number of workers, in such incident the worker shall maintain his/her right to be reimbursed for the notice and for the end of service bonus, provided that the Ministry is notified of such actions."

<sup>&</sup>lt;sup>124</sup> PNA, Ministry of Labour, "2020 Annual Performance Report".

<sup>&</sup>lt;sup>125</sup> PCBS, Quarterly Labour Force Surveys, 2020.

<sup>&</sup>lt;sup>126</sup> ILO, *The Situation of Workers of the Occupied Arab Territories*, Report of the Director-General, International Labour Conference, 109th Session (2021), 2020, para. 117.

<sup>&</sup>lt;sup>127</sup> Palestine Economic Policy Research Institute (MAS), "The Role of Specialized Courts and Chambers in Economic Development", 2017, 4.

- committed the signatories to work on establishing an emergency fund for compensating employers and workers who may have been harmed by the state of emergency. <sup>128</sup>
- 107. The tripartite agreement triggered several awareness-raising campaigns conducted by workers' and employers' organizations to promote compliance with it and, more broadly, adherence by employers to the Labour Law during the crisis. Tripartite committees were established at the governorate level, which dealt with hundreds of complaints resulting from the emergency measures. In spite of efforts by private sector employers to retain workers, 129 there was a decline in employment of 57,000 (or 5.6 per cent), and shortfalls in the content and application of the agreement were observed: it did not protect the self-employed (some 265,000 workers), nor the 20,000 or so workers aged 50 or above who could not return to work in Israel during the lockdowns; 130 it addressed neither occupational safety and health issues nor workers' coverage by occupational injury insurance; some employers in sectors hard hit by the crisis, such as private education (notably kindergartens, which have many women workers), simply ignored it; 131 and finally, the agreement was in force for only a short period, March–May 2020, during the first wave of the pandemic and lockdowns. Reportedly, an attempt to renew it failed. 132
- 108. Tripartite social dialogue at the National Wages Committee on adjusting the national minimum wage progressed in 2020, with the parties agreeing on a 30 per cent increase from 1,450 to 1,880 shekels. This agreement was formally announced during the First National Social Dialogue Conference in March 2021. Organized on the recommendation of the tripartite Labour Policies Committee, this two-day conference allowed dialogue among representatives of the Palestinian Authority (notably, the Ministries of Labour, Social Development, and Women's Affairs), the leadership of the social partners, and civil society organizations. A concluding statement commits the parties to four key actions. First, to establish a committee to monitor implementation of a National Employment Strategy for 2021–2025 and to organize an international donor conference to help implement it. Second, to launch a national dialogue to review the 2016 Social Security Law (suspended since 2019), facilitated by a national committee under the auspices of the Ministry of Labour. Third, to apply the new national minimum wage from early 2022. And fourth, to establish a tripartite committee mandated to finalize the revision of the current Labour Law and a Trade Union Organizations Law; promote sectoral social dialogue; adopt a Ministry of Labour plan to protect Palestinian workers in Israel; and institutionalize national tripartite social dialogue for shaping socio-economic and fiscal policies.

# Social security: A renewed commitment?

**109.** When the COVID-19 pandemic hit, the majority of Palestinian workers had no social security entitlements. <sup>133</sup> Only public sector workers – around one quarter of all employed

<sup>&</sup>lt;sup>128</sup> ILO, The Situation of Workers of the Occupied Arab Territories, 2020, para. 122.

<sup>&</sup>lt;sup>129</sup> Over 70 per cent of establishments in the Occupied Palestinian Territory were closed for more than half of the period from March to May 2020, with an average decline in sales/production of 50 per cent: MONE and PCBS, "Impact Of Coronavirus (COVID-19) Pandemic On Economic/Business Establishments during 5/3/2020–31/5/2020".

<sup>&</sup>lt;sup>130</sup> Badr al-Araj, "The Social Impacts of the COVID-19 Pandemic and the Need to Develop the Palestinian Social Protection Sector in Palestine", background paper, MAS, 14 October 2020, 2.

<sup>&</sup>lt;sup>131</sup> PGFTU, "Requirements to Provide Comprehensive Social Protection Coverage in the Face of Increasing Challenges to the Palestinian Labour Market", position paper presented at the First Social Dialogue Conference, March 2021.

<sup>132</sup> DWRC, The Impact of the Covid-19 Pandemic and Containment Measures on Palestinian Women Workers, 11.

<sup>&</sup>lt;sup>133</sup> MAS, "Ground Work for Social Protection: Conceptual and Systematic Framework and State Experience during the COVID-19 Pandemic", Presentation at the First Social Dialogue Conference, March 2021.

Palestinians – were receiving benefits. <sup>134</sup> Workers in the private sector, and their families, are not covered by any public social security scheme (whether for old-age, disability and death benefits, employment injury benefits or maternity benefits). Since the suspension in 2019 of the Palestinian Social Security Law of 2016, there has been no active legal basis nor a functional institution to administer such benefits. <sup>135</sup> Currently, only around 35 per cent of workers in the private sector receive some benefits in the form of severance pay, paid annual leave and paid sick leave, in line with the Labour Law. <sup>136</sup>

110. Efforts to reactivate dialogue among stakeholders to review the Social Security Law restarted in late 2020. On 13 October, the Ministry of Labour issued Decision No. 226 of 2020, which created a special committee tasked with "following up on exploratory discussions to open dialogue and review the Social Security Law, in preparation for reaching a national consensus on the Law and its provisions". The Committee consists of representatives nominated by the Ministry of Labour, the Palestinian Social Security Corporation, the PGFTU and the Federation of Palestinian Chambers of Commerce, Industry and Agriculture. Dialogue is expected to focus on sensitive technical areas, including: compatibility of a future social security scheme with the current Labour Law and current employer liability arrangements; risks and groups to be covered; transition mechanisms and governance arrangements; and timelines for implementing agreed reforms. A first meeting, held in late November 2020, yielded few tangible results on these matters, but the parties committed to continuing dialogue in 2021.

