

# **Report on Labour and Economy in the Palestinian Territory A Gender Perspective**

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## **EXECUTIVE SUMMARY**

**Palestinian women have very low formal labour force participation.** Standard labour force surveys show that Palestinian women's participation in the formal labour force is 16.00% (compared to 66.3% for men)<sup>1</sup>, one of the lowest in the world.

The present study has been undertaken in order to redress the dominant view of Palestinian women's limited participation in economic activities. An alternative to a purely cultural explanation for women's patterns of work will be provided, as well as an alternative conceptual framework for understanding the extent, and particular ways that women are engaged in economic life.

The report is divided into six sections. The first section attempts to present an overview of the political and socio-economic conditions which have been affecting women's employment. The second section then presents the characteristics of Palestinian working women. The report then moves to the third section detailing the different sectors women are working in.

The fourth section addresses employment in Israel, to be followed by the fifth section on the factors that would facilitate or impede women's employment.

The report concludes with a set of policy recommendations appropriate for a more equitable integration of women into the economy.

### ***Main findings:***

It should not be forgotten that the situation of the Palestinian society in West Bank and Gaza Strip is radically different from any other Arab countries (with the possible exception of Iraq in certain respects). These territories have been subject to the longest occupation in modern history. This has affected all aspects of life as they came under the direct and indirect control of an occupying power, which came to control the economy, the land, resources (particularly water), borders, urban planning, movement of persons and commodities and in turn created new social relations and social networks. Some have described the relationship between the Palestinian economy and the Israeli economy as that of "de-development" (Roy, 1995). This 'de-development' defines the forcible capture of the economy, an imposed relationship of dependency on it and the arresting of its economic development, urbanization, and the free development of its civil institutions<sup>2</sup>.

A fundamental conclusion of this paper is that more women in Palestine are economically active than standard labour force measures are able to represent. However; the low formal labour force participation rates for Palestinian women attest to the fact that women tend to be segregated into marginalized sectors of the economy (the informal and domestic spheres). This low level of formal labour activity is primarily due to the structural limitations of the economy rather than to ideological or cultural inhibitions. Palestinian labour markets are highly gender segmented, offering women access to an extraordinarily limited number of sectors. These few sectors are

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<sup>1</sup> Palestinian Central Bureau of Statistics (PCBS). Press Release on Labour Force Survey Results. April – June 2008.

<sup>2</sup> Hamami, R. (1997). "Labour and Economy. Gender Segmentation in Palestinian Economic Life". Women's Studies Program, Birzeit University.

in non-growth areas of the economy, and are unable to absorb new female labour market entrants – leading to a persistently high rate of female unemployment over the last years. Additionally, the number of sectors of formal labour markets available to women (and men) actually seem to be narrowing – with women being displaced from areas of manufacture which were once female-concentrated as males are affected by loss of work in Israel<sup>3</sup>.

Female labour force participation suffers from structural problems inherent within the Palestinian economy as a result of distortions created during Israeli occupation years. This situation has been compounded by the fact that patriarchal structures interconnected with economic considerations. Higher disposable incomes earned from Israel and Arab countries have improved the living conditions of Palestinians, but at the same time, they allowed families to sustain themselves based on one breadwinner model which mostly excludes women<sup>4</sup>.

The dominance of high education among women in the formal labour force is a negative indicator, reflecting the limited job opportunities for women outside the service sector in the national non-agricultural economy. Women with low educational qualifications can be found working in agriculture, conditional on their families owning land and usually in a situation in which their work is unpaid. Women seeking paid work who have low educational qualifications and who are from non-agricultural backgrounds tend to be pushed into the informal sector. The informal sector in the only Palestinian labour market which seems to be female dominated – attesting to the extreme marginality in terms of income, status and security<sup>5</sup>.

Wage labour in Israel, which is was so pivotal in absorbing large parts of the male labour force, (especially those with lower educational qualifications), provided few opportunities for women.

Women suffer from wage discrimination throughout all labour markets. Significant pay differentials exist between males and females doing similar work at all status levels and sectors of employment. The exception being the agricultural sector where women are paid more than men. There is also evidence that female-concentrated occupations (such as teachers), seem to reduce wage levels for men in those areas. The notion of “family income” in which it is assumed that female wages only supplement that of a male breadwinner appears to be a common assumption that deflates women’s wages throughout the economy, and also shows up in policies excluding female employees from health insurance and family benefits. Women’s involvement in labour unions is low, estimated at only 8% of total members.

Women in many sectors of the economy work under extremely poor and unfair conditions. In some cases, it seemed that women preferred the instability of the informal sector over employment in workshops due to the level of exploitation in the latter.

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<sup>3</sup> Hamami, R. (1997). “Labour and Economy. Gender Segmentation in Palestinian Economic Life”. Women’s Studies Program, Birzeit University.

<sup>4</sup> Ibid.

<sup>5</sup> Ibid.

There is a clear link between female involvement in the labour market and lowered fertility. The causal factors might be positive (women having more decision-making power within the family and choosing to reduce fertility), or negatively, that the structure of work does not provide much support (in terms of leave, flexible working hours), and that employment policies are unsupportive of motherhood.

## **INTRODUCTION**

This study has been undertaken in order to gain a better understanding of the situation of Palestinian working women. It studies the different characteristics of working women, examines the different sectors women are engaged in, opportunities and constraints facing Palestinian women. Then, the report analyzes the various problems of women within the labour force itself. What are the types of jobs and employment levels which provide access to women? What types of discrimination and obstacles do women encounter within the various sectors of the economy? Finally, policy measures appropriate for a more equitable integration of women into the economy will be presented, including addressing the issue of high fertility rates.

The consultant surveyed the existing literature, reviewed Palestinian Central Bureau of Statistics data (labour force surveys, informal sector surveys, living condition surveys etc), as well as data from other sources (ILO, OCHA, the World Bank and others).

# **1. THE CONTEXT: TRENDS IN THE PALESTINIAN ECONOMY**

Socio-economic life in the West Bank and Gaza has been largely shaped by the Israeli occupation. Hence, analysis of the situation of women remains inadequate without consideration of the major political dynamics and their implications for women's socio-economic outcomes<sup>6</sup>.

## **1948-1967**

The creation of the state of Israeli in 1948 resulted in the displacement of an estimated 800,000 Palestinians of the original inhabitants of coastal and northern Palestine.

As a result of the displacement of many Palestinians and the loss of land, many sought to work abroad, mainly in the Gulf states. This migration was mostly male dominated which resulted in contradictory repercussions for women. At one level, women were faced with more responsibilities, including caring for their families and taking charge of what was left of the households' livelihoods. At another level, society tended to impose on women the symbolic role of representing continuity with the past and upholding patriarchal values<sup>7</sup>.

## **The Israeli Occupation: 1967 – 1993**

### ***The 1960's and 1970's***

Upon occupation of the West Bank and Gaza (WBG) in 1967, Israel immediately took charge of the two territories borders and controlled the movement of goods and people by placing a custom union trade agreement with the WBG. The financial system in WBG was dismantled, and banks were banned from operation.

Thus; the Palestinian economy was transformed into a captive market for Israeli products and a reservoir for cheap, unskilled and semi-skilled labour, which became highly dependent on the Israeli labour market.

Although the Israelis did not establish new legal and regulatory systems in WBG, nor have they extended the Israeli system to the territories, they issued an extensive number of military orders, which came to supplement the legal structures in WBG. This created confusion and difficulties for any meaningful economic development<sup>8</sup>.

The wide destruction of the local economy by Israel, particularly the financial, manufacturing and agricultural sectors, had devastating consequences for female employment, as those sectors normally provide job opportunities for women. Another unfavourable demand side factor that further tightened the labour market for women was their exclusion from work in Israel, which was mostly the result of both political and cultural reasons.<sup>9</sup>

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<sup>6</sup> Hamami, R. (1997). "Labour and Economy. Gender Segmentation in Palestinian Economic Life". Women's Studies Program, Birzeit University.

<sup>7</sup> Al Botmeh, S. (2006). "Analysis of the Situation of Women in Palestine". EUROMED, Role of Women in Economic Life Programme.

<sup>8</sup> Ibid.

<sup>9</sup> Al Botmeh, S. (2006). "Analysis of the Situation of Women in Palestine". EUROMED, Role of Women in Economic Life Programme.

More importantly is the higher incomes brought about by newly acquired male work in the Gulf region and Israel, which led many women to be pulled out the labour market. This is particularly true for women who were working in agriculture. As a result, and despite the fact that women carried on acquiring high levels of education, many retreated into their houses to take care of their children and families. As a result, female labour force participation rates were low and declining. From around 14% in the West Bank and 6% in Gaza in 1968, it became 9.5% and 1.8% in the two areas respectively in 1993<sup>10</sup>.

### ***The 1980's***

By the end of the 1980s, strong imbalances in various sectors of the Palestinian economy persisted. Palestinian manufacturing accounted for only 6% of GDP and absorbed only 17% of the labour force, and Palestine's trade deficit with Israel was enormous with twice as much imported from Israel as was exported to it. The role of Palestinian agriculture had declined dramatically, providing only 26% of the West Bank's GDP and 19% of Gaza's GDP, and absorbing only 16% of the former's labour force and 11% of the latter's. The primary dependence on the Israeli labour market to absorb the labour force is attested to by the fact that by 1987, more than 42% of the West Bank and Gaza labour force were working in Israel, accounting for over 30% of Palestine's GNP. Despite the negative implications for Palestinian economic development, the Israeli market's ability to absorb Palestinian labour force offset large-scale unemployment despite the populations' youth and high birth rates<sup>11</sup>.

The Palestinian uprising which started in 1987, generated a range of challenges to the family and traditional hierarchies across all sectors of the society. It was characterized by values of self-help, empowerment and gender equality. It allowed women to challenge the stereotypical traditional gender roles and take part in various political and resistance activities. Palestinian women were instrumental in the success of the 1987 boycott campaign against Israel products in the WBG. One of the obstacles to the boycott's success was the lack of Palestinian alternatives. Palestinian women therefore began establishing indigenous industries, including cheese and jam productions, bread baking and community gardens, to encourage the boycott and simultaneously create an infrastructure base for a home-grown Palestinian economy.<sup>12</sup>

### ***The 1990s***

However; by 1990, as the societal and economic costs of the rebellion were building up, together with the intensification of Israel's repression, much of the positive trends that started to emerge were reversed. Mass arrests of men placed a greater burden on women, who had to provide for their families economically, and care for them socially. Closure of schools for long periods of time meant that women had to play a role in educating their children. Seizure of land, destruction of infrastructure and house demolitions all contributed to compounding the suffering of the Palestinian population at large, including women<sup>13</sup>.

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<sup>10</sup> Ibid.

<sup>11</sup> Hamami, R. (1997). "Labour and Economy. Gender Segmentation in Palestinian Economic Life". Women's Studies Program, Birzeit University.

<sup>12</sup> Al Botmeh, S. (2006). "Analysis of the Situation of Women in Palestine". EUROMED, Role of Women in Economic Life Programme.

<sup>13</sup> Al Botmeh, S. (2006). "Analysis of the Situation of Women in Palestine". EUROMED, Role of Women in Economic Life Programme.



Israel also introduced the closure policy during this period. Closures led to the loss of employment in Israel, which had devastating impact on the Palestinian economy. With the now well-established tradition of “single male breadwinner” staying at home, without much work prospects, the society at large had to face up to major social and economic challenges, with women having to face up a lot of social and economic hardships<sup>14</sup>.

This overall situation changed dramatically in 1992. While the basic structural imbalances have remained, the Palestinian economy has undergone an intermittent but nearly continuous series of shocks since the Gulf War brought about the closure of Israel to Palestinian labour and goods. Simultaneously, continued marco-control of the Palestinian economy by Israel makes the creation of sustainable job alternatives in the immediate future a near impossibility<sup>15</sup>.

### **The transitional period (1993 – 2000)**

The broad economic features of the West Bank and Gaza in the post Oslo period were, to a large extent, defined by two major factors: the signing of a series of agreements with Israel to cover the transitional period (1994-1998), and the closure policy introduced by Israel in 1991 and implemented on a large scale after 1993<sup>16</sup>.

The Oslo Agreements created the legal context for the operation of the Palestinian National Authority (PNA), which was established in early 1994. Powers were transferred from the Israeli side to the PNA. This was accompanied by high expectations of considerable improvement, creating an environment conducive to sustainable development, which was formed of a number of ministries, legislative council and an extensive security force. Only three governmental departments were functioning under the Israeli civil administration, education, health and welfare<sup>17</sup>.

In accordance with Oslo II agreement, the Israeli authorities remained in control over boarders of the West Bank and Gaza. The West Bank also divided into three areas; A, B and C, each under varying degrees of Palestinian and/ or Israel control<sup>18</sup>. On the whole, Israel remained in control of 83% of the West Bank during the interim period. According to Amnesty International, by December 1999, the Oslo Agreements had created 227 separate West Bank enclaves under the full or partial control of the

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<sup>14</sup> Ibid.

<sup>15</sup> Hamami, R. (1997). “Labour and Economy. Gender Segmentation in Palestinian Economic Life”. Women’s Studies Program, Birzeit University.

<sup>16</sup> Al Botmeh, S. (2006). “Analysis of the Situation of Women in Palestine”. EUROMED, Role of Women in Economic Life Programme.

<sup>17</sup> Ibid.

<sup>18</sup> Area A which consists of the major Palestinian towns, is under the total civilian and security control of the PNA. Area B comprises the remaining Palestinian population centres where civilian control resides with the PNA, and security control with Israel. Area C, which incorporates most of the unpopulated areas around Palestinian villages and towns and Israeli settlements remains under the total control of Israel. By March 2000, Area A comprised 17.5% of the West Bank, Area B comprised 23.5% of the West Bank, and Area C accounted for 59% of the West Bank.

Palestinian Authority. Approximately 88% of these areas are less than two square kilometres<sup>19</sup>.

During this period, closure referred to the sealing of the West Bank and Gaza and came in three forms; general, total and internal<sup>20</sup>. Since Israel's closure policy intensified during this period, severe economic devastation within the West Bank and Gaza started to take place. Living conditions deteriorated and poverty levels started to rise to previously unknown levels. Poorer women with limited education had to carry the brunt of the hardship and many had to think of survival mechanisms for their families, including joining unemployment in the informal economy<sup>21</sup>.