# Employment promotion, skills and entrepreneurship during the pandemic

- 111. In November 2020, the first National Employment Strategy, covering 2021–2025, was finalized and adopted. <sup>137</sup> Formally launched at the First National Social Dialogue Conference, the Strategy was crafted by a tripartite and inter-ministerial committee. It aims to address challenges of the labour market and policy coherence, with a particular emphasis on women and youth. It has three main pillars: promoting sound labour market governance, with a focus on enhancing active labour market policies; aligning education with labour market needs, notably via improved technical and vocational education and training (TVET); and promoting a resilient private sector and generating employment and self-employment opportunities, including incentivizing youth to engage in start-up entrepreneurship. The Strategy is viewed as critical for post-pandemic economic recovery and coordinating the efforts of the various national and donor stakeholders in the field of employment.
- **112.** Public employment services are expected to play a key role in the implementation of the National Employment Strategy. A strategic plan for strengthening the capacity of public employment services and making them more responsive to jobseekers and employers is expected to be finalized in 2021. The plan is based on an ILO baseline assessment presented in February 2021. <sup>138</sup>

<sup>&</sup>lt;sup>134</sup> PCBS, Quarterly Labour Force Surveys, 2020 and 2021.

<sup>&</sup>lt;sup>135</sup> ILO, The Situation of Workers of the Occupied Arab Territories, 2020, para. 123.

<sup>&</sup>lt;sup>136</sup> PNA, Ministry of Social Development, "Meeting with the ILO Fact Finding Mission: Talking Points", 7 March 2021.

<sup>&</sup>lt;sup>137</sup> PNA, National Employment Strategy, covering the period 2021–2025, March 2021.

<sup>&</sup>lt;sup>138</sup> ILO, "Public Employment Service: Functional Assessment, Occupied Palestinian Territory", November 2020 (unpublished).

- 113. The Palestinian Fund for Employment and Social Protection provided funding and training to micro and small enterprises and grassroots organizations, which in 2020 targeted some 25,000 beneficiaries, including graduates, women, persons with disabilities, and unemployed persons. The Fund reportedly created over 4,000 employment opportunities, most of them of a temporary nature, and 560 income-generating opportunities. Around 40 per cent of the income-generating projects targeted women. <sup>139</sup> As part of the Ministry of Labour's emergency response plan, the Fund launched nine projects to support micro and small enterprises affected by the pandemic. <sup>140</sup> Importantly, in May 2020 the Palestinian Monetary Authority launched the Istidama (Sustainability) programme, which aims to inject US\$300 million through preferential bank loans for small and medium-sized enterprises directly affected by the pandemic. <sup>141</sup>
- 114. Around 13,000 students graduate annually from some 160 TVET institutions operating in the Occupied Palestinian Territory, including 17 vocational and industrial schools under the Ministry of Education and 14 vocational training centres under the Ministry of Labour. 142 Reportedly, demand for training outweighs supply. 143 In line with the Labour Sector Strategy 2021–2023, Presidential Law-Decree No. 4 of 2021, adopted in February, established a national authority for TVET with a view to supporting the development of a TVET system that is more effective and responsive to labour market needs. The authority has been mandated, among other things, to prepare further legislation and a national policy on TVET, to complete the development of a National Qualifications Framework, and to host a national fund for TVET.
- 115. Offering employment and skills opportunities to unemployed women, youth and persons with disabilities, including grants to revive small and micro enterprises for poor households affected by the pandemic, is a key objective of the updated Social Development Sector Strategy 2021–2023. <sup>144</sup> The challenge is formidable. Approximately 1.4 million Palestinians were living in poverty in 2020. World Bank projections suggest that the poverty rate reached 28.9 per cent in 2020, an increase of 5.3 percentage points compared with the previous year. <sup>145</sup> This puts further pressure on the ad hoc and fragmented social assistance presently available.
- 116. A new National Strategy for the Cooperative Sector for 2021–2023 was released in August 2020. <sup>146</sup> It promotes cooperatives and social entrepreneurship as important means for enhancing employment and livelihoods for Palestinians. A participatory consultation process launched in 2020 by the Cooperative Work Agency led to a revision of the Cooperative Law No. 20 of 2017, in line with international best practice and international labour standards. <sup>147</sup> The draft amendments to the Law, along with by-laws establishing two

<sup>&</sup>lt;sup>139</sup> Palestinian Fund for Employment and Social Protection, Report 2020.

<sup>&</sup>lt;sup>140</sup> PNA, Ministry of Labour, "2020 Annual Performance Report".

<sup>&</sup>lt;sup>141</sup> Palestine Monetary Authority, "To Help Establishments Affected by the Corona Pandemic, Palestine Monetary Authority Launches \$300 million 'Sustainability' Program to Provide Financing for SMEs", press release, 6 May 2020.

<sup>&</sup>lt;sup>142</sup> PNA, Ministry of Labour, *Labour Sector Strategy (2021–2023): The Road to Decent Work*, 34.

<sup>&</sup>lt;sup>143</sup> PNA, National Employment Strategy, covering the period 2021–2025, March 2021, 64.

<sup>&</sup>lt;sup>144</sup> PNA, Ministry of Social Development, *Social Development Sector Strategy 2021–2023*, August 2020.

<sup>&</sup>lt;sup>145</sup> World Bank Group, "Palestinian Territories", *Macro Poverty Outlook*, April 2021, 170–171.

<sup>&</sup>lt;sup>146</sup> PNA, Cooperative Work Agency, *National Strategy for the Cooperative Sector 2021-2023: Reform and Development*, August 2020.

<sup>&</sup>lt;sup>147</sup> Notably, the ILO Promotion of Cooperatives Recommendation, 2002 (No. 193).

promotional bodies of the Agency (the Cooperative Development Fund and the Cooperative Training Institute), were finalized and sent to the Council of Ministers for endorsement.

### Empowering women: The great setback

- **117.** As emphasized earlier, women in the Palestinian labour market have been disproportionately affected by the fallout from COVID-19. The mission was informed that during the pandemic, women were more likely than men to face violations of their rights under the current Labour Law. Working women continued to earn on average 25 per cent less than their male counterparts in the private sector. <sup>148</sup> Minimum wage legislation continued to be violated on a widespread basis in sectors where women workers dominate, such as education, notably kindergartens. <sup>149</sup>
- **118.** In March 2020, a Ministry of Labour directive (No. 50 of 2020) extended flexible work arrangements for working women in the public sector to those in the private sector during the state of emergency. In line with the tripartite agreement of March 2020, the directive required employers to organize the working time of women according to their family situation. However, many employers in the private sector apparently ignored the directive. <sup>150</sup>
- **119.** Successive lockdowns led to increased unpaid care work, which disproportionately fell on women and girls. <sup>151</sup> Domestic and gender-based violence also increased. <sup>152</sup> The High Judicial Council and the Attorney General's Office developed emergency plans to respond to the needs of female victims of violence during the pandemic. To increase women's access to support services, a Council of Ministers decision of 28 April 2020 regulated the referral of women victims and survivors of violence during the state of emergency. <sup>153</sup>
- 120. Efforts to review and harmonize legislation to ensure compliance with the UN Convention on the Elimination of All Forms of Discrimination against Women stagnated in 2020. <sup>154</sup> Revisions to the Labour Law from a gender perspective have not yet been adopted. <sup>155</sup> Similarly, the Family Protection Law and amendments to the Penal Code and the Personal Status Code remained in draft form, while the new Social Security Law (with important implications for maternity protection) is still pending the outcome of stakeholder consultations. Overall, human rights advocates, including the National Committee for Women's Employment and the Independent Commission for Human Rights, continue to express concern over legal obstacles to gender equality and equal pay for work of equal value, to promotion of women's employment, and to protection from violence and

<sup>&</sup>lt;sup>148</sup> PCBS, Labour Force Survey, Q4 2020.

<sup>&</sup>lt;sup>149</sup> PNA, Ministry of Labour, *Labour Sector Strategy (2021–2023): The Road to Decent Work*.

<sup>&</sup>lt;sup>150</sup> DWRC, The Impact of the Covid-19 Pandemic and Containment Measures on Palestinian Women Workers.

<sup>&</sup>lt;sup>151</sup> DWRC, "DWRC Demands the Adoption Substantial Measures that Will Motivate Women to Engage in the Labor Market and Provide Employment Opportunities", 8 March 2021.

<sup>&</sup>lt;sup>152</sup> UN Women, *Rapid Assessment on COVID-19 and Domestic and Family Violence Services across Palestine*, April 2020; UNICEF, UN Women, UNDP and SAWASYA, *Impact of Covid-19 on the Access of Women Victims and Survivors of Violence to Justice and Security Services in Palestine*, 2020.

<sup>&</sup>lt;sup>153</sup> UN Women, *Rapid Assessment on COVID-19*.

<sup>&</sup>lt;sup>154</sup> Committee on the Elimination of Discrimination against Women (CEDAW), Information Received from the State of Palestine on Follow-up to the Concluding Observations on its Initial Report, CEDAW/C/PSE/FCO/1, 19 August 2020.

<sup>&</sup>lt;sup>155</sup> F. Daa'na, "Summary of Review of Palestinian Labor Law No. 7 of 2000 from a Gender Perspective", ILO position paper, 15 November 2018.

- harassment. <sup>156</sup> In its present form, Palestinian legislation does not incorporate a comprehensive definition of discrimination against women. <sup>157</sup>
- **121.** Women's representation in public decision-making remains poor. Only 5 per cent of members of the Palestinian Central Council, 11 per cent of the Palestinian National Council and 13 per cent of the Council of Ministers are women. Only 11 per cent of Ambassadors are women. Moreover, only one woman holds the position of Governor in the 16 governorates of the Occupied Palestinian Territory. Women accounted for 45 per cent of public sector employees, but only 14 per cent of those who held the rank of Director-General or higher. <sup>158</sup> Ahead of the planned legislative, presidential and Palestinian National Council elections, Presidential Decree Law No. 1 of 2021 includes provisions for an increased minimum representation of women on electoral lists of 26 per cent. <sup>159</sup>
- **122.** Women also remain severely under-represented in civil society. One exception is the PGFTU, where representation of women in leadership positions is approaching 30 per cent, following the PGFTU's sixth congressional meeting and elections held in late January 2021.

### **Groups in vulnerable situations**

- 123. The Labour Law prohibits the employment of children under the age of 15 years and hazardous or long hours of work for 15- to 17-year-olds. According to PCBS Labour Force Surveys, child labour is very rare. As noted in last year's report, child labour appears to be most prevalent in small family businesses and among informal street vendors. In 2020, the Ministry of Labour's inspection services removed 35 children from the labour market. After the outbreak of COVID-19, the Global Protection Cluster <sup>160</sup> reported an increase in services provided to working children and their families, notably in Gaza (a 52 per cent increase in such services in 2020 from 2019), and linked this increase to the partial or full closure of schools during lockdowns to contain the spread of COVID-19. <sup>161</sup>
- 124. The newly adopted National Employment Strategy 2021–2025 expands the scope and coverage of labour inspection of informal enterprises, which are more prone to child labour. The Strategy includes a dedicated performance indicator on child labour and capacity-building for the Ministry of Labour's inspection services and the Labour Protection Directorate-General in order to improve the inspection of child labour and the monitoring of children's working conditions. An assessment was conducted by the Global Protection Cluster into the needs of vulnerable children and requirements for enhanced protection in

<sup>&</sup>lt;sup>156</sup> Independent Commission for Human Rights, Ombudsman, "Shadow Report to the State of Palestine's Follow Up Report, on the Concluding Remarks on the Initial Report by State of Palestine Submitted to the CEDAW Committee".