The effects of the closure are summed up by the massive drop in GNP that has taken place between 1992 and 1996, and the massive rise in unemployment rates. Real per capita GNP has declined 39% over this period, while the unemployment rate has risen to 39% in Gaza and 24% in the West Bank in mid-1996. Loss of employment opportunities in Israel has been exacerbated by the fact that the Palestinian labour force continues to grow at an annual range of six percent which means that on a monthly basis approximately 4,600 persons enter the labour force seeking new jobs<sup>22</sup>.

### **The Second Intifada (2000 to 2006)**

Whilst the years leading up to 2000 witnessed a period of modest economic growth and declining unemployment, the Palestinian economy was heavily dependent on the supply of cheap labour and low value-added goods to Israel. This growth was largely reversed after 2000 due to the Israeli closure policy that fundamentally altered the structure and prospects of the Palestinian economy. During the period 1999-2007, punctuated by a very modest recovery during 2003-05, GDP per capita has declined by approximately two-thirds.

The redirection of aid following the 2006 election, coupled with the hiring of approximately 31,000 public sector employees (which raised the cost of PNA salaries to in excess of \$ 120 million per month) also contributed to the deepening of the PNA's fiscal crisis. By the end of June 2007, the recurrent budget deficit (before external assistance) reached an unprecedented level of \$ 722 million for the first six months of the fiscal year. Arrears related to unpaid salaries, pension contributions,

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<sup>19</sup> Al Botmeh, S. (2006). "Analysis of the Situation of Women in Palestine". EUROMED, Role of Women in Economic Life Programme.

<sup>20</sup> General closure refers to the overall restrictions placed on the movement of labour, goods and factors of production between the West Bank and Gaza, and Israel. It also means restriction from entry into East Jerusalem, which resulted in separating the northern and southern regions of the West Bank, whose primary road connections pass through Jerusalem. Total closure refers to the complete banning of any movement between the West Bank and Gaza, Israel and other foreign markets, as well as between the West Bank and Gaza. Internal closure refers to restrictions on movement between Palestinian localities within the West Bank and Gaza, and was made possible by the geographical cantonisation of the West Bank and Gaza legalized by the Oslo agreement. Movement in and out of Palestinian towns or to nearby villages is, depending upon circumstances, partially or totally restricted, effectively separating the Palestinian communities from each other.

<sup>21</sup> Al Botmeh, S. (2006). "Analysis of the Situation of Women in Palestine". EUROMED, Role of Women in Economic Life Programme.

<sup>22</sup> Hamami, R. (1997). "Labour and Economy. Gender Segmentation in Palestinian Economic Life". Women's Studies Program, Birzeit University.

and goods and services supplied by the private sector, accumulated to levels exceeding \$ 1.3 billion. Also, the cost of 'net lending' (primarily related to utility subsidies) is projected to increase to \$ 511 million in 2007, primarily due to difficulties in collecting fees due from consumers.

Political instability and steep economic decline since 2000 have had severe social impacts. Unemployment more than doubled between 1999 and 2006, reaching almost 35% in Gaza and almost 20% in the West Bank. Approximately two-thirds of Gazans are living in deep poverty. With access to basic services limited by Israeli closures, health indicators have been declining steadily. Chronic diseases have risen by more than 30% since 2005. Chronic malnutrition amongst children rose by 3% between 2004 and 2006. The number of gastrointestinal infections in children under five increased by 42% during the period 2000-04 as households with access to safe drinking water dropped by more than 8%. Also, the fragmentation of Palestinian territory into a group of isolated cantons, precipitated by the tightening grip of occupation, settlement growth and mobility restrictions, has also had grave impacts on social coherence. Ties of family and friendship have been weakened and opportunities for social and cultural exchange between different areas within the occupied territory have been limited<sup>23</sup>.

This retrenchment increased the burden on women since it reaffirmed their traditional roles as caretakers for the well-being of family members. Equally, this shift towards traditional gender roles was strengthened by the rise of Islamist movements, which in turn presented a challenge to the Palestinian national movement and to the role of women within it and within society as a whole.<sup>24</sup>

Since the outbreak of the second *intifada* in 2000, Israel has unilaterally restricted heavily the flow of Palestinian workers into the Israeli labour market by building the Separation Wall (named the Apartheid Wall by the Palestinians), and limiting the distribution of work permits for Palestinians who can work in Israel to a minimum. According to PCBS, only 14.2% of employed persons aged 15 years and above from the West Bank work in Israel and the Israeli settlements. None from Gaza are allowed entry into Israel for work purposes<sup>25</sup>. Yet in the absence of sufficient income earning opportunities in the occupied territories, tens of thousands of desperate Palestinian men, women and children risk entering Israel illegally without permits to work in Israeli agriculture, construction, factories or homes in settlements and industrial parks for long hours, with inadequate protection against work hazards, and for less than the minimum wage, sleeping in unsafe and unhealthy environments (construction sites, fields, underground, etc.). In addition, Israel continues to maintain the restrictions on movement of goods and services within the towns and villages of the West Bank, and requires permits from the Israeli military authorities to move between the Gaza Strip and the West Bank, as well as between these two areas and East Jerusalem. The cantonization of the West Bank and Gaza Strip through the closures, checkpoints and

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<sup>23</sup> OCHA, The Humanitarian Impact on Palestinians of Israeli Settlements and Other Infrastructure in the West Bank, July 2007.

<sup>24</sup> Al Botmeh, S. (2006). "Analysis of the Situation of Women in Palestine". EUROMED, Role of Women in Economic Life Programme.

<sup>25</sup> Palestinian Central Bureau of Statistics (PCBS). Press Release on Labour Force Survey Results. April – June 2008.

the Separation Wall has greatly put off investment in the Palestinian economy, restricting flow of Palestinian goods and services within the Palestinian Territories. Recent years have witnessed a decline in the number of enterprises in these regions. Israeli military actions and incursions have resulted in the destruction of a significant portion of the WB&GS physical infrastructures and private capital stock. Consequently, the gross domestic product (GDP) of the WB&GS fell sharply during the first years of the 21st century, resulting in record rates of unemployment and poverty. The continued occupation and the collapse of political negotiations between the Palestinian Authority and Palestine Liberation Organization with Israel, and the sanctions taken against the Palestinian Government following the electoral victory of Hamas has meant placing, as policy directives, job creation and poverty alleviation (with clear ramifications on gender imbalances within the labour market) as one of the highest priority issues and has resulted in shelving any plans for economic development and re-absorption of the current poor and unemployed into the labour market. The critical political and socio-economic situation faced by Palestinian society (both civil and political) has accelerated the rate of informalization process of employment (unprotected work and unrecognized work), pauperization of the population, the cantonization of Palestinian society (Farsakh, 2002) and the fragmentation of the labour markets in the West Bank and Gaza Strip.

Furthermore; as of 2007, there are more than 450,000 settlers living in 149 settlements in the West Bank including East Jerusalem<sup>26</sup>. Settlements and related infrastructure have left thousands of Palestinians unable to access nearly 40 per cent of the West Bank. Road blocks, barriers, fences, ditches, restricted roads, and the Wall itself stop Palestinian farmers getting to their fields and wells, children getting to school, and people getting to clinics and hospitals, shops and markets, jobs and recreation. Social and family interaction is curtailed, and the fabric of life unravels. This prevents self-reliance, and renders communities dependent on welfare and aid because of the loss of land and freedom of movement. Agricultural losses from the confiscation of land and water resources, uprooting of trees, and the destruction of buildings and infrastructure were estimated at over \$1 billion in the five years to 2005. Over 10,122 hectares of farming land has been taken by Israeli settlers in the Jordan Valley outside of already established settlement boundaries<sup>27</sup>.

Palestinian labour market characteristics and trends are conditioned by the severe crisis suffered after the outbreak of the second Intifada. Between 2000 and 2006 the labour participation rates of the population over 15 descended from 43.5% to 41.2% and by 2006 unemployment was 23.6%. More recent data shows that the participation of women is strikingly low, standing at 16.00% compared to an also relatively low 67.8% for men.<sup>28</sup>

### **2007 and beyond**

Following years of severe Israeli restrictive measures on the WBG and violent confrontations, the economy of the two areas has been devastated. These conditions

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<sup>26</sup> OCHA, The Humanitarian Impact on Palestinians of Israeli Settlements and Other Infrastructure in the West Bank, July 2007

<sup>27</sup> The Middle East Quartet: A Progress Report, October 2008. Crisis Action.

<sup>28</sup> Hilal, J., Al Kafri, S., and Kuttub, E. (2007) Palestine Country Case Study: Gender Equality and Workers' Rights in the "Informal" Economy of West Bank & Gaza. ILO/ Cawtar.

have had serious ramifications on the growth, structure and functioning of the economy. The changing course of the Palestinian economy since 2000 from one driven by investment and private sector productivity to one sustained by government spending and donor aid<sup>29</sup>. During this period, per capita GDP in 2007 fell to 60% of its levels in 1999. After a good performance in the latter 1990s, the fragile Palestinian economy entered a gradual downward cycle of crisis and dependence, as it was confounded by political and security events in the West Bank and Gaza (WB&G), the continued growth in settlements, Israeli restrictions on movement and access since the Second Intifadah, and finally the 2006 halt in donor aid. Unable to find opportunities in a shrinking private sector, a young and rapidly-expanding labour force has turned to the public sector to create jobs and increase spending to alleviate poverty, at the expense of further investment in the economy's productive potential. This trend, underway since 2000, was most acute in the aftermath of the elections in 2006.

Despite the commitment of the donor in the Annapolis Conference, and other efforts, the virtuous cycle of economic growth has not been fully realized. The formation of the Caretaker Government in mid-2007, and the resumption of aid have reversed the impacts of the aid boycott in 2006 and 2007, but only partially. Real GDP was negative in the first half of 2007 but began to recover in the West bank during the second half. Because of the situation in Gaza, real GDP growth in 2007 is estimated to be about 0%, which given the rapidly growing population indicates falling per capita income. The contributing effects of the closures and movement restrictions cannot be overestimated<sup>30</sup>.

Beyond the impacts of the protracted economic downturn since restrictions were imposed after the Second Intifadah, the Palestinian economy faces a more hazardous prospect; a fundamental change in its composition, with GDP increasingly driven by government spending and donor aid, leaving little resources for investment thus further reducing the productive base for a self-sustaining economy<sup>31</sup>.

The Palestinian Authority (PA) in 2007 has announced a Palestinian Reform and Development Plan (PRDP) to increase revenues, reduce expenditures, and introduce sector reforms to enhance efficiency<sup>32</sup>. But even with these measures and assuming resumed economic growth, the fiscal gap for recurrent expenditures alone is projected to remain high, at around \$1.63 billion in 2008.

There are three parallel conditions for Palestinian economic revival- PA reforms, donor aid and Israeli resolution of the movement and access (M&A) restrictions.

The economic projections of the PA's Palestinian Reform and Development Plan (PRDP) assumed a relaxation in economic restrictions, and a resolution of the situation in Gaza. The economic restrictions have remained and the situation in Gaza continues to deteriorate. Consequently, the IMF analysis notes a drop in GDP of -0.5% in 2007, and modest growth of 0.8% in 2008. This trend represents a continued but marginal drop in Gaza's indicators given their already-depressed levels, matched

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<sup>29</sup> Implementing the Palestinian Reform and Development Agenda. Economic Monitoring Report to the AHLC. World Bank Report, 2 May 2008.

<sup>30</sup> Ibid.

<sup>31</sup> Palestinian Economic Prospects – Economic Monitoring Report to the Ad Hoc Liaison Committee. The World Bank, September 2008.

<sup>32</sup> Building a Palestinian State – Towards Peace & Prosperity. December 2007

with a slight rise in indicators in the West Bank. Despite anecdotal indications that within the West Bank and Gaza, the West Bank may be experiencing a recent increase in economic activity, this trend is unlikely to be significant.

As the Palestinian economy declines it is becoming more aid dependent. So far this year until end-August the PA has received \$1.2 billion in recurrent budget support, but requires another \$1.85 billion in recurrent budget support, in addition to the estimated \$300 million in development aid, in 2008. Thus, external aid will be at least 32% of GDP<sup>33</sup>.

The closure policy on Gaza since the events of 14 June 2007 continues to erode the Strip's industrial backbone. The Palestinian Federation of Industries (PFI) estimates that 98% of Gaza's industrial operations are now inactive. According to PFI, of Gaza's 3,900 industries, 23 are operating. As a result, Gazan banking sector activity is estimated to have dropped from 40% of total Palestinian banking to about 7%.

Closure of Gaza is also resulting in the collapse of the municipal sector. Municipalities, providing key services such as water, sewage, solid waste etc. are facing a deep financial crisis. The impoverishment of the population and the near absence of private sector activities imply that municipalities are unable to collect fees for service provision and are unable to pay staff salaries. The ability of municipalities to provide basic services is also severely constrained by their inability to import spare parts and supplies for the provision of basic services such as water and sanitation.

Despite the Truce 'Tahdi'ah' called on 19 June 2008, little progress has been made so far toward improving living conditions of the population in Gaza. First, the increase in fuel and humanitarian imports remains far below needs. Secondly, not only are the quantities of inputs entering Gaza insufficient, the categories and combinations of items allowed to enter are not conducive to most industrial operations. Moreover, there is still no progress on allowing exports out of Gaza, beyond a set of possible shipments which may be made as a gesture to various donors. Lastly, the reversal of Gaza's humanitarian crisis extends beyond the entry of goods, and must include the access of the population to the West Bank for all purposes, Israel and elsewhere for health, education and other social services.

The crisis in Gaza has led to a drastic increase in poverty. The official poverty rate for 2007 was 51.8%, compared to 47.9% in 2006. In the West Bank poverty slightly declined, falling from 22% in 2006 to about 19.1% in 2007. The percentage of Gazans in Deep Poverty continued to rise, increasing from 33.2% in 2006 to 35% in 2007. If remittances and food aid are excluded and poverty is based only on household income, the poverty rate in Gaza and the West Bank would soar to 79.4% and 45.7% respectively and the Deep Poverty rate would increase to 69.9% and 34.1%.

Unemployment rates steadily increased, reaching an unprecedented level of 29.8% in Gaza, and 19% in the West Bank<sup>34</sup>.