<sup>&</sup>lt;sup>157</sup> Women Civic Coalition, "Parallel Report to the Government of the State of Palestine Follow-up Report to the CEDAW Committee Concluding Observations and Recommendations to the Initial Report of the State of Palestine", 24 August 2020. <sup>158</sup> PCBS, Labour Force Survey, Q4 2020; PCBS, "The Situation of the Palestinian Women on the Eve of the International Women's Day, 08/03/2021", press release, 7 March 2021.

<sup>&</sup>lt;sup>159</sup> "One woman within the first three names of the list, and one woman within every four names that follow": Central Elections Commission – Palestine, "Nomination for the 2021 Legislative Elections".

<sup>&</sup>lt;sup>160</sup> A participatory forum, comprising UN humanitarian, human rights and development agencies and actors, as well as local and international NGOs in the Occupied Palestinian Territory.

<sup>&</sup>lt;sup>161</sup> A total of 3,161 schools, including UNRWA and private schools, and 2,017 kindergartens were affected, according to UNICEF and the Global Protection Cluster.

- the context of COVID-19 so as to better inform the Occupied Palestinian Territory's child protection services in their operational planning and responses. <sup>162</sup>
- 125. In 2020, approximately 288,000 Palestinians aged 10 and above had some form of disability, including over 22,000 with a serious disability. <sup>163</sup> The pandemic and restrictions under the state of emergency are acting as extra barriers to many people with disabilities, especially women, to being integrated into the workforce. Amendments to Law No. 4 of 1999 on the Rights of Persons with Disabilities have yet to be endorsed by the Council of Ministers, while a national policy on the rights of persons with disabilities has been in preparation since early 2020. Currently, no regulations exist for ensuring that workplaces are adapted to persons with disabilities, which contributes to a very low labour force participation rate. Approximately 224,000 people with disabilities remain outside the labour force. <sup>164</sup>
- **126.** The Palestinian development planning framework contains multiple measures for empowering people living in poverty, youth and persons with disabilities. These include raising public awareness of the rights of these groups in vulnerable situations to decent work, improved access to TVET, and support in recruitment and employment. Many of the interventions of the Social Development Strategy 2021–2023 involve cash assistance, and are part of a set of charitable relief programmes made available by governmental and international institutions, and NGOs. While necessary and valuable, they do not constitute a comprehensive social protection system. <sup>165</sup>

### Gaza: A never-ending crisis

- **127.** The pandemic brings additional obstacles to the governance and functioning of Gaza's labour administration. It compounds the effects of 14 years of Israel's land, air and sea blockade, and the lack of reconciliation between the Palestinian Authority in the West Bank and the de facto authorities of the enclave.
- 128. With the economy and labour market approaching collapse, approximately 80 per cent of Gazans depend on humanitarian assistance, channelled mainly through UNRWA. The pandemic has made it more difficult for UNRWA to deliver essential services to Gazans, notably primary healthcare and education. The second largest employer in Gaza with some 12,800 workers, UNRWA narrowly avoided a financial collapse at the end of 2020 because of continuing shortfalls in donor funding. It was forced to apply restrictive measures relying on precarious daily contracts, downsizing by attrition and leaving some 500 vacancies unfilled. UNRWA is facing a further shortfall of US\$200 million for its core programme budget for 2021, placing at risk all essential services, food distribution and national plans to contain the pandemic, including vaccination roll-out. <sup>166</sup> In April 2021, the US Secretary of State announced that funding from the United States to UNRWA would be resumed.

<sup>&</sup>lt;sup>162</sup> Global Protection Cluster, Child Protection Area of Responsibility, *COVID-19 Protection Needs Identification and Analysis in the State of Palestine*, November 2020.

<sup>&</sup>lt;sup>163</sup> PCBS, Quarterly Labour Force Surveys, 2020.

<sup>&</sup>lt;sup>164</sup> Individuals are considered to be outside the labour force if they are neither employed nor unemployed, that is, not actively seeking work.

<sup>&</sup>lt;sup>165</sup> MAS, "The Social Impacts of the COVID-19 Pandemic and the Need to Develop the Palestinian Social Protection Sector", 8.

<sup>&</sup>lt;sup>166</sup> UNSCO, "Security Council Briefing on the Situation in the Middle East, Reporting on UNSCR 2334", 25 March 2021.

- 129. In early 2021, the Palestinian Authority lifted austerity measures that had been in place since early 2017, affecting the wages of some 60,000 Gaza-based civil servants on the Palestinian Authority payroll. <sup>167</sup> This implies the end of a 30–50 per cent reduction in takehome pay, applying the same salary scale as for Palestinian Authority civil servants in the West Bank, and ending involuntary early retirement for over 6,500 civil servants. In 2020, the Palestinian Authority programme of a one-off cash transfer of 700 shekels supported 5,700 Gazan workers. In cooperation with foreign donors, projects of the Palestinian Fund for Employment and Social Protection and the Ministry of Labour supported around 100 income-generating microbusinesses, created around 1,000 temporary employment opportunities and delivered vocational education and training. <sup>168</sup>
- **130.** Labour market governance remains complicated in Gaza. The Ministry of Labour has no control over its five Gaza-based employment offices that provide employment services and jobseeker registration. <sup>169</sup> The national minimum wage is generally not applied, while the situation of civil servants employed by the de facto authorities appears to be highly uncertain. In recent years, these workers have reportedly been paid only 40 per cent of their salaries, every 40–50 days. <sup>170</sup> The continuing occupation by the de facto authorities of the PGFTU premises and the improper use of its infrastructure impede independent trade union activities. There is effectively no tripartite or bipartite social dialogue in Gaza a damaging void, given the serious issues affecting employers and workers in the enclave.
- **131.** The Gaza Industrial Estate is the only industrial zone that has stayed operational since the hostilities of 2014. It benefits from 24-hour-a-day electricity supply. However, continuing blockade-related restrictions and the pandemic have further affected the zone's operations and employment. The number of workers employed in the estate dropped from 2,000 in 2017 to 1,400 in 2019 through to 950 in 2021. This reportedly includes between 170 and 250 workers in a textile factory producing surgical masks for the Israeli market.

<sup>&</sup>lt;sup>167</sup> ILO, The Situation of Workers of the Occupied Arab Territories, 2020, para. 139.

<sup>&</sup>lt;sup>168</sup> PNA, Ministry of Labour, "2020 Annual Performance Report".

<sup>&</sup>lt;sup>169</sup> PNA, National Employment Strategy, covering the period 2021–2025, 164.

<sup>&</sup>lt;sup>170</sup> OCHA, *Humanitarian Response Plan 2021*, working document, December 2020, endnote 9.

# ► Chapter 5. Workers of the occupied Syrian Golan under the shadow of lockdowns and isolation

- **132.** While the world focuses on the occupation of the West Bank, including East Jerusalem, and Gaza, the situation of the occupied Syrian Golan has often remained on the periphery of international attention. Occupied at the same time as the Palestinian territory, during the 1967 war, the Golan Heights was annexed by Israel 40 years ago, in 1981.
- 133. The annexation and exercise of Israeli sovereignty breaches international law. Security Council resolution 497 (1981) stipulates that the Israeli decision to impose its laws, jurisdiction and administration in the occupied Syrian Golan is null and void and without international legal effect. <sup>171</sup> This was echoed by Human Rights Council resolution 43/30, adopted in June 2020. <sup>172</sup> The annexation has been recognized by only one country, the United States, which did so in March 2019. The recognition was reaffirmed during a visit by the US Secretary of State to the occupied Syrian Golan in November 2020. <sup>173</sup>
- **134.** The occupied Syrian Golan continues to be separated from the Syrian Arab Republic by a buffer zone, controlled by the United Nations Disengagement Observer Force. <sup>174</sup> Crossings remain closed. Since 2013, no trade has been possible between the occupied territory and the Syrian Arab Republic.
- 135. The overall population remains small and has not increased much over the years. According to the Israeli Central Bureau of Statistics, <sup>175</sup> there were 51,500 people living in the Golan in 2020, of which 26,300 were Syrian citizens and 23,400 were Israeli settlers. The settler population is spread over 35 settlements, while Syrian citizens of the occupied Syrian Golan inhabit five villages. As in the West Bank, including East Jerusalem, these settlements contravene international law. The United Nations Economic and Social Council, in its resolution 2018/20, reaffirmed that "the construction and expansion of Israeli settlements and related infrastructure in … the occupied Syrian Golan are illegal and constitute a major obstacle to economic and social development". <sup>176</sup>

<sup>&</sup>lt;sup>171</sup> Reiterated by resolution 74/90 of 26 December 2019 in which the General Assembly: "1. Calls upon Israel, the occupying Power, to comply with the relevant resolutions on the occupied Syrian Golan, in particular Security Council resolution 497 (1981), in which the Council, inter alia, decided that the Israeli decision to impose its laws, jurisdiction and administration on the occupied Syrian Golan was null and void and without international legal effect and demanded that Israel, the occupying Power, rescind forthwith its decision; 2. Also calls upon Israel to desist from changing the physical character, demographic composition, institutional structure and legal status of the occupied Syrian Golan and in particular to desist from the establishment of settlements".

 $<sup>^{172}</sup>$  UN General Assembly, Human Rights Council, Human Rights in the Occupied Syrian Golan, A/HRC/RES/43/30, 3 July 2020.

<sup>&</sup>lt;sup>173</sup> Times of Israel, "Pompeo During Rare Golan Heights Visit: 'This is Israel'", 19 November 2020.

<sup>&</sup>lt;sup>174</sup> UN Security Council, *United Nations Disengagement Observer Force: Report of the Secretary-General*, S/2020/1159, 2 December 2020.

<sup>&</sup>lt;sup>175</sup> Central Bureau of Statistics, "Population – Statistical Abstract of Israel 2020 – No. 71", 26 July 2020.

<sup>&</sup>lt;sup>176</sup> UN General Assembly, Economic and Social Council, *Economic and Social Repercussions of the Israeli Occupation on the Living Conditions of the Palestinian People in the Occupied Palestinian Territory, including East Jerusalem, and of the Arab Population in the Occupied Syrian Golan, Note by the Secretary-General,* 27 May 2020, A75/86-E/2020/62, and resolution 2018/20 adopted by the Economic and Social Council on 24 July 2018, E/RES/2018/20.

- **136.** Labour force participation rates of the Syrian citizens of the Golan have varied widely over the last decade. <sup>177</sup> While rates steadily increased from 2012 (39.9 per cent) to 2017, when they reached a peak of 51 per cent, they declined thereafter, dropping to 40.1 per cent in 2020. The determinants behind these trends remain unclear. About one quarter of Syrian women of working age (25.4 per cent) took part in the labour force in 2000.
- **137.** Around 90 per cent of Syrian workers are employees; 10 per cent are recorded as self-employed, including employers. Available data only allow for a partial disaggregation by industry. In 2000, data from the Central Bureau of Statistics recorded that 29 per cent of the employed Syrian citizens of the Golan worked in construction and 17.7 per cent in education. Reliable figures for other sectors, such as agriculture and manufacturing, are not available. Neither are recent data on unemployment, which the Central Bureau of Statistics has not published since 2017.
- 138. Given the paucity of data, it is difficult to analyse labour market trends over time and to isolate the effects of the occupation and the COVID-19 pandemic with its accompanying lockdowns and business closures. The mission was informed, however, that the pandemic affected in particular the agricultural sector and tourism industry, which had rapidly gained in importance over the last few years, becoming a secondary source of income for many Syrian citizens. Apple and cherry production, previously important for agricultural employment and livelihoods, has retreated further into the background, as the size of Syrian citizens' landholdings has decreased and market shares diminished in the face of competition from the high-volume agro-industrial production of many Israeli settlements.
- 139. It was also reported to the mission that the Syrian citizens of the occupied Golan continue to be affected by discriminatory practices with regard to access to land and water. <sup>178</sup> There are concerns about restrictive zoning and building policies and allegedly unfair water pricing in the context of subsidies provided to Israeli settlers. Meanwhile, the planned project by an Israeli energy firm to install some 30 wind turbines in the occupied Syrian Golan appears to be proceeding. Many Syrian citizens have voiced concern that they were not properly consulted in the planning stage and that the endeavour may further restrict their land use and jeopardize opportunities for them to develop the tourism sector.