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<sup>33</sup> Palestinian Economic Prospects – Economic Monitoring Report to the Ad Hoc Liaison Committee. The World Bank, September 2008.

<sup>34</sup> PCBS 2007 Census. These figures do not take into account discouraged workers, underemployed workers, and workers absent from their usual work.

Poverty and the global rise in food prices have taken a heavy toll on Palestinian living conditions, as has the dramatic rise in catastrophic health payments by households. The consumer price index for food has increased by 28% in Gaza and 21.4% in the West Bank from June 2007 to June 2008.

Furthermore; the increased poverty and social tensions that have resulted from occupation and the many adult males who have been killed and detained, have contributed to a worrying increase in domestic violence against women (Amnesty International, 2005). At the same time, given women's traditional role as caregivers in Palestinian society, women need to assume the greatest burden with regard to providing care for affected members of the family. Additionally, women's economic responsibilities have expanded as a result of the increasing death, imprisonment and unemployment of male members of households. Restrictions on movement have also affected girls more than boys. Families concerned that their daughters will be harassed by Israeli soldiers at the gates of the Wall, as well as concerns that they could be stuck away from home in cases of sudden curfews have made many families restricting their daughters from attending schools<sup>35</sup>.

Women's labour activities cannot be understood separate from this larger context of the structure of the Palestinian economy and the more recent crisis it has undergone. The legacy of a work force geared to meet specific sectors of the Israeli labour market (especially in the construction and industrial sectors) and the co-terminus obstacles put in place by Palestinian manufacturing have had very specific implications for the integration of women into wage work. The declining role of agriculture has meant the agriculture sector's growing reliance on marginal and underpaid or non-paid labour – again, of great significance for women. Recently, massive male joblessness, added to the lack of employment opportunities in the formal sector, has had a dramatic impact on women in the formal labour force and outside it, and may narrow the ability of new generations of women to enter formal labour force activity for the first time<sup>36</sup>.

## **2. CHARACTERISTICS OF PALESTINIAN WORKING WOMEN**

### *General Overview*

#### Labour Force Participation in the West Bank and Gaza

According to the Palestinian Central Bureau of Statistics survey of 2008, the labour force participation rate in WBG stood at 41.6% of the population aged 15 and over. Male participation rates are higher (66.3%) than the female participation rates (16%)<sup>37</sup>. Please see table 1 for details.

The percentage of employed persons in the West Bank and Gaza Strip in 2008 reached 66.0% (63.9% for male and 75.1% for females) of all the labour force, of

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<sup>35</sup> Hilal, J., Al Kafri, S., and Kuttub, E. (2007) Palestine Country Case Study: Gender Equality and Workers' Rights in the "Informal" Economy of West Bank & Gaza. ILO/ Cawtar.

<sup>36</sup> Hamami, R. (1997). "Labour and Economy. Gender Segmentation in Palestinian Economic Life".

Women's Studies Program, Birzeit University.

<sup>37</sup> PCBS 2007 Census.

which around 8.2% (9.6% of males and 2.2% of females) are underemployed (partially employed)<sup>38</sup>.

The rate of unemployment among those participating in the labour force in 2008 was 25.8% in the West Bank and Gaza (22.7% for women compared to 26.5% among men)<sup>39</sup>.

**Table 1: Labour Force Component**

Region	Labour Force Components			
	Labour Force Participation Rate	Full Employment	Partially Employed	Unemployment
Palestinian Territory				
Male	66.3	63.9	9.6	26.5
Female	16	75.1	2.2	22.7
<b>Total</b>	41.6	66.0	8.2	25.8

Source: Palestinian Central Bureau of Statistics (PCBS), 2008

Using standard labour force survey methods based on the International Labour Organization's (ILO) LFS framework, the Palestinian Central Bureau of Statistics has shown over time extremely low labour force participation rates among women in the West Bank and Gaza. Labour force participation rates refer to the percentage of a population fifteen years and older who are considered to be in the formal labour force<sup>40</sup>. The official female labour force participation rate, at 16%, has increased significantly from 11.2% in 1995, but remains strikingly low relative to the regional average of 27%.<sup>41</sup> (Please refer to table 2). The increase in female labour participation rate is mainly a result of the deterioration in economic conditions in WBG and women's attempts to make up for lost male income by joining the labour market. Despite this increase, there are major structural obstacles to women's entry into the formal labour force, so while data indicate that more women are willing to work than the labour market can absorb, women typically spend four times as long as their male counterparts in search of work.<sup>42</sup>

**Table 2: Female versus Male Labour Force Participation Rates in the West Bank and Gaza – Selected Years, 1995, 2002, and 2008**

Year	Female Labour Force Participation Rates in WBG	Male Labour Force Participation Rates in WBG
1995	11.2	66.9
2002	10.4	65.5
2008	16.0	66.3

Source: PCBS, 1997 and 2008

### The Informal Sector

<sup>38</sup> PCBS 2007 Census.

<sup>39</sup> PCBS 2007 Census.

<sup>40</sup> Hamami, R. (1997). "Labour and Economy. Gender Segmentation in Palestinian Economic Life". Women's Studies Program, Birzeit University.

<sup>41</sup> PCBS Gender Statistics 2007.

<sup>42</sup> Al Botmeh, S. (2006). "Analysis of the Situation of Women in Palestine". EUROMED, Role of Women in Economic Life Programme.



The first comprehensive survey of the informal sector in the West Bank and Gaza Strip was undertaken by the Palestinian Central Bureau of Statistics (PCBS) in co-operation with Palestine Economic Policy Research Institute (MAS) in 2003<sup>43</sup>.

The PCBS-MAS household economic activity survey showed very low levels of women's participation in informal economic activities; only 11% in the Gaza Strip and 8% in the West Bank. These low figures of informal employment of women in informal sector are due to the exclusion of agricultural workers, paid home workers and unpaid domestic workers from the definition of informal work<sup>44</sup>.

The low level of representation of Palestinian women in informal work is partly due to structural limitations of the economy as well as to ideological and cultural constraints. Even if there might be some underestimation of women's home-based economic activities in the available datasets, the Palestinian labour markets are highly gender-segregated, offering women access to a very limited number of sectors. Moreover, these few sectors are in non-growth areas of the economy and are unable to absorb new women labour market entrants. There are also a large number of discouraged workers among women. All these factors result in a persistently high rate of unemployment among women (Jad; 51)<sup>45</sup>.

#### The West Bank vs. Gaza

In 2008 the over-all labour force participation rate was 43.5% in the West Bank and 38% in the Gaza Strip, indicating a significant difference in the availability of job opportunities. The lack of job opportunities is reflected across all social and economic indicators, including employment indicators<sup>46</sup>. (Please refer to table 3)

Participation rates of women in Gaza stands at 12% compared to 18.2% in the West Bank. The participation rates of men in Gaza stands at 63.2% compared to 68% in the West Bank<sup>47</sup>.

Of all the labour force, the rate of employed persons in Gaza is lower than in the West Bank for both men and women (45.7% in Gaza compared to 75.8% in the West Bank). Employment rates for women in Gaza stands at 51.0% compared to 83.9% in the West Bank. Employment rates for men in Gaza stands at 44.8% compared to 73.7% in the West Bank<sup>48</sup>.

The rate of those who are underemployed (partially employed) are higher in Gaza than in the West Bank for both men and women (8.8% in Gaza compared to 7.9% in the West Bank). Female partial employment in Gaza stands at 5.7% compared to

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<sup>43</sup> Hilal, J., Al Kafri, S., and Kuttab, E. (2007) Palestine Country Case Study: Gender Equality and Workers' Rights in the "Informal" Economy of West Bank & Gaza. ILO/ Cawtar.

<sup>44</sup> Ibid

<sup>45</sup> Hamami, R. (1997). "Labour and Economy. Gender Segmentation in Palestinian Economic Life". Women's Studies Program, Birzeit University.

<sup>46</sup> Palestinian Central Bureau of Statistics, 2008. Labour Force Survey: (April- June, 2008) Round, (Q2/2008). Press Conference on the Labour Force Survey Results. Ramallah - Palestine.

<sup>47</sup> Ibid.

<sup>48</sup> Ibid.

0.9% in the West Bank, whereas men partial employment in Gaza stands at 9.4% compared to 9.7% in the West Bank<sup>49</sup>.

The rate of unemployment is also higher in Gaza for both men and women (45.5% in Gaza compared to 16.3% in the West Bank). Unemployment rates for women in Gaza stands at 43.3% compared to 15.2% in the West Bank. Unemployment rates for men in Gaza is 45.8%, compared to 16.6% in the West Bank<sup>50</sup>.

**Table 3: Percentage Distribution of Persons Aged 15 Years and Above in the Palestinian Territory by Labour Force Components, Region and Sex (ILO Standards), April- June, 2008**

Region	Labour Force Components			
	Labour Force Participation Rate	Full Employment	Partially Employed	Unemployment
<b>West Bank</b>				
Male	68.0	73.7	9.7	16.6
Female	18.2	83.9	0.9	15.2
<b>Total</b>	<b>43.5</b>	<b>75.8</b>	<b>7.9</b>	<b>16.3</b>
<b>Gaza</b>				
Male	63.2	44.8	9.4	45.8
Female	12.0	51.0	5.7	43.3
<b>Total</b>	<b>38.0</b>	<b>45.7</b>	<b>8.8</b>	<b>45.5</b>

Source: PCBS, 2008

#### Labour force participation in Urban, Rural and Camp Communities

The labour force participation rate in the West Bank and Gaza is highest in the rural areas compared to other types of communities (20.3% for women, and 68.2% for men, compared to 12.7% and 62.1% in the camps respectively). Labour force participation rate for women in villages (21.0% in the West Bank, and 15.0% in Gaza is the highest compared to other types of communities, thus reflecting the high rates of women working in agriculture. (Please refer to table 4 for more details)<sup>51</sup>.

Unemployment rates in the rural areas in the West Bank and Gaza are by far less than in the urban and camp communities (20.8% compared to 27.1% and 30.9% respectively). Unemployment among rural women is 14.7% compared to 22.5% among rural men, again reflecting the high rates of women working in agriculture. Unemployment among rural women in the West Bank and Gaza respectively are less than in the urban and camp communities (13.6% in the West Bank, and 26% in Gaza, compared to 21.6% and 52.7% unemployment rates for women in refugee camps in the West Bank and Gaza respectively)<sup>52</sup>.

<sup>49</sup> Palestinian Central Bureau of Statistics, 2008. Labour Force Survey: (April- June, 2008) Round, (Q2/2008). Press Conference on the Labour Force Survey Results. Ramallah - Palestine.

<sup>50</sup> Ibid.

<sup>51</sup> Ibid.

<sup>52</sup> Ibid.

**Table 4: Labour Force Participation Rate and Unemployment Rate for Persons Aged 15 Years and Above in the Palestinian Territory by Region and Type of locality (ILO Standards), April- June, 2008**

Type of locality and Region	Unemployment Rate			Labour Force Participation		
	Total	Female	Male	Total	Female	Male
Palestinian Territory						
Urban	27.1	22.1	28.1	41.2	14.9	66.6
Rural	20.8	14.7	22.5	45.0	20.3	68.2
Camps	30.9	43.2	28.3	37.3	12.7	62.1
<b>Total</b>	<b>25.8</b>	<b>22.7</b>	<b>26.5</b>	<b>41.6</b>	<b>16.0</b>	<b>66.3</b>
West Bank						
Urban	15.9	15.8	15.9	42.8	17.9	67.2
Rural	17.5	13.6	18.7	45.5	21.0	68.5
Camps	13.2	21.6	12.0	39.7	10.0	70.0
<b>Total</b>	<b>16.3</b>	<b>15.2</b>	<b>16.6</b>	<b>43.5</b>	<b>18.2</b>	<b>68.0</b>
Gaza Strip						
Urban	46.4	40.1	47.3	38.7	10.1	65.9
Rural	46.2	26.0	50.5	41.4	15.0	66.1
Camps	43.3	52.7	40.9	35.7	14.5	57.2
<b>Total</b>	<b>45.5</b>	<b>43.3</b>	<b>45.8</b>	<b>38.0</b>	<b>12.0</b>	<b>63.2</b>

Source: PCBS, 2008

#### Labour Force Participation and Age

According to 2008 data, the results showed that the highest percentage of unemployment was concentrated among youth aged 15-29 years where it reached 37.4% (25.3% in the West Bank, and 61.7% in Gaza). The highest percentage of unemployment was registered for the age group 20-24, where it reached 40.7% (27.9% in the West Bank compared to 62.1% in Gaza). As for the age group 25-29 years, the percentage of unemployment 28.7% (17.7% in the West Bank and 49.7% in Gaza)<sup>53</sup>.

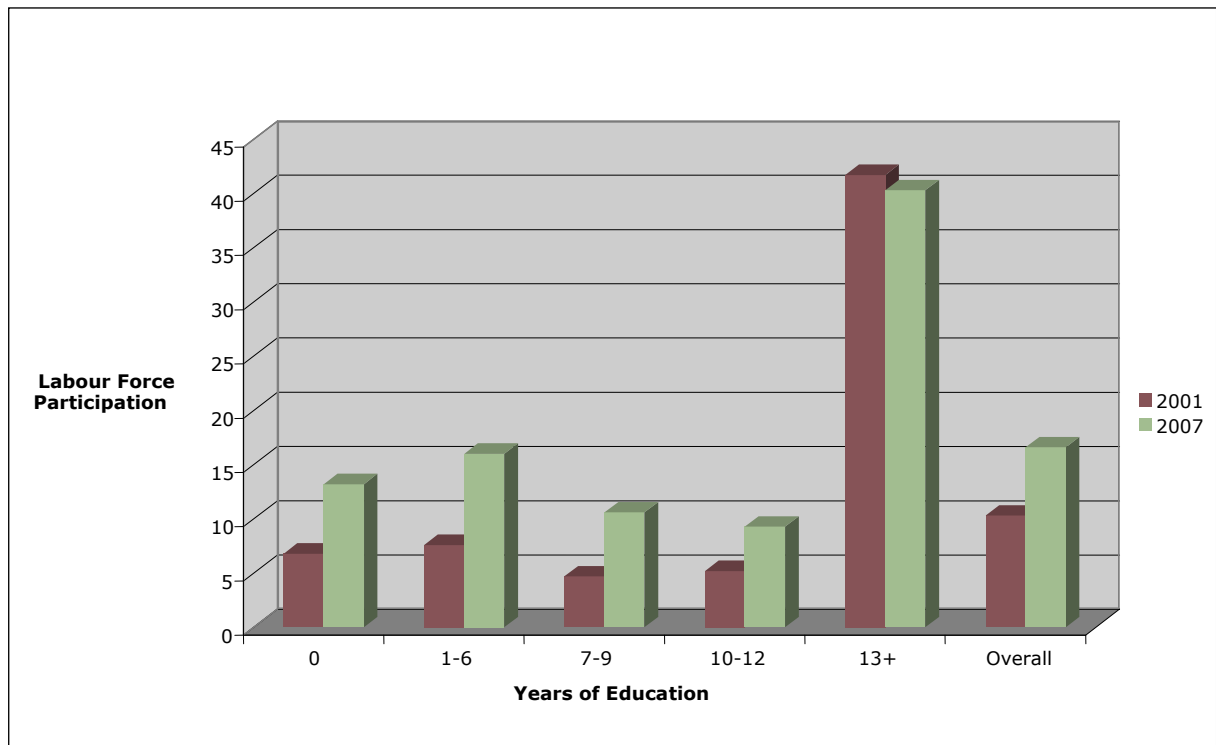
#### Labour Force Participation and Education Levels

Highly educated women (with 13+ years of education) are overwhelmingly the most likely to participate in the labour force.<sup>54</sup> However, less educated women (with 7-12 years of schooling) are in fact less likely to participate than women with very little education (0-6 years). That pattern, illustrated by the slight “U” shape of the graph in Figure 1, has held since 2001. Please also refer to table 5.