<sup>&</sup>lt;sup>177</sup> These and the following data are based on the Israeli Labour Force Survey 2020 of the Central Bureau of Statistics, which is the only available source of labour force data for the Syrian citizens of the occupied Syrian Golan.

<sup>&</sup>lt;sup>178</sup> UN General Assembly, Economic and Social Council, *Note by the Secretary-General*, A/75/86-E/2020/62.

# ► Concluding observations

- **140.** After more than half a century of occupation, the Palestinian economy and labour market have been badly eroded. Lacking the resilience to deal with an additional shock, both were devastated by the fallout of COVID-19. Businesses shut, often for good, and workers stayed at home. As so often, the weakest in the labour market were hardest hit: those in the informal economy, young workers and women.
- **141.** Working hour and job losses have been massive during the pandemic. Labour force participation rates plummeted as tens of thousands of workers left the labour market altogether: they have given up hope of finding a job. Only a meagre 40 per cent of Palestinians of working age are now in the labour force, a full quarter of whom remain unemployed.
- **142.** The Palestinian Authority has been able to do little to mitigate the impact of COVID-19 on workers: its fiscal space was too narrow. Following a long stand-off with Israel on clearance revenues and in the face of declining external aid, resources were exhausted and workers largely had to fend for themselves, especially in the private sector. Every crisis crystalizes protection deficits; in the Occupied Palestinian Territory, the absence of a sound social protection system became painfully apparent during COVID-19.
- **143.** Yet, in spite of the emergency situation, important policy initiatives were brought to fruition in the past year. A National Employment Strategy, launched in early 2021, promises to become a blueprint for post-COVID labour market recovery. Social dialogue was also given new impetus, and it is to be hoped that it will provide the means for developing a common vision on how to confront the jobs crisis and improve workers' welfare.
- **144.** Meanwhile, the occupation maintained its grip. Settlement expansion intensified and for most of the year the threat of annexation loomed over the West Bank. Israeli demolitions and confiscations of Palestinian property reached new highs. In Gaza, the blockade continued unabated. Labour market indicators for the enclave convey an almost inconceivable picture of collapse and deprivation. As jobs in Gaza are becoming ever scarcer, unemployment among women and youth is approaching universality.
- 145. Over 100,000 Palestinians continued to work in the Israeli labour market, despite the lockdowns and difficulties of access. In late 2020, the Israeli authorities put in place a long-announced reform of the permit regime which has the potential to increase the mobility of Palestinian workers in the Israeli market and improve their treatment and conditions. Nonetheless, permit brokerage is still operational and continues to subject large numbers of Palestinian workers to abuse.
- 146. In the occupied Syrian Golan, the situation of workers has remained largely unchanged. Many Syrian citizens of the occupied Golan are trying to keep a foothold in agriculture while increasingly reorienting themselves towards work in other sectors, such as construction and tourism. Discriminatory practices with regard to access to water and land reportedly continue to be an issue. As in the past, poor data remain a constraint on the analysis of labour market developments and, as such, the assessment of the impact of the pandemic and the occupation on workers of the occupied Syrian Golan.

147. All efforts to improve the situation of workers of the occupied territories are conditioned by, and heavily reliant on, relations between Israel and the Palestinian Authority. The ILO Constitution says peace depends on social justice. By the same logic, advancing social justice for workers of the occupied territories depends greatly on peace in the region and the achievement of the vision of two states living side by side in accordance with UN resolutions. Only then will Palestinian workers be able to realize all their potential and enjoy their rights in full.

# ► Annex: List of interlocutors

# Palestinian Authority and other public institutions

#### Ministry of Labour

Nasri Abujaish, Minister

Abdel Kareem Daraghmeh, Deputy Assistant, Tripartite Dialogue Affairs

Asma Hanoun, Head, External Employment Unit

Azmi Abdel Rahman, Director-General, Labour Policies

Wael Qraiem, Legal consultant to the Ministry of Labour

#### Ministry of Foreign Affairs

Omar Awadallah, Ambassador, Multilateral Affairs, Head of United Nations and its Specialized Agencies Department

Khuzama Hanoon, Third Secretary, Desk Officer for the ILO, UNFPA and UNIDO

Ayoub Ayoub, Third Secretary, Desk Officer, Environment and Human Rights

#### **Ministry of Social Development**

Ahmed Majdalani, Minister

#### Ministry of Women's Affairs

Amal Hamad, Minister

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

Ola Awad/Shakhshir, President

Suha Kana'an, Director of Labour Statistics Department

Ahmad Omar, Director of Analysis and Forecasting Department

Hani Al-Ahmad, Director of Service Sectors Statistics Department

#### Palestine Liberation Organization (PLO)

Nabeel Shaath, Special Representative of the President of the State of Palestine, Chairman of the Executive Committee of the PLO