<sup>53</sup> Palestinian Central Bureau of Statistics, 2008. Labour Force Survey: (April- June, 2008) Round, (Q2/2008). Press Conference on the Labour Force Survey Results. Ramallah - Palestine.

<sup>54</sup> MAS 2007. “The Determinants of Female Labour-Force Participation in the West Bank and Gaza Strip”.

**Figure 1: Women's Education Levels and Labour Force Participation in 2001 and 2007**



**Table 5: Labour Force Participation Rate by Years of Schooling and Sex, 2008**

Years of Schooling	Sex		
	Males	Females	Total
0	23.4	10.5	13.6
1-6	71.1	14.8	44.3
7-9	72.4	7.9	42.7
10-12	65	8	36.8
13+	64.4	42.1	54.2
<b>Total</b>	<b>66.3</b>	<b>16</b>	<b>41.6</b>

Source: PCBS, 2008

The pattern may be explained by the fact that, as demonstrated by table 6 below, jobs for women in the Palestinian economy are generally either in sectors that demand high levels of formal education (i.e. services such as health care and education) or in those that demand little or none (agriculture). Thus there is a lack of job opportunities for women with lower levels of education, particularly in urban areas and refugee camps where jobs in agriculture are not readily available.

It is also clear that women’s education levels have a strong bearing on the sector of economic activity in which they are engaged. *In particular, women with higher levels of education are more likely to work in services and less likely to work in agriculture, and vice-versa* as demonstrated in table 6 below. The end result is a limited pool of decent jobs for women, almost entirely in the services sector, and a greater likelihood of vulnerable employment for those unable to find jobs in services

**Table 6: Women’s Labour Force Participation Rates by Sector and Education Levels**

Sector of Economic Activity	Years of Schooling				
	+13	10-12	7-9	1-6	0
Agriculture, Hunting, and Fishing	3.0	42.7	57.0	68.4	79.6
Services and Other Branches	89.5	32.6	14.2	8.7	3.4
Mining, Quarrying and Manufacturing	1.7	13.6	17.9	13.1	7.3
Construction	0.2	0.2	0.3	0.1	-
Commerce, Hotels and Restaurants	3.8	10.5	10.4	9.5	9.7
Transportation, Storage and Communications	1.8	0.4	0.2	0.2	-
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

**Shua’a, this table is from your study. It was not referenced.**

Post-secondary education appears to be especially crucial in this regard. Among women with 13 or more years of education, 89.5% work in “Services and Other Branches” and 3% work in “Agriculture, Hunting, and Fishing,” whereas even among women with 10-12 years of education, only 32.6% work in services and 42.7% work in agriculture.

On the other hand, and according to 2008 data, the unemployment rate for females who completed 13 years of schooling and above reached 33.1%, while the results showed that the lowest percentage of unemployment was among females who did not complete any years of schooling at (2.3%). The percentage of unemployed men who completed 13 years of schooling and above was 19.8%, whereas the highest percentage of unemployment among males was for those who completed 1-6 years at (32.9%)<sup>55</sup>.

This reflects differences in the educational profile of unemployed Palestinian women and men, emphasising the fact that unemployed women are much more likely to be educated than unemployed men<sup>56</sup>. These women are probably new graduates who beyond a certain period of joblessness will probably fall out of the labour force altogether, to be replaced by the next year of new female graduates seeking work.

<sup>55</sup> Palestinian Central Bureau of Statistics, 2008. Labour Force Survey: (April- June, 2008) Round, (Q2/2008). Press Conference on the Labour Force Survey Results. Ramallah - Palestine.

<sup>56</sup> Al Botmeh, S. (2006). “Analysis of the Situation of Women in Palestine”. EUROMED, Role of Women in Economic Life Programme.

There are clear differences in the educational attainment of men and women labour force participants. Women labour force participants have lower educational rates than men, with 42.1% of women with a post high school qualification compared to 64.4% of men. However, there are also more illiterate men (23.4%) in the labour force than women (10.5%).

Women labour force participants in Gaza have lower educational attainment than women in the West Bank. 54.8% of women in the West Bank had secondary school education or higher compared to 53.3% of women labour force participants in Gaza<sup>57</sup>.

The results on female education and participation indicate that women's changes in joining the labour market are highest with low levels of education (1-6 years of schooling) as well as with high levels of education (13+) as demonstrated in table 7. However; the fact that the percentage of women holders of post schools degrees is high means that women have to be much more highly qualified than men to be able to compete in the labour market.

**Table 7: Labour Force Participation Rate by Years of Schooling and Region, 2008**

Years of Schooling	Region		
	West Bank	Gaza	Palestinian Territory
0	16.6	7.6	13.6
1-6	45.1	42.4	44.3
7-9	44.1	39.7	42.7
10-12	40.3	31.1	36.8
13+	54.8	53.3	54.2
<b>Total</b>	<b>43.5</b>	<b>38</b>	<b>41.6</b>

Source: PCBS, 2008

<sup>57</sup> Al Botmeh, S. (2006). "Analysis of the Situation of Women in Palestine". EUROMED, Role of Women in Economic Life Programme.

### **3. SECTORS IN WHICH WOMEN ARE WORKING**

#### ***General Overview***

Generally, we can divide the Palestinian economy into five labour market spheres according to female labour opportunities: the national agricultural sector, the national non-agricultural sector, the informal economy, the domestic economy, and to a lesser extent, the Israeli labour market. The first three sectors encompass all the opportunities for wage work or employment for Palestinians living in the West Bank and Gaza. The domestic economy is an area of predominantly female labour activity which is usually not considered economic and is ignored altogether by conventional economists. Because most women's productive lives in Palestine are actually centred around domestic productions, it is extremely important to understand this sphere and how it interconnects with other economic and non-economic dimensions of life and family survival<sup>58</sup>.

#### **1. Agricultural Labour**

The national agricultural sector includes all agricultural production which is based on Palestinian owned or rented land. Labour in this sector is classified in formal labour statistics although the seasonality of much agricultural production means that is often underestimated. Although standard labour surveys attempt to measure women's labour contribution in this sector, women are often classified as non-paid family labour. Due to the fact that women frequently don't receive a wage for working in agriculture and because of the seasonality and family-based nature of the work, women working in agriculture often do not consider themselves working despite the importance of their labour contribution<sup>59</sup>. Data shows that 87% amongst women working in agriculture are within the non-paid family labour, whereas the percentage was 25.8% for males.<sup>60</sup> It should be noted that 50.6% and 45.9% of workers in agriculture in the West Bank and Gaza respectively are women.<sup>61</sup>

#### **2. Non-Agricultural Labour**

The national non-agricultural sector includes all businesses, trade, services, petty and large industry, as well as government and public services such as health and education. Basically, it includes the Palestinian formal public and private economic sectors excluding agriculture. It is labour in this sector which is the main focus of formal labour surveys and which national labour statistics are best able to measure. In terms of women, standard labour surveys are at their most accurate here. This is due to the fact that women in this sector are working in sustained and public sites, for a regular wage or income. As such, women working in this sphere both recognize themselves as being employed, and are recognized as such by the wider society<sup>62</sup>. As mentioned earlier, women participation in this sector stands at 16%.

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<sup>58</sup> Hamami, R. (1997). "Labour and Economy. Gender Segmentation in Palestinian Economic Life". Women's Studies Program, Birzeit University.

<sup>59</sup> Ibid.

<sup>60</sup> Women's Centre for Documentation and Research – Draft Study 2008.

<sup>61</sup> Ibid.

<sup>62</sup> Hamami, R. (1997). "Labour and Economy. Gender Segmentation in Palestinian Economic Life". Women's Studies Program, Birzeit University.

### 3. The Informal Economy

Definitions of the informal sector differ, but it is usually considered those areas of economic activity in which poor people are self-employed in marginal income generating activities in which the main goal is predominantly poverty alleviation. Examples of informal labour activity would include street peddling, home-based manufacture of prepared foods or clothing items, or home-based hairdressing and baby-sitting. In Palestine, Israeli tax and other pressure on Palestinian economic activity at certain times pushed larger sectors of the formal economy into the informal economy – an obvious example is merchants being turned into peddlers due to tax closures of their establishments. Standard labour force surveys do not measure these types of economic activities and there is a near absence of data<sup>63</sup>.

Due to problems of definition (where it seems that anything that doesn't fit into "formal is thrown into this category), it is difficult to assess. In general, we find that some women in this sector perceive of themselves as temporary workers who will or would stop their activities if a male wage earner could provide, while others perceive of themselves as workers who are simply unable to get a formal job. Some work in public but not necessarily sustained ways (peddlers), depending on the market or their capital, while some work in private (hairdressing in the home) in a continual basis. As such, this sphere represents a grey area in terms of women's self definition and in terms of the labour relations that define women's experiences<sup>64</sup>.

### 4. The Domestic Economy

The domestic economy includes labour activities that are usually ignored as housework. Cooking, cleaning, housework and caring for children and the elderly are the conventional tasks associated with female domestic labour and are often defined as economically reproductive, rather than productive. This is to say that these tasks that "reproduce" the labour force (male workers and future workers) as opposed to directly producing income. Significantly, these tasks often substitute for paid public services (health care, elderly assistance). While non-paid reproductive labour is pivotal to family survival (especially among poorer households) and the survival of the society, the focus in this analysis is on the more quantifiable aspects of domestic economy: the direct or indirect income generating activities of women in poor households. These types of income generating activities are usually extension of goods and services produced for consumption in the household rather than organized as separate income generating activities. As such, domestic economy refers to activities on the margins of the informal sector which are usually undertaken to generate supplementary income (often in economic crisis situations), in a non-sustained and pre-need basis. Such activities would include the production of one-off clothing items, the sale or barter of surplus food production (either agricultural products, or home-prepared foods), or barter of in-kind goods (UNRWA rations is one important local example). While these types of activities seem extremely marginal

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<sup>63</sup> Hamami, R. (1997). "Labour and Economy. Gender Segmentation in Palestinian Economic Life". Women's Studies Program, Birzeit University.

<sup>64</sup> Ibid.



economically – their prevalence and importance among distressed households has been well documented especially for refugee households<sup>65</sup>.

## 5. Wage Labour in Israel

Women workers in Israel never accounted for more than 3-4% of the total number of Palestinians working in Israel. Social acceptance of female employment in Israel is usually made easier only if the household does not have a male breadwinner and therefore it becomes less of a taboo<sup>66</sup>. Women workers in Israel will be discussed in greater detail in the following sections.

### *Main Labour Market Indicators*

According to main labour market indicators for men and women fifteen years of age and above in Palestine, 88.8% of the working age female population in 1995 were outside the labour force altogether, while 33.1% of the male population were<sup>67</sup>. Table 8 shows that 11.2% of women of working age were considered in the formal labour force while 66.9% of males were. Of women within the labour force a comparatively higher percentage (71.7%) were fully employed in comparison to their male counterparts (58.8%). However, in terms of unemployment male and female rates were similar, at about 18%. As for 2008, 26.5% and 22.7% of men and women are unemployed, and only 16% of women of working age are in the formal labour force compared to 66.3% of men.

**Table 8: Main Labour market indicators for the population in West Bank and Gaza 15 years+ by Sex and Labour Force Status (1995 and 2008)**

SEX	Not in Labour Force	In Labour Force			Total
		Full Employed	Under-employed	Unemployed	
Male (1995)	33.1	58.8	22.9	18.3	66.9
Female (1995)	88.8	71.7	10.4	17.8	11.2
Male (2008)	33.7	63.9	9.6	26.5	66.3
Female (2008)	84	75.1	2.2	22.7	16

Source: PCBS 1997 and 2008

<sup>65</sup> Hamami, R. (1997). "Labour and Economy. Gender Segmentation in Palestinian Economic Life". Women's Studies Program, Birzeit University.

<sup>66</sup> Al Botmeh, S. (2006). "Analysis of the Situation of Women in Palestine". EUROMED, Role of Women in Economic Life Programme.

<sup>67</sup> Hamami, R. (1997). "Labour and Economy. Gender Segmentation in Palestinian Economic Life". Women's Studies Program, Birzeit University

Women’s formal labour force participation is largely segregated by sector into services and agriculture (which together account for 83% of women in the labour force), whereas males are much more evenly distributed across sectors. The end result is a limited pool of decent jobs for women, almost entirely in the services sector, and a greater likelihood of vulnerable employment for those unable to find jobs in services. See table 9 below for a comparison of female and male labour force participation by sector.

**Table 9: Sectors of Economic Activity in the Labour Force, Women and Men<sup>68</sup>**

<b>Economic Activity</b>	<b>% Share of Employed Females</b>	<b>% Share of Employed Males</b>
Agriculture, Hunting, and Fishing	34.3	12.0
Services and Other Branches	48.7	32.6
Mining, Quarrying and Manufacturing	8.5	13.3
Construction	0.2	13.5
Commerce, Hotels and Restaurants	7.4	21.8
Transportation, Storage and Communications	0.9	6.8
<b>Total</b>	<b>100</b>	<b>100</b>

PCBS Labour Force Survey Annual Report: 2006,” April 2007.

### *Women’s Employment in Particular Labour Markets*

The following analysis will focus on the educational, social and demographic differences that are associated with women working in particular labour markets in Palestine. Additionally, this section will look at ways in which female labour is organized and utilized within various labour markets and their component sector – under what circumstances and for what type of benefit do women work within specific sectors? Finally, through an analysis of gender ratios in various sub-sectors, the section will explore how trends in labour supply differentially affect men and women in the Palestinian economy<sup>69</sup>.

Services is by far the first largest market for female and male employment in Palestine at a total of 38.2% (30.9% in the West Bank, and 61.4% in Gaza). In Gaza, public sector employees account for this big enrolment in the services sector. Female participation in this sector accounts for 52.1% (48.6% in the West Bank, and 67.2% in Gaza). Please refer to table 10 for a detailed overview.

<sup>68</sup> PCBS Labour Force Survey Annual Report: 2006,” April 2007, p. 93-94.

<sup>69</sup> Hamami, R. (1997). “Labour and Economy. Gender Segmentation in Palestinian Economic Life”. Women’s Studies Program, Birzeit University.

**Table 10: Percentage Distribution of Employed Persons Aged 15 Years and Above in the Palestinian Territory by Economic Activity, Sex and Region (ILO Standards), April-June, 2008**

Economic Activity and Sex	Region		
	Gaza	West Bank	Palestinian Territory
Both Sexes			
Agriculture, fishing and forestry	12.3	15.7	14.9
Mining, quarrying and manufacturing	4.6	14.5	12.1
Construction	0.4	14.1	10.8
Commerce, restaurants and hotels	17.0	20.6	19.8
Transportation, storage and communication	4.3	4.2	4.2
Services and other branches	61.4	30.9	38.2
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>
Males			
Agriculture, fishing and forestry	9.2	11.6	11.0
Mining, quarrying and manufacturing	5.2	15.4	12.9
Construction	0.4	17.7	13.4
Commerce, restaurants and hotels	19.5	24.0	22.9
Transportation, storage and communication	5.2	5.1	5.1
Services and other branches	60.5	26.2	34.7
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>
Females			
Agriculture, fishing and forestry	28.0	31.3	30.7
Mining, quarrying and manufacturing	1.1	11.1	9.2
Construction	-	0.5	0.4
Commerce, restaurants and hotels	3.7	7.9	7.1
Transportation, storage and communication	-	0.6	0.5
Services and other branches	67.2	48.6	52.1
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>

Source: PCBS, 2008

The below sub-sections will provide a more in-depth analysis of each of the sectors in which women are working.

### 1. The Agricultural Labour Market

Agriculture is the second largest market for female labour – accounting for 30.7% of women in the labour force (28% in Gaza, and 31.3% in the West Bank), and only 11% of the men (9.2% in Gaza, and 11.6% in the West Bank)<sup>70</sup>. When looked at historically, it becomes clear that since the beginning of the occupation, men have been moving out of local agriculture into other sectors (most predominantly wage labour in Israel), while women’s involvement in this sector has declined much less dramatically. While 32% of the male work force were engaged in agriculture in the early 1970s, by the late 1980s this had declined to 18%<sup>71</sup>, and to further decline in

<sup>70</sup> Palestinian Central Bureau of Statistics, 2008. Labour Force Survey: (April- June, 2008) Round, (Q2/2008). Press Conference on the Labour Force Survey Results. Ramallah - Palestine.

<sup>71</sup> Hamami, R. (1997). “Labour and Economy. Gender Segmentation in Palestinian Economic Life”. Women’s Studies Program, Birzeit University

2008 to 11%. In comparison 57% of women in the labour force were involved in agriculture in 1970, declining to 30% by 1989, and slightly increasing to 30.7% in 2008.

Furthermore; as rural males became integrated into the Israeli labour market, rural females remained working on the family farm, often taking on the greater amount of agricultural tasks. This occurred without any substantive change in the gender division of resources, capital or decision-making. Instead, many agricultural tasks became re-defined as extensions of housework. The relationship is summed up by the observation that instead of women going out to work in the fields, the opposite occurred: the fields entered the house and became yet another responsibility of women (Malki and Shalabi 1993, 157)<sup>72</sup>. Since 2000, male labour force participation in agriculture was low (at about 11%), whereas female labour force participation stands at 32.5%. See table 11 below for an overview of male versus female labour force participation in agriculture from 2000 to 2008.

**Table 11: Percent of Male versus Female Labour Force Engaged in Agriculture, 2000 – 2008**

2000		2001		2002		2003		2004		2005		2007		2008	
M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F
9.8	34.6	9.1	26.0	11.9	29.9	11.9	33.7	12	33.7	11	32.5	12	38.9	11	30.7

**Source: PCBS 2007 Women and Men in Palestine: Issues and Statistics, 2007 Ramallah – Palestine, and Palestinian Central Bureau of Statistics, 2008. Labour Force Survey: (April- June, 2008) Round, (Q2/2008). Press Conference on the Labour Force Survey Results. Ramallah - Palestine.**

Though women comprise a substantial proportion of the agricultural labour force, they are largely unpaid and unrecognized. Due to seasonal nature of agricultural productions, PCBS has also found significant variation in the numbers of agricultural workers according to the year and season in which various surveys were conducted<sup>73</sup>.

Researchers have also noted that technological innovation (such as the introduction of drip irrigation and greenhouses) has also increased women’s agricultural workload, again without a corresponding re-division of resources or power (Giacaman and Tamari 1997, 57). Various studies note the dominance of women in agricultural tasks which are labour intensive, physically demanding and non-mechanized (such as hoeing, weeding, sowing seeds, and harvesting) (Giacaman and Tamari 1997, 57; Malki and Shalabi 1993, 159; Ramsis 1997, 11). Moreover, women’s activities are concentrated in routine productive tasks that do not relate to the market or control over economic resources, rather than market-related jobs such as the buying of agricultural in-puts and the sale of agricultural products. Women’s marketing activities are limited to the local peddling of surplus products as they are perceived as not having the knowledge necessary to deal with merchants (Malki and Shalabi 1993, 162)<sup>74</sup>.

<sup>72</sup> Hamami, R. (1997). “Labour and Economy. Gender Segmentation in Palestinian Economic Life”. Women’s Studies Program, Birzeit University

<sup>73</sup> Ibid.

<sup>74</sup> Ibid.

Women working in agriculture overwhelmingly work as non-paid family labour, representing 87% of the total number of workers in that category compared to 25.8% for males.<sup>75</sup> As table 12 below shows, in agriculture women are very much under-represented as employers (0%); the self-employed (11.6%); and even less so as employees (1.4%).

**Table 12: Male versus Female Employment Status in Agriculture**

Occupation	Employment Status									
	Total		Unpaid Family		Employee		Self-Employed		Employer	
	M	F	M	F	M	F	M	F	M	F
Skilled agriculture/fishery	12*	38.9**	25.8	87	23	1.4	47.5	11.6	3.7	0

Source: Women's Centre for Documentation and Research – October to December 2007 – Draft Study 2008

- and \*\*: Please note the discrepancy between PCBS figures for women and men engaged in agriculture (30.7% and 11% respectively) and the Women's Centre for Documentation and Research (38.9% and 12% for women and men respectively).

The situation in males versus female employment status in agriculture was drastically different around 10 years ago as shown in table 13 below. Women as employers were 13% in 1996 compared to zero in 2007, and 4.6% as employees in 1996 compared to even lower 1.4% in 2007<sup>76</sup>.

**Table 13: Male versus Female Employment Status in Agriculture**

Occupation	Employment Status									
	Total		Unpaid Family		Employee		Self-Employed		Employer	
	M	F	M	F	M	F	M	F	M	F
Skilled agriculture/fishery	65.6	34.6	41.9	58.1	95.4	4.6	92.1	7.9	87	13

Source: Calculated from PCBS April 1996 (Draft Publication)

Women's access to employment in this sector is thus overwhelmingly contingent on whether a spouse or parent are engaged in agriculture sector either as smallholders or as share-croppers. According to one survey, only 8% of Palestinian women claimed to have inherited land (Heiberg and Ovensen 1993, 295). Thus it is not surprising to find only 7.9% of women consider themselves self-employed in agriculture in table 13 above – i.e. they receive monetary compensation through the sale of agricultural goods. The 13% of women classified as “employers”, are probably women who do not necessarily own agricultural land themselves, but have a greater amount of authority in organizing family production (predominantly older women)<sup>77</sup>.

<sup>75</sup> Women's Centre for Documentation and Research – Draft Study 2008.

<sup>76</sup> Hamami, R. (1997). “Labour and Economy. Gender Segmentation in Palestinian Economic Life”. Women's Studies Program, Birzeit University.

<sup>77</sup> Hamami, R. (1997). “Labour and Economy. Gender Segmentation in Palestinian Economic Life”. Women's Studies Program, Birzeit University.

While the situation of women working in family agriculture is one of hard work with no direct material compensation; the situation of women working as wage labourers in agriculture was historically comparatively worse; especially in relation to male counterparts. However; it changed in recent years. The average daily wage for women agricultural labourers was 27 NIS compared to a male wage of 34 NIS (Ramsis 1997, 9)<sup>78</sup>. The Women's Centre for Documentation and Research Draft Study in 2008 found that the average daily wage for women agricultural labourers is 62.2 NIS compared to a male wage of 51.2 NIS.

Given the family-based nature of farming in Palestine, it may seem "natural" that women largely work without wages, simply in order to help their families. Given these circumstances, the obvious problem could be perceived as women's lack of "choice": whether they choose to help a spouse or family. However, choice is an extremely problematic notion when people perceive certain social relations and responsibilities as "natural" or given. Instead, the issue of recognition and compensation for women's responsibility in agriculture is a critical issue for gender equity<sup>79</sup>.

This lack of recognition of the critical importance of women to agricultural production is reflected not only in their lack of wages, but also in their absence from agricultural cooperatives and agricultural training colleges<sup>80</sup>. Women's lack of compensation also has implications for the agricultural sector as a whole: overall wages in this sector are kept low for all agricultural workers and it remains the sector with lowest wage scale in the economy. An agricultural worker in Israel or on settlements makes close to half the wage of all other occupations (PCBS April-June 2008). The social costs of women's lack of rights and resources in agriculture are perhaps even higher. Agriculture is the labour sector in which ones finds the highest rate of workers with minimal level of education: 66.1% of the women with 0-9 years of education are employed in agriculture, versus 17.3% of men<sup>81</sup>.

Rural women have the highest illiteracy rates of the whole population, although illiterates tend to be among older age categories of women. More significantly, educational achievement rates of women are lower in rural areas – especially among women in agriculture. Finally, the highest incidence of cousin marriage is found in rural areas. The fertility rate is not a decisive factor in the rural areas, as it stands currently at 4.6%, the lowest among urban (4.7%) and refugee camps women (5.1%)<sup>82</sup>.

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<sup>78</sup> Hamami, R. (1997). "Labour and Economy. Gender Segmentation in Palestinian Economic Life". Women's Studies Program, Birzeit University.

<sup>79</sup> Ibid.

<sup>80</sup> Ramsis found only two female members in the West Bank agricultural cooperatives she surveyed. Female make up less than 15% of students at the Kedourie Agricultural College (Ramsis 1997., 3)

<sup>81</sup> Hamami, R. (1997). "Labour and Economy. Gender Segmentation in Palestinian Economic Life". Women's Studies Program, Birzeit University.

<sup>82</sup> PCBS 2007 Women and Men in Palestine: Issues and Statistics, 2007 Ramallah – Palestine

## 2. The National Non-Agricultural Sphere

This sphere includes labour in all business establishments in both the conventional public and private sectors excluding agriculture. It is composed of the following main types of economic activity based in the West Bank and Gaza: industry (including mining, quarrying and manufacture), services, commerce, restaurants & hotels, transportation, storage & communication, and construction. Only formal, registered work-places are included in this sphere, although non-paid (family) workers are included alongside paid employees<sup>83</sup>. Due to the Israeli occupation, many smaller family-owned businesses were unregistered even though they would be regularly included in this sector. A stated aim of the PCBS Census of Establishments was to help in the registration of all such establishments in Palestine

This sphere employs 92.8% of all employed persons aged 15 years and above (86.9% in the West Bank, 61.5% in Gaza, and 143.3% in the Israeli settlements)<sup>84</sup>.

It can be noted that women are the majority of employees in the services sector where they account for 52.1% of employees in that sector (48.6% in the West Bank, and 67.2% in Gaza)<sup>85</sup>. Mining, quarrying and manufacturing is the second largest employer of women in this sphere, accounting for a mere 9.2% of employed women (11.1% in the West Bank, and 1.1% in Gaza). Furthermore; women's participation in all other sphere is minimal with the construction sector and transportation, storage & communication sector being the lowest employer at 0.4% and 0.5% respectively.

When women employees are found grouped in specific areas of economic activity, this generally means that such activities are accessible to them. Accessibility to women may be due to a range of factors which may have positive or negative underpinnings. In positive terms, accessibility may be due to employer policies that encourage the integration of women, or that provide supports and benefits that allow women to meet their domestic responsibilities while working outside the home. On the negative side, accessibility may be due to an employer preference for female workers who can be paid less than males or who are non-unionized and therefore easier to control<sup>86</sup>.

Assumptions about the “natural” abilities of each gender can also play a pivotal role in providing or denying access to certain types of work according to gender. Heavy manual work or work with heavy machinery are assumed to be more appropriate for males. Work that involves caring, nurturing or careful handwork is usually considered appropriate for females. Within a single workplace one can often find these assumptions at play in assigning different tasks to males and females. Although such distinctions can be found world-wide, on a practical level they are never fixed. In Palestine's recent past, carrying heavy loads was seen as women's work among the peasantry, while goldsmith, a craft involving careful hands, was considered male. In

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<sup>83</sup> Hamami, R. (1997). “Labour and Economy. Gender Segmentation in Palestinian Economic Life”. Women's Studies Program, Birzeit University.