#### National Committee for Women's Employment

Lama Awwad, Head of Gender Unit, Ministry of Labour

Buthaina Salem, Head of Legal Unit, Ministry of Labour

Sami Sihweil, Director of Planning Department, Ministry of Women's Affairs

Abeer Omran, Head of Gender Unit, Ministry of National Economy

Asma Al Kilani, Head of Gender Unit, Ministry of Culture

Ayshe Hmouda, Head of Gender Unit, Palestinian General Federation of Trade Unions

Moussa Salameh, Head of Gender Unit, Federation of Palestinian Chambers of Commerce, Industry & Agriculture

Amjad Janazreh, Coordinator for Business Women Center, Bethlehem Chamber of Commerce and Industry

Carine Abu Hmeid, Programme and External Relations Coordinator, Democracy and Workers' Rights Center

Hassan Mahareeq, Projects Manager, The Palestinian Initiative for the Promotion of Global Dialogue and Democracy (Miftah)

Naela Odeh, Field Coordinator, Palestinian Working Women Society for Development

Bashayer Tahboub, Head of Gender Unit, General Personnel Council

Iman Hasasneh, Projects Coordinator, Business Women Forum

Ayman Abedel Majeed, Coordinator and Researcher, Center for Development Studies – Beir-Zeit University

#### Palestinian Fund for Employment and Social Protection

Mahdi Hamdan, Director-General

Mohammed Abu Zaiter, Deputy CEO, Gaza

Hadeel Hussein, Project Coordinator

# Palestinian workers' and employers' organizations

#### Palestine General Federation of Trade Unions (PGFTU), Nablus

Shaher Sae'd, Secretary-General

Ashraf Al-Awar, Head of Health Services Union

Mohammad Al-Badri, Head of Post and Telecommunication Union

Mahmoud Al-Hawasheen, Head of Public Services Union

Sufian Estateh, Member of Municipal Workers Union

Abdel Karim Al-Lafdawi, Head of Printing and Media Union

Saher Sarsour, Secretary of Timber and Building Union

Sameh Al-Jabari, Head of Occupational Safety and Health Unit

Majdi Al-Muhsen, Head of Social Security Unit

Imad Eshtawi, Member of Youth Unit

Juwairyeh Al Safadi, Head of Health Insurance Unit

Muna Jubran, Head of Textile Workers Union

Kayed Awwad, Head of Public Transportation Union

Mais Jamleh, Head of Kindergartens and Private Schools Union

Mahmoud Thiab, Member of General Secretariat and Member of Timber and Building Union

Abdel Karim Dweikat, Head of Agriculture and Food Industries Union

Bassam Yaish, Head of Electricity and Energy Union

Mohammad Amarnah, Legal Adviser

Ehlayel Abu Jaish, Head of Media Unit

Abdel Karim Hajam, Member of UNRWA Union

#### Palestine General Federation of Trade Unions, Gaza

Bashir Al Sisi, Head of General and Commercial Services Workers Union

Salameh Abu Zeiter, Head of Health Services Workers Union

Zaki Khalil, Head of Textile Workers Union

# Federation of Palestinian Chambers of Commerce, Industry and Agriculture (FPCCIA), Ramallah

Omar Hashem, President

Jamal Jawabreh, Secretary-General

#### Jerusalem Chamber

Samer Nuseibeh, Board of Directors

Luai Al Husseini, Director-General

#### North Gaza Chamber

Bahaa Al Amawi, Board Member and Public Relations Officer

#### Rafah Chamber

Ayyad Abu Taha, Director of Public Relations

#### Palestinian Federation of Industries

Odeh Shihadeh, Secretary-General

Abeer Safi, Project Coordinator

#### Palestinian Packaging Center

Israa' Dosouqi, Inspection Officer

#### Union of Stone and Marble Industry in Palestine

Shadi Shaheen, Director-General

#### **Palestinian Construction Industries Union**

Khaled Safi, Director-General

#### Palestinian Food Industries Union

Bassam Abu Ghalyoun, Director-General

#### Palestinian civil society organizations and other stakeholders

#### Al-Hag

Shawan Jabarin, General Director

Tahseen Elayyan, Program Director of Monitoring and Documentation

Department Rula Shadid, Head of Monitoring and Documentation

Department

#### Center for Women's Legal Research and Consulting - Gaza

Zeinab El Ghunaimi, Director

#### Gaza Sky Geeks

Kevin Gomis, CFO and COO

Sasha Muench, Country Director, Mercy Corps, Palestine

Ryan Sturgill, Director

Iyad Altahrawi, Startup Acceleration Manager

Tariq Bseiso, Data Analyst

Nour Elkhoudary, Diversity and Inclusivity Coordinator

#### **Independent Commission for Human Rights**

Ammar Dwaik, Director-General

Taher Al-Masri, Legal Researcher

Aisheh Ahmad, Legal Researcher

#### Palestine Industry Estates Development & Management Co. - Gaza

Moaz Moqat, Operations Manager

#### Palestinian Center for Human Rights - Gaza

Raji Sourani, General Director

Fadel Almzeneh, Director of Socio-Economic Rights Unit

#### Palestinian Medical Relief Society (PMRS)

Mustafa Barghouthi, President of PMRS and Secretary-General of Palestine National Initiative

#### Palestinian Initiative for the Promotion of Global Dialogue and Democracy (Miftah)

Hanan Ashrawi, Chairperson

#### Government of Israel and other public institutions

#### Ministry of Foreign Affairs

Haim Waxman, Deputy Director-General for the United Nations and International Organizations

Avivit Bar-Ilan, Head of Bureau, for the United Nations and International Organizations

Eldad Golan, Director, International Organizations & UN Specialized Agencies

Yael Bitton, Deputy Director, International Organizations & UN Specialized Agencies

Nitzan Arny, Counsellor, Permanent Mission of Israel to the United Nations and other international organizations in Geneva