<sup>84</sup> Palestinian Central Bureau of Statistics, 2008. Labour Force Survey: (April- June, 2008) Round, (Q2/2008). Press Conference on the Labour Force Survey Results. Ramallah - Palestine

<sup>85</sup> Ibid.

<sup>86</sup> Hamami, R. (1997). “Labour and Economy. Gender Segmentation in Palestinian Economic Life”. Women's Studies Program, Birzeit University.

the modern period, nursing in Palestine has lost its association as a women's occupation<sup>87</sup>.

Changes in labour supply often play a crucial role in breaking down assumptions about appropriate male and female work. The most dramatic example is the effect war has on bringing women into civilian jobs that were formerly male domains (such as transport, heavy industry and construction). Male labour migration often results in women taking up male tasks in agriculture (a local example being ploughing). Changes in labour supply can also undermine women's employment. When employment opportunities recede for men, assumptions about the inappropriateness of their working in female-designated occupations become irrelevant. Large numbers of men moving into once "female" occupations is a common occurrence in stagnating economies, or economies in crisis. Moreover; due to the dominant belief that males are the main breadwinners, responsible for the "family wage", employers often give them priority over females<sup>88</sup>.

The following sections analyze the gender composition of selected sectors within the five main areas of the national non-agricultural sphere. The tables in each section provide data (in raw numbers and percentages) on the gender distribution of each sub-sector as well as the sex ratio.

## **2.1. Mining, quarrying and manufacturing**

This sphere employs 12.1% of all persons aged 15 years and above (14.6% in the West Bank, 4.6% in Gaza, and 14.1% in the Israeli settlements).

Women account for 9.2% of those employed in mining, quarrying and manufacturing; 11.1% in the West Bank compared only to 1.1% in Gaza. Men account for 12.9% of those employed in mining, quarrying and manufacturing; 15.4% in the West Bank, and 5.2% in Gaza<sup>89</sup>.

The most significant trend since the beginning of the second intifada has been a drop in employment in manufacturing (from 15% in 2000, to 12.1% in 2008). In Gaza, the drop has been dramatic from 12.3% in 2000 to 4.6% in 2008. The reason can be attributed to the to the severity of the closures imposed on Gaza, which have tightened further since June 2007.<sup>90</sup>

Based on PCBS Labour Force Survey (April – June 2008), 25.9% of employed persons in mining, quarrying and manufacturing aged 15 years and more are employers, 14.4% self-employed, 11.3% wage employees, and 7% unpaid family members. Regional differences exist between the West Bank and Gaza, whereas in the West Bank 5.8% are unpaid family members, the percentage rises to 12% in Gaza. In the West Bank, 14.5% are wage employees, compared to 2.6% in Gaza. In the West Bank, 16.6% are self-employed whereas only 4.8% are in Gaza. For those who are

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<sup>87</sup> Hamami, R. (1997). "Labour and Economy. Gender Segmentation in Palestinian Economic Life". Women's Studies Program, Birzeit University.

<sup>88</sup> Ibid.

<sup>89</sup> Palestinian Central Bureau of Statistics, 2008. Labour Force Survey: (April- June, 2008) Round, (Q2/2008). Press Conference on the Labour Force Survey Results. Ramallah - Palestine

<sup>90</sup> OCHA OPT Socio-Economic Fact Sheet – April 2008.



self-employed, the percentages are very much similar in the two regions (25.9% in the West Bank, and 26% in Gaza).

Again, these differences can be ascribed to lack of job opportunities in Gaza in comparison to the West Bank in this sphere, due to the severity of the closure imposed on Gaza.

The average daily wage in NIS for wage employees in the mining, quarrying and manufacturing is the lowest among all spheres at NIS 78.7.

## **2.2. Construction**

This sphere employs 10.8% of all persons aged 15 years and above (9% in the West Bank, 0.4% in Gaza, and 44.9% in the Israeli settlements)<sup>91</sup>.

Construction rates as the worst overall in terms of female employment. Women account for 0.4% of those employed in construction; all in the West Bank as there was not enough observation to generate the information in Gaza<sup>92</sup>. Men account for 13.4% of those employed in construction; 17.7% in the West Bank, and 0.4% in Gaza

The construction sector (as a category within the national non-agricultural sphere) only includes construction activity taking place in the West Bank and Gaza under the auspices of Palestinian contractors. The limited involvement of women in the construction sector is not surprising given the overall absence of women from activities which involve heavy physical labour. Obviously, these few women are actually working as support staff in contracting companies rather than as construction workers.

In Gaza, the situation can be explained by the unavailability of the construction materials in the market as a result of the severity of the closure, leading to a near collapse of the construction sector.

Based on PCBS Labour Force Survey (April – June 2008), 14.6% of employed persons in construction aged 15 years and more are employers, 7.6% self-employed, 12.8% wage employees, and 4.2% unpaid family members. Regional differences exist between the West Bank and Gaza, whereas in the West Bank, 14.1% work in the construction sector compared to 0.4% in Gaza. Out of those, in the West Bank, 5.1% are unpaid family members, while the percentage could not be observed in Gaza. In the West Bank, 17.5% are wage employees, compared to 0.3% in Gaza. In the West Bank, 9.1% are self-employed compared to only 1.1% in Gaza. 18.2% are employers in the West Bank, whereas the percentage of employers could not be observed in Gaza.

Again, these differences can be ascribed to lack of job opportunities in Gaza in comparison to the West Bank in this sphere, due to the severity of the closure imposed on Gaza.

The average daily wage in NIS for wage employees in the construction sector is the highest at NIS 125.7

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<sup>91</sup> Palestinian Central Bureau of Statistics, 2008. Labour Force Survey: (April- June, 2008) Round, (Q2/2008). Press Conference on the Labour Force Survey Results. Ramallah - Palestine

<sup>92</sup> Ibid.

### **2.3. Commerce, restaurants and hotels**

This sphere is the second employer of persons aged 15 and above at 19.8% (20.4% in the West Bank, 17% in Gaza, and 22.1% in the Israeli settlements).

Women account for 7.1% of those employed in commerce, restaurants and hotels; 7.9% in the West Bank and 3.7% in Gaza, compared to a total of 22.9% of men; 24% in the West Bank, and 19.5% in Gaza<sup>93</sup>.

The results show that the percentage of those who are working in commerce, restaurants and hotels sector decreased from 21.4% in the 1<sup>st</sup> quarter of 2008 to 20.4% in the 2<sup>nd</sup> quarter. While in Gaza Strip the results showed that all activities was affected from the closure that is imposed by Israeli military authority, for that there was a decrease of those who are working in commerce, restaurants and hotels sector from 22.2% in 1<sup>st</sup> quarter to 17.0% in the 2<sup>nd</sup> quarter 2008.

Based on PCBS Labour Force Survey (April – June 2008), 37.6% of employed persons in commerce, restaurants and hotels aged 15 years and more are employers, 36.5% self-employed, 12.9% wage employees, and 18.6% unpaid family members. Regional differences exist between the West Bank and Gaza, whereas in the West Bank, 20.6% work in the commerce, restaurants and hotels sector compared to 17% in Gaza. Out of those, in the West Bank, 14.5% are unpaid family members, compared to 36.1% in Gaza. In the West Bank, 15.4% are wage employees, compared to 5.9% in Gaza. In the West Bank, 33.8% are self-employed compared to 48.5% in Gaza. Those who are employers in this sphere in Gaza are higher than the West Bank; 44.2% compared to 35.9%

The average daily wage in NIS for wage employees in the commerce, restaurants and hotels is NIS 92.9

### **2.4. Transportation, storage and communication**

This sphere rates as the worst overall in terms of employment where only 4.2% of persons aged 15 years and above work in transportation, storage and communication; 4.6% in the West Bank, 4.3% in Gaza, and 1.8% in the Israeli settlements).

Women account for 0.5% of those employed in transportation, storage and communication; 0.6% in the West Bank and not enough observation to generate the information in Gaza. Men account for 5.1% of those employed in this sphere; 5.1% in the West Bank, and 5.2% in Gaza<sup>94</sup>.

Based on PCBS Labour Force Survey (April – June 2008), 1.8% of employed persons in transportation, storage and communication aged 15 years and more are employers, 11.3% self-employed, 2.5% wage employees, and 0.5% unpaid family members. Regional differences do not exist between the West Bank and Gaza where the percentage is very much similar; 4.2% in the West Bank, and 4.3% in Gaza.

In the West Bank, 0.6% are unpaid family members, whereas the percentage could not be observed in Gaza. In the West Bank, 2.5% are wage employees, compared to 2.4% in Gaza. In the West Bank, 10.4% are self-employed compared to 15.4% in Gaza. In

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<sup>93</sup> Palestinian Central Bureau of Statistics, 2008. Labour Force Survey: (April- June, 2008) Round, (Q2/2008). Press Conference on the Labour Force Survey Results. Ramallah - Palestine

<sup>94</sup> Ibid.

the West Bank, 2.2% are employers in this sphere, whereas the percentage could not be generated from Gaza.

The average daily wage in NIS for wage employees in the transportation, storage and communication sector is the second after construction at NIS 100.2

## **2.5. Services and other branches**

The service sector is not only the largest employer of female labour in the national non-agricultural sphere, it is also the biggest employer of women in the formal economy as a whole. Fifty-two point one percent (52.1%) of women working in the national non-agricultural labour market are working in services; 48.6% in the West Bank and 67.2% in Gaza, compared to a total of 34.7% of men; 26.2% in the West Bank, and 60.5% in Gaza<sup>95</sup>.

This sphere is the first employer of persons aged 15 and above at 38.2% (34.3% in the West Bank, 61.4% in Gaza, and 9.7% in Israel and the Israeli settlements).

Based on PCBS Labour Force Survey (April – June 2008), the percentage of those who are working in services and other branches in the West Bank decreased from 36.6% in the 1<sup>st</sup> quarter of 2008 to 34.3% in the 2<sup>nd</sup> quarter.

The vast majority of employed persons in services and other branches aged 15 years and more are wage employees at 56.8%, 8.8% employers, 8.5% self-employed, and 0.7% unpaid family members.

Regional differences do exist between the West Bank and Gaza, where the majority of employed persons in services and other branches aged 15 years and above in Gaza are wage employees at 83.8%, compared to 46.9% in the West Bank.

In the West Bank, 9.4% are employers compared to 6.7 % in Gaza. In the West Bank, 8.6% are self-employed compared to 7.9% in Gaza. In the West Bank, 0.5% are unpaid family members, compared to 2.4% in Gaza.

It should be noted that the average daily wage in NIS for wage employees in the services and other branches sector is the second lowest (NIS 90) after mining, quarrying and manufacturing (NIS 78.7).

The fact that women are over represented in the professional fields suggests that women do have access to better paying and more stable sectors of employment within the West Bank and Gaza. However; within the professional classification; women are highly concentrated in stereotypically female occupations, particularly in teaching. More than 64% of professional women were in this profession. By contrast only 32% of professional men were teachers. Within the teaching profession, women made up 60% of the lower category of associate teachers. This indicates a vertical segregation whereby women are not just confined to particular occupations, but within these occupations they hold lower status jobs<sup>96</sup>.

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<sup>95</sup> Palestinian Central Bureau of Statistics, 2008. Labour Force Survey: (April- June, 2008) Round, (Q2/2008). Press Conference on the Labour Force Survey Results. Ramallah - Palestine

<sup>96</sup> Al Botmeh, S. (2006). "Analysis of the Situation of Women in Palestine". EUROMED, Role of Women in Economic Life Programme.

Female teachers accounted for 53.9% of the teaching labour force in the West Bank and Gaza during 2005/2006. The Humanities and Social Sciences represent the highest percentage of specializations of teachers (69.3% for females compared to 66.3% for males)<sup>97</sup>.

Women are overwhelmingly dominant in early childhood education representing 91.5% of the teaching staff. As such, a very clear pattern emerges in which women predominate as teachers at the bottom rungs of the educational system, are slightly higher in the general education, but decline dramatically as teaching staff in higher education, as demonstrated in table 14. This is despite the fact that the student body in higher education shows symmetrical sex ratios (females were 49.4% community college students, and 48.9% of university students in the 2005/2006 academic year). Sex segregation in education does not seem to be the principle that determines the overall pattern of teacher sex ratios. Instead, assumptions about natural roles and abilities of males versus females seem to be determinant. Pre-school education is assumed to be the “natural” role of women, since caring for small children is an extension of their roles as mothers. Perhaps similar assumptions apply to women’s role as school teachers, although the sex segregation of schools probably played the most dominant role historically in justifying women’s employment in teaching. Neither pre-school nor school teaching are perceived as high skill or status occupations – as reflected in their very low salary scales. This low status may be a product of the high numbers of women employed in education. In contrast, higher education dominated by male teachers is perceived as a high status and skill occupation – also reflected in the relatively higher wage compensation<sup>98</sup>.

**Table 14: The percentage of male to female teaching staff in three educational levels (2005/2006)**

Educational Level	Male	Female	Total
Early Childhood	8.5%	91.5%	100%
General Education	53.9%	46.1%	100%
Community College	50.6%	49.4%	100%
University	51.1%	48.9%	100%

The few women working in **retail trade** are predominantly working in shops that do not specialize in food but sell it along with other goods. This can be assumed to mean corner grocery shops, that are usually attached to the family home. To a much lesser extent, they are working in shops selling clothing items related to women and children. In terms of the wholesale trade the vast majority of women are selling “other household items”. According to the data, the numbers of women working as unpaid family labour in retail trade is minimal compared to males. Trade as a whole is a traditional sector, with a long historical legacy and strongly evolved culture which is male dominated. The networks which support tradesmen such as those with suppliers, money-changers, customers, and other tradesmen, are not simply economic

<sup>97</sup> Al Botmeh, S. (2006). “Analysis of the Situation of Women in Palestine”. EUROMED, Role of Women in Economic Life Programme.

<sup>98</sup> Ibid.

relationships but are also social relationships which have often evolved across generations. These networks operate as informal regulatory systems to ensure access to credit and re-payment of debt in a system which is highly dependent on taking goods on consignment. Women's lack of capital resources necessary to operate a trade is thus only one obstacle. The difficulty of gaining access to these networks which are so fundamental to traditional forms of mercantilism are probably more important. Until recently, the idea of women as bad credit risks has been reported as institutional practice in Gaza, with women reporting difficulties in opening bank accounts and registering businesses in their own name<sup>99</sup>.

### ***Occupational Status***

Occupational status refers to the hierarchical arrangement of various occupations based on level of skill, prestige, and to a lesser extent, pay. Higher statuses are usually associated with both higher levels of education and skill, although the issue of skill is highly debatable. Gender segregation and concentration is also apparent in the way that women are distributed across occupational statuses; women are absent from most statuses and concentrated within a few<sup>100</sup>. Women are marginally represented in senior posts such as managers and legislators (9.1% compared to 90.9% for male in the West Bank, and 11.3% compared to 88.7% for male in Gaza)<sup>101</sup>. Please refer to table 15 for more information.

**Table 15: Occupational Status of Formal Labour Force by Sex and Region (2007)**

<b>Occupation</b>	<b>West Bank</b>		<b>Gaza</b>	
	<b>Males</b>	<b>Females</b>	<b>Males</b>	<b>Females</b>
Legislators, senior officials, managers	90.9	9.1	88.7	11.3
Professionals, technicals, clerks	57	<b>43</b>	74.3	<b>25.7</b>
Service, shop and market workers	84.5	15.5	98	2
Skilled agricultural and fishery	49.9	<b>50.6</b>	54.1	<b>45.9</b>
Craft and related trades	92.9	7.1	98.2	1.8
Plant and machine operator and assemblers	91.4	8.6	100	-
Elementary occupations	94.2	5.8	98.4	1.6
<b>Total</b>	<b>78</b>	<b>22</b>	<b>85.7</b>	<b>14.3</b>

Source: PCBS, 2008.

What is clear from the above table is that women are concentrated in two occupational statuses/ areas: the professionals, clerks/ technical assistants, and in the agricultural sector.

<sup>99</sup> Hamami, R. (1997). "Labour and Economy. Gender Segmentation in Palestinian Economic Life". Women's Studies Program, Birzeit University.

<sup>100</sup> Ibid.

<sup>101</sup> Palestinian Central Bureau of Statistics, 2008. Labour Force Survey: (April- June, 2008) Round, (Q2/2008). Press Conference on the Labour Force Survey Results. Ramallah - Palestine

The former status is quite high on the occupational ladder, while the latter is quite low. Perhaps more importantly, women are little represented at the top of the occupational hierarchy (in management) and are also very little represented at the bottom when these low-level occupations are not related to agriculture (elementary occupations and craft, plant and machine operators). The overall data suggests a similar pattern of gender segmentation and concentration as was found in the last section on women in the various sectors of the non-agricultural sphere. Significantly; however, women are not simply at the lower rungs but are highly represented in the intermediate category of professionals, technicals and clerks. What this means is that women are highly represented in categories such as teachers, nurses, administrative assistants, and secretaries, but not as doctors, managers, school principals or ministry officials<sup>102</sup>.

Occupations that have few if any female participation include plant and machine operators, as well as elementary occupations. The remaining women, most of whom have less education, are primarily working in skilled and subsistence agriculture. Since the importance of agriculture has been diminishing, particularly after the Israeli confiscations of land, this sector can no longer be considered a viable economic option for most of the younger cohort of women. In fact, the majority of women in agriculture are older women who work on their family land undertaking subsistence for m of agriculture with very little returns. Younger women, especially from urban and/ or refugee populations, have little or no access to land. Women in need of income, but with few skills and no access to land, end up working in service shops and craft related traders in the markets. Less skilled men, though, still have a larger number of options, such as the construction industry jobs and selection of elementary occupations<sup>103</sup>.

When it comes to differences between the West Bank and Gaza, more than two thirds of employed West Bank women are concentrated in professional jobs and agriculture (43% & 50.6% respectively). The story is similar in Gaza, only with much sharper concentration of women in agriculture (45.9%) then professional jobs (25.7%).

The labour market seems to give highly educated women and those with little education some scope for participation, but little of such for women who have some education. Ore than third of women workers in the agricultural sector are illiterate, while more than three-quarter of women workers in education have college or university degrees. The situation is not so extreme for men, where they do not require as high qualifications in similar sectors<sup>104</sup>.

Although women are not downgraded to the lower employment statuses, there is a clear pattern of gender-based wage discrimination in the national non-agricultural and agricultural labour markets. Gender-based wage discrimination has two dimensions: male and female may get differential wages for the same type of work, and female concentrated sectors my have low pay scales regardless of skill and education

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<sup>102</sup> Al Botmeh, S. (2006). "Analysis of the Situation of Women in Palestine". EUROMED, Role of Women in Economic Life Programme

<sup>103</sup> Ibid.

<sup>104</sup> Ibid

involved<sup>105</sup>. Based on PCBS preliminary statistics in 2007, the average daily wage level for male employees was consistently higher than females for all occupations except agriculture<sup>106</sup> as detailed in table 16 below.

**Table 16: The Average Daily Wage Level - Occupational Status of Formal Labour Force by Sex (2007) in NIS**

<b>Occupation</b>	<b>Males average daily wage</b>	<b>Females average daily wage</b>	<b>Total</b>	<b>Wage differentials</b>
Legislators, senior officials, managers	132.3	94.8	123.8	37.5
Professionals, technicals, clerks	78.4	63.7	73.5	14.7
Service, shop and market workers	54.4	44.2	53.9	10.2
Skilled agricultural and fishery	44.5	52.6	44.9	-8.1
Craft and related trades	88.8	33.1	85.8	55.7
Plant and machine operator and assemblers	69.5	45.5	68.4	24
Elementary occupations	62.8	47.5	61.8	15.3
<b>Total</b>	<b>73.6</b>	<b>60.9</b>	<b>71.4</b>	<b>12.7</b>

Source: Women's Centre for Documentation and Research – Draft Study 2008.

The greatest wage discrimination takes place among the most elite professions (legislators, senior officials, managers), and among the (crafts and related trades) where it rates the second in terms of men earning money. The most interesting is skilled agriculture and fishery where women earn more money than men.

The overall average of wage discrimination between males and females does not seem to be extremely high at NIS 12.7/ day or NIS 381/ month. However; analyzed from a different perspective, wage discrimination patterns show that women are regularly paid at male rates one to two occupational statuses lower than their own. If wage levels of females are organized according to the closest male wage rate across various occupations we find the following equivalents:

Female legislators, managers = Male crafts and related trades  
 Female professionals = Male elementary occupations  
 Female service shops and market workers = Male skilled agricultural and fishery

OR

Male plant and machine operator and assemblers = Female professionals  
 Male elementary occupations = Female professionals<sup>107</sup>.

<sup>105</sup> Hamami, R. (1997). "Labour and Economy. Gender Segmentation in Palestinian Economic Life". Women's Studies Program, Birzeit University.

<sup>106</sup> Women's Centre for Documentation and Research – Draft Study 2008

<sup>107</sup> Hamami, R. (1997). "Labour and Economy. Gender Segmentation in Palestinian Economic Life". Women's Studies Program, Birzeit University.

In occupational statuses occupied by females that require at least a post-high school course, equivalent male occupations according to salary are predominately semi-skilled or unskilled. In terms of semi and unskilled occupational statuses occupied by females, they earn much lower than males in the same occupations. The opposite is also true, male-held occupations that are semi-skilled or unskilled have pay equivalents of female-held occupations requiring post-graduate education<sup>108</sup>.

A number of occupations with high female concentration tend to show downgraded salary scales for both sexes. Males in the female concentrated categories of “professionals, technicals, clerks” have wage levels similar to male crafts and related trades. Males working in the professionals, technicals and clerks make less than males working in crafts and related trades. Although these occupations may have a higher social status, they may be economically de-valued because they are considered “female occupations”<sup>109</sup>.

#### **4. EMPLOYMENT IN ISRAEL**

As mentioned earlier, women workers in Israel never accounted for more than 3-4% of the total number of Palestinians working in Israel. Social acceptance of female employment in Israel is usually made easier only if the household does not have a male breadwinner and therefore it becomes less of a taboo. At the beginning of the 1970s, women were employed in Israel as factory workers, mainly in food industries and in the service industry, hospital and hotel cleaners. However; by the early 1980s many of these jobs had been turned over to Israelis, and Palestinian women tended to be concentrated in agricultural wage labour, usually considered the most poorly paid and insecure labour sectors for workers in Israel. By 1995, women working in Israel represented around 4% of the Palestinian work force in Israel. The majority of these women were in the 45+ age group, and had zero years of education. Women workers in Israel tended to be those without a male breadwinner, divorced or widowed, mostly refugees and to a lesser extent from West Bank border villages. Social acceptance of female employment in Israel is usually made easier only if the household does not have a male breadwinner and therefore it becomes less of a taboo. During the first Intifada, this justification did not even hold and many women had to find alternatives to their work in the West Bank and Gaza.<sup>110</sup>

At the beginning of the occupation, Israel opened special labour offices to encourage women from the occupied territories to register for work in Israel. During that period, it claimed that one positive outcome of Israeli “administration” of the occupied territories was that the provision of substantial employment opportunities for Palestinian women. However; in the only three years in which the Israeli Central Bureau of Statistics (ICBS) provided gender disaggregated data on Palestinian workers in Israel, women never accounted for more than three percent of the total. It is difficult to ascertain whether these figures are accurate. The absence of these women from the Israeli statistical abstracts is symbolic of the larger silence on the

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<sup>108</sup> Hamami, R. (1997). “Labour and Economy. Gender Segmentation in Palestinian Economic Life”. Women’s Studies Program, Birzeit University.

<sup>109</sup> Ibid.

<sup>110</sup> Al Botmeh, S. (2006). “Analysis of the Situation of Women in Palestine”. EUROMED, Role of Women in Economic Life Programme.



issue within Palestinian society. However; in the early 1970s there is evidence that more than 6,000 women from Gaza alone applied to work in Israel<sup>111</sup>.

During this earlier period when Israel had a labour shortage, Palestinian women were employed as factory workers (predominantly in the food industry), and in the service industry (hospital and hotel cleaners). But by the early 1980s many of these jobs had been turned over to Israeli and Palestinian women tended to be concentrated in agricultural wage labour – considered the most poorly paid and insecure labour sectors for workers in Israel. More recently, according to the PCBS statistics of September – October 1995, women made up 4% of the Palestinian labour force working in Israel. The majority of them (69.3%) were in the 45+ age groups, had zero years of education (62%), and were employed predominantly in seasonal agriculture (42%). In 1995 women represented 6% of the agricultural workers from Gaza working in Israel. In comparison, the majority of males working in Israel were and continue to be concentrated in the construction industry (55% of male workers), tend to have 7-12 years of education and are predominantly under 45 years of age<sup>112</sup>. In 2008, PCBS statistics show that employment from the West Bank in Israel and Israeli settlements reached 14.2%, whereas in Gaza Strip there was no access the workers to enter Israeli settlements<sup>113</sup>. Data disaggregated by gender could not be obtained.

From ethnographic accounts, women who work in Israel are usually without any form of male breadwinner, and are usually divorced or widowed or have an ailing spouse – in other words, female heads of households. In both Gaza and the West Bank they tend to be from refugee camps and to a lesser extent from West Bank border villages. They are usually women in extremely difficult social and economic situations. As such, women who work in Israel tend to be older females with little education but more importantly, with no male breadwinner. The latter status suggests not only a particular economic incentive which motivates women to work in Israel – but perhaps more important, a social status which “allows” them to work in Israel. Cultural inhibitions towards women’s wage labour seem most apparent in attitudes towards women working in the Israeli labour market. The ethnographic literature reveals a strong social taboo against it, which is mitigated only by socially acknowledged need – i.e. when women have no male breadwinner. However; even this powerful social justification did not prove strong enough during the Intifada, when many women who had worked in Israel, found social sanctions too strong and thus attempted to find social alternatives<sup>114</sup>.

Work in Israel appears as the most anomalous labour market in terms of gender. While it was the largest labour market for males throughout the 1970s and 1980s, it was the smallest in terms of females. While the social sanctions against women working there seem to have played an important role, the fact that labour opportunities for women in Israel were of the lowest occupational status and with the

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<sup>111</sup> Hamami, R. (1997). “Labour and Economy. Gender Segmentation in Palestinian Economic Life”. Women’s Studies Program, Birzeit University.

<sup>112</sup> Ibid.

<sup>113</sup> Palestinian Central Bureau of Statistics, 2008. Labour Force Survey: (April- June, 2008) Round, (Q2/2008). Press Conference on the Labour Force Survey Results. Ramallah - Palestine

<sup>114</sup> Hamami, R. (1997). “Labour and Economy. Gender Segmentation in Palestinian Economic Life”. Women’s Studies Program, Birzeit University.

lowest pay (agriculture) may also have mitigated against women's greater integration. Ultimately, the most prominent role of work in Israel vis-à-vis female wage labour was its impact on labour markets in the West Bank and Gaza, in issue that will be discussed in the following sections<sup>115</sup>.

Finally, the fact that the Israel labour market has been perceived as male", has led to post closure job-replacement strategies that are designed solely in terms of male workers. No consideration has been given to the actual or potential numbers of women who have lost work in this sector.<sup>116</sup>

## **5. FACTORS THAT WOULD FACILITATE OR IMPEDE WOMEN'S EMPLOYMENT**

According to International Labour Organization (ILO) standards: unemployment captures unemployed persons who are 15 years and above, do not work at all, are not absent from a job and available for work, and are actively seeking a job in the week-long period, during which the survey is carried out<sup>117</sup>.

According to the relaxed definition; unemployment adds the total number of unemployed people to the number of people currently not engaged in active job search but willing to work (known as 'the discouraged').

Since the beginning of the second Intifada in late 2000, unemployment has fluctuated in all governorates, however, it has remained higher than before the Intifada. The increase in unemployment rate in the Palestinian territory is mainly stimulated by the external and internal closure regime Israel has imposed on the territory<sup>118</sup>.

External closures restrict the access of Palestinian workers to jobs in Israel. They also cripple the economy by limiting the free flow of exports and imports, thus affecting the availability of jobs.

Internal closures in the West Bank have caused an economic decline, contributing to an increase in unemployment rates. The closures have forced transportation costs to go up and limited the access of workers to better jobs within the West Bank. This has particularly affected marginalised and remote areas where unemployment is high. In addition to closures, both Palestinian-Israeli violence and internal violence have created an environment discouraging investment and limiting the capacity of the local labour market to create jobs<sup>119</sup>.