#### Ministry of Labour, Social Affairs and Social Services

Avigdor Kaplan, Director-General

Rivka Werbner, Chief Labour Relations Officer

Hezi Schwartzman, Director of the Occupational Health and Safety Administration

Gali Levi, Chief Prosecutor

Shiri Lev-Ran Lavi, Commissioner of Foreign Workers' Labor Rights

Avner Amrani, Department of Labour Relations

Ibrahim Kilani, Department of Labour Relations

Revital Karin Sela, Director of International Relations for the Division of Labour

Emuna Yossef, Division of Labour

#### Israeli Institute for Occupational Safety and Hygiene

Sami Saadi, Head of Northern District

#### **Enforcement and Regulation of Labour Law Administration**

Sharon Cohen, Senior Director, Public Inquiries and Information on Labour Laws

#### Population and Immigration Authority

Efrat Lev-Ari, Legal Advisor

#### Ministry of Justice

Hila Tene-Gilad, Director of Human Rights, International Law Department

Ayelet Dahan, Anti-Trafficking Unit

Lina Salem, Department of Public and Constitutional Law

Ayelet Levin, International Law Department

Eden Farber, Intern, International Law Department

#### Ministry of Finance

Michael Ritov, Senior Economist, Chief Economist Department Research Division Dudi Kopel, Legal Bureau

#### Bank of Israel

Haggay Etkes, Senior Economist

#### Coordination of Government Activities in the Territories (COGAT)

Ltc. Alon Shacham, Head of Foreign Relations Branch Mjr Moti Stolovich, Deputy Head of Economics Branch

# Israeli workers' and employers' organizations

#### Histadrut - General Federation of Labour in Israel

Peter Lerner, Director-General of International Relations Division
Wael Abadee, Attorney, Director of Information and Service Center
Tehila Benishu, Attorney, Deputy Head of Legal Bureau of the Trade Union Division
Anna Lichinitzer, Project Manager of the Economic Division
Avital Shapira-Shabirow, Director of International Relations

#### Manufacturers Associations of Israel

Dan Catarivas, Director-General, Division of the Foreign Trade, International Relations
Michal Waxman Hili, Director of Labour and Human Resources Division
Natanel Haiman, Head of Economics Division
Isaac Gurvich, Director of Personnel Division, Economy and Taxation
Claire Aboksis, Economic Research Coordinator, Israel Builders Association

#### **MAAN - Workers Association**

Assaf Adiv, Executive Director

Roni Ben Efrat, MAAN Development Manager and International Relations

# Israeli civil society organizations and other stakeholders

#### Kav LaOved

Abed Dari, Field Coordinator, Palestinian Workers Department Khaled Dukhi, Advocate, Legal Department, Palestinian Workers Department

#### **MACRO Center for Political Economics**

Roby Nathanson, General Director

#### Machsom Watch

Sylvia Piterman, Volunteer

#### Academia

Yael Berda, Assistant Professor of Sociology and Anthropology, Hebrew University

## United Nations and international organizations

# Office of the United Nations Special Coordinator for the Middle East Peace Process (UNSCO)

Tor Wennesland, UN Special Coordinator for the Middle East Peace Process

Lynn Hastings, Deputy Special Coordinator for the Middle East Peace Process, Resident/Humanitarian Coordinator

Jonathan Lincoln, Chief Coordination Unit, UNSCO and Head of Resident Coordinator's Office

# United Nations Office for the Coordination of Humanitarian Affairs (OCHA), Occupied Palestinian Territory

Sarah Muscroft, Head of Office

# United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA)

Gwyn Lewis, Director of UNRWA Operations, West Bank

Matthias Schmale, Director of UNRWA Operations, Gaza

#### United Nations Educational, Scientific and Cultural Organization (UNESCO)

Noha Bawazor, Head of Office

#### United Nations Population Fund (UNFPA)

Kristine Blokhus, Representative

#### United Nations Children's Fund (UNICEF)

Lucia Elmi, Special Representative

#### **World Bank**

Kanthan Shankar, Country Director

Samira Hillis, Program Leader, Human Development Portfolio and Task Team Leader

Sebastian Saez, Lead Country Economist

Nur Nasser Eddin, Senior Economist

Damir Cosic, Senior Economist

## **Occupied Syrian Golan**

Wael Tarabieh, Programme Manager, Al-Marsad Arab Human Rights Center in Golan Heights

Karama Abu Saleh, Lawyer, Al-Marsad Arab Human Rights Center in Golan Heights

Asad Safadi, Farmer

Farid AlSayed Ahmad, Farmer

Qassem AlSafadi, Farmer

# Other meetings

#### Meetings with interlocutors of the Syrian Arab Republic

#### Ministry of Social Affairs and Labour - Damascus

Salwa Abdullah, Minister

Rakan Al-Ibrahim, Deputy Minister

Rim Kouatly, Minister's Advisor for International Relations

Wadah Rakad, Director of Planning and International Cooperation

Naser Ahmad, Media Advisor

#### Ministry of Foreign Affairs and Expatriates - Damascus

Rania Alhaj Ali, Minister Counselor

#### Ministry of Industry - Damascus

Iyad Mokled, Director of Planning and International Cooperation

#### General Federation of Trade Unions - Damascus

Jamal Alhaj Ali, Syria Executive Bureau, Secretary of Labour Affairs

Adnan Azzouz, Chief Counselor, GFTU International Department

Adnan Al-Makhrouz, International Relations Counselor

#### Chamber of Industry of Damascus and its Countryside

Obay Roshan, Head of the Labour Affairs Unit

#### Federation of the Chamber of Commerce

Abu Al-hoda Al-Lahham, President

#### Quneitra Governorate

Madhat Saleh, former Member of Parliament

## Meetings with interlocutors in Cairo, Egypt

#### Arab Labour Organization, Cairo

Fayez Al-Mutairi, Director-General

Emad Sherif, Director of External Relations and International Relations Department

Marwan Othman, Office of the Director-General