According to the relaxed definition of unemployment, the percentage of persons who do not work, nevertheless seeking or not seeking a job, increased from 28.9% in the 1<sup>st</sup> quarter 2008 to 31.5% in the 2<sup>nd</sup> quarter 2008, compared with 25.7% in the 2<sup>nd</sup> quarter 2007<sup>120</sup>.

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<sup>115</sup> Hamami, R. (1997). "Labour and Economy. Gender Segmentation in Palestinian Economic Life". Women's Studies Program, Birzeit University.

<sup>116</sup> Ibid.

<sup>117</sup> OCHA OPT Socio-Economic Fact Sheet – April 2008

<sup>118</sup> Ibid

<sup>119</sup> Ibid

<sup>120</sup> PCBS 2007 Census.

According to the ILO standards, the percentage of persons who do not work, but seeking a job increased slightly from 22.6% in the 1<sup>st</sup> quarter 2008 to 25.8% in the 2<sup>nd</sup> quarter 2008, compared with 19.2% in the 2<sup>nd</sup> quarter 2007.

The results showed that unemployment rate in the West Bank decreased from 19.0% in the 1<sup>st</sup> quarter 2008 to 16.3% in the 2<sup>nd</sup> quarter 2008, while it increased sharply in Gaza Strip from 29.8% in the 1<sup>st</sup> quarter 2008 to 45.5% in the 2<sup>nd</sup> quarter 2008<sup>121</sup>.

PCBS labour force survey 2008 results showed that the highest percentage of unemployment was concentrated among youth aged 15-29. In specific, the highest percentage registered for the age group 20-24, where it reached 40.7% (27.9% in the West Bank and 62.1% in Gaza Strip). The results showed that the highest percentage of unemployment (33.1%) was among females completed 13 years of schooling and above compared with 19.8% among males. While the highest unemployment percentage among males was for those completed 1-6 years at 32.9%<sup>122</sup>.

This suggests that rather than loss of employment, females are predominantly new graduates unable to find first-time employment. This may also be the case for males, but the difference seems to be that males are able to overcome initial obstacles, while many women do not and simply drop-out. One cycle of labour-force entry and exit for females has already been documented by PCBS figures for the 1995-1996 periods<sup>123</sup>.

Economic literature points out to a number of factors deciding on female labour force participation. The high fertility rate and young age at marriage were cited as reasons reducing women's chances of acquiring employment in the West Bank and Gaza (Al Qudsi, 1995). Other researchers emphasized cultural/ religious reasons as important determinants to labour force participation. Salman (1993) compared a number of institutional, legislative, cultural and economic factors related to female labour force participation to conclude that the strongest factors affecting female labour force participation in the Palestinian territory seem to be the cultural and religious ones. Shaban (1993) noted that education is the single most important determinant of female participation. He also found that support to the family (which basically captures the impact of worker remittances from the Gulf region and Israel) has a large negative impact on the participation decision of women. This confirms the fact that higher family incomes actually reduce women's chances in joining the labour market in the Palestinian case<sup>124</sup>.

Hammami (1998) suggested that these low rates result mainly from the demand side factors. Namely, from the weakness of the manufacturing sector, the high unemployment rates for men, and the family-based nature of the agricultural sector which provides employment opportunities only for women who are born into agrarian households. She also stresses the role played by negative cultural attitudes towards

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<sup>121</sup> Palestinian Central Bureau of Statistics, 2008. Labour Force Survey: (April- June, 2008) Round, (Q2/2008). Press Conference on the Labour Force Survey Results. Ramallah - Palestine

<sup>122</sup> Ibid.

<sup>123</sup> Al Botmeh, S. (2006). "Analysis of the Situation of Women in Palestine". EUROMED, Role of Women in Economic Life Programme.

<sup>124</sup> Ibid.

female employment in Israel, which has provided plenty of employment for Palestinians, especially unskilled workers<sup>125</sup>.

In her work on human capital and women in the Bethlehem area, Olmsted (1995) provides an explanation to the paradox of high educational attainment for Palestinian women and non-involvement in the labour market. She notes that Palestinians acquire education not for labour market purposes, but for insurance against future displacement. So, they tend to invest heavily in education on the expense of other physical investments just in case they are displaced and they need to start working as a result. Therefore; high educational attainment should not necessarily lead to higher labour market involvement<sup>126</sup>.

Karshenas (1997), on the other hand, emphasized the relevance of other factors, particularly economic factors, that interconnects with gender and the developmental experience of the region's economies. The results of his work indicate that female participation rates have more to do with the historical experience of economic development in individual countries than with their socio-cultural or religious backgrounds. Karshenas explains that this result does not mean that cultural and religious factors do not play a role, rather the extent to which such factors matter is very much conditioned by the specificities of the recent developmental experience of the region. In countries where one breadwinner families could be afforded during the transition period from an agrarian economy into a more developed one, this patriarchal structure was reinforced over the years and thus women were not encouraged to join the labour market<sup>127</sup>.

Al-Botmeh (forthcoming) applied the hypothesis put forward by Karshenas to the West Bank and Gaza female participation rates and found that his analysis fits the Palestinian case. The particular historical and economic development of the WBG economies has allowed it to maintain a patriarchal structure features which discouraged women from participating in the labour market. The presence of two large labour markets, in Israel for unskilled labour and in the oil-rich Arab countries for the skilled workers allowed the Palestinians to earn high wages and manage to sustain their families based on one earner model. In turn, this allowed Palestinian households to maintain patriarchal family norms. As a result, and despite the fact that Palestinian women carried on acquiring education, they did not join the labour market<sup>128</sup>.

A study by the Women's Centre for Documentation and Research in 2007 on the current indicators of Palestinian women's participation in the labour force, highlighted the profile of unemployed women in the Palestinian society. The study noted that more than half the women outside of the labour force have finished more than 10 years of schooling, and 13.5% finished more than 13 years. The percentage of educated women outside of the labour force is largest in the urban areas of the West Bank, and in refugee camps in Gaza. Statistics show that homemaking was the main

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<sup>125</sup> Hamami, R. (1997). "Labour and Economy. Gender Segmentation in Palestinian Economic Life". Women's Studies Program, Birzeit University.

<sup>126</sup> Ibid.

<sup>127</sup> Ibid.

<sup>128</sup> Al Botmeh, S. (2006). "Analysis of the Situation of Women in Palestine". EUROMED, Role of Women in Economic Life Programme.

reason for women staying outside of the labour force. This reason is stronger in Gaza at 69.5%, more than in the West Bank (64.3%)<sup>129</sup>.

Another reason for women staying outside of the labour force was studying; 26.7% in the West Bank, compared to 24.9% in Gaza. Furthermore; one of the most important reasons for women's unemployment is the fact that they have applied for jobs to no avail. Around 45% (31% in the West Bank, and 63% in Gaza) have indicated this reason. In addition, 36% of women (54% in the West Bank, and 14% in Gaza) have indicated that they have applied for jobs, and are awaiting the interview. These statistics show that the labour market in Gaza is structurally different from the West Bank rendering obsolete the process of finding a job in Gaza<sup>130</sup>.

The results highlighted some characteristics for four distinct groups as follows:

Group 1 (62%) includes women in the age group lower than 34 years. They are married with no children, and are outside the labour force for the purpose of homemaking. Their educational level is between intermediate to low, and they live in towns, villages and refugee camps.

Group 2 (21%) includes younger women, unmarried, and enrolled in the education system. Their educational level is intermediate and they have not worked for more than a year. They live in towns, villages and refugee camps.

Group 3 (14%) includes older women, married with children, and with low educational attainment. They have not worked for more than a year, and live in towns, villages and refugee camps.

Group 4 (2%) similar to group 3 but they are outside of the labour market because of their low educational attainment.

On the whole, this review identified a number of constraints on women's employment, including: household inequalities and the traditional sexual division of labour, whereby men control the allocation of labour and the distribution of resources and rewards in the economy. The overall gender ideology of the society, which favours men in the workplace and women in the household, discourages women's involvement in the labour market. The high fertility rate and young age at marriage for women also contribute to this trend. The hostile economic conditions and lack of demand for female employment further limits women's chances in joining the workforce<sup>131</sup>.

The Palestinian Central Bureau of Statistics identifies the following reasons for persons 15 years and above outside the labour force in the Palestinian territory: Old/illness, housekeeping, studying or training, and others. Housekeeping was the

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<sup>129</sup> Women's Centre for Documentation and Research – Draft Study 2008

<sup>130</sup> Ibid

<sup>131</sup> Al Botmeh, S. (2006). "Analysis of the Situation of Women in Palestine". EUROMED, Role of Women in Economic Life Programme.

major reason for women to stay outside the labour force at 65.3% (63.7% in the West Bank, and 64.7% in Gaza)<sup>132</sup>. For more details, please see table 17.

**Table 17: Percentage Distribution of Persons Aged 15 Years and Above Outside the Labour Force in the Palestinian Territory by Reason, Sex and Region**

Reason	Region		
	West Bank	Gaza	Palestinian Territory
<b>Both Sexes</b>			
Old/ illness	12.4	11.9	11.5
Housekeeping	45.1	46.1	46.7
Studying or training	38.2	36.1	34.8
Others	4.4	6	6.9
<b>Males</b>			
Old/ illness	26.3	25.1	24.3
Housekeeping	1.9	1.2	0.8
Studying or training	60.8	57.1	54.8
Others	10.9	16.6	20.2
<b>Females</b>			
Old/ illness	6.4	6.4	6.4
Housekeeping	63.7	64.7	65.3
Studying or training	28.4	27.4	26.8
Others	1.5	1.6	1.6

Source: PCBS, 2008.

The source of much female joblessness has been shown to be structural – that is due to the limited labour opportunities available to women. However; unemployment only covers those men and women who are counted as members of the labour force, which for women remains very low at 16%. The 84% of women outside the labour force are not considered unemployed but simply engaged in activities that preclude labour force activity such as homemaking or study. Not surprisingly, “homemaking” ranking as by far the major reason cited for women’s non-participation in the labour force.

A main assumption of the literature on women’s labour force participation in Palestine is that a linkage exists between fertility behaviour and labour force participation. The specific argument put forth is that women’s young age at marriage and their high fertility preclude access to the labour force. While there is clearly a relationship between the two, the issue of causal nature of that relationship is much more complex<sup>133</sup>.

Evidence of this can be found in the PCBS Demographic Survey, rather than in their labour force studies. In the fertility survey, “ever married” women were asked to self report whether they were working or not – descriptive categories which are not as

<sup>132</sup> Palestinian Central Bureau of Statistics, 2008. Labour Force Survey: (April- June, 2008) Round, (Q2/2008). Press Conference on the Labour Force Survey Results. Ramallah - Palestine.

<sup>133</sup> Hamami, R. (1997). “Labour and Economy. Gender Segmentation in Palestinian Economic Life”. Women’s Studies Program, Birzeit University

rigorous as the LFS framework – but nevertheless useful for looking at the way work effects fertility<sup>134</sup>.

While the Total Fertility Rate (TFR) for all “housewives” was found to be 7.30, the total fertility rate for “working women” was drastically lower at 2.85%<sup>135</sup>. The fact that many working women tend to be more highly educated cannot account for the difference – the TFR of women with 13+ years of education (regardless of working or not) is 4.72 – less than housewives but higher than working women<sup>136</sup>.

Thus; statistically, it is clear that married women in the labour force have significantly lower fertility rates than non-working married women and that this is in some way connected to their working. Simultaneously, the other important characteristic of female labour force participants is the high rate who are unmarried, compared to male labour force participants<sup>137</sup>.

In the West Bank, 19.4% of women in the labour force are “never married” compared to 47.9% of males; in Gaza, 11.4% of female labour force participants are “never married” compared to 40.1% of male participants. Moreover, a significant number of women are widowed, divorced or separated (10.9% of women in both areas compared to 35% of males). Overall then, male labour force participants are much more likely to be married (82.4%) compared to females (16.4%), with the pattern much stronger in the West Bank (83.5% of males compared to 18.3% of females) than in Gaza (80.5% of males versus 12.8% of females). (Please refer to Table 18 for a detailed overview of the labour force participation rate and unemployment rate of persons aged 15 and above, by region, sex and marital status.)

**Table 18: Labour Force Participation Rate and Unemployment Rate of Persons Aged 15 Years and Above in the Palestinian Territory by Region, Sex and Marital Status (ILO Standards).**

Marital Status	Unemployment Rate			Labour Force Participation		
	Total	Females	Males	Total	Females	Male
Palestinian Territory						
Never Married	34.7	28.2	36.5	32.6	16.5	45.2
Currently Married	22.1	20.6	22.4	49.5	16.4	82.4
Other	17.1	9.9	34.3	13.7	10.9	35.0
<b>Total</b>	<b>25.8</b>	<b>22.7</b>	<b>26.5</b>	<b>41.6</b>	<b>16.0</b>	<b>66.3</b>
<b>West Bank</b>						
Never Married	22.9	20.8	23.6	35.6	19.4	47.9
Currently Married	13.4	13.0	13.5	50.8	18.3	83.5

<sup>134</sup> Hamami, R. (1997). “Labour and Economy. Gender Segmentation in Palestinian Economic Life”. Women’s Studies Program, Birzeit University

<sup>135</sup> This is based on unpublished data from PCBS – 1996.

<sup>136</sup> Hamami, R. (1997). “Labour and Economy. Gender Segmentation in Palestinian Economic Life”. Women’s Studies Program, Birzeit University.

<sup>137</sup> Ibid.

Other	6.5	0.6	24.6	14.3	12.1	32.2
<b>Total</b>	<b>16.3</b>	<b>15.2</b>	<b>16.6</b>	<b>43.5</b>	<b>18.2</b>	<b>68.0</b>
<b>Gaza</b>						
Never Married	62.0	49.7	64.9	27.3	11.4	40.1
Currently Married	39.1	40.8	38.9	47.2	12.8	80.5
Other	38.3	33.0	46.5	12.7	8.8	39.2
<b>Total</b>	<b>45.5</b>	<b>43.3</b>	<b>45.8</b>	<b>38.0</b>	<b>12.0</b>	<b>63.2</b>

Source: PCBS, 2008

This significant shift in the participation of women in the labour force from 12 years ago is apparent: in the West Bank, 40.7% of women in the labour force are “never married” compared to only 32.4% of males; in Gaza, 35.9% of female labour force participants are “never married” compared to only 25.1% of male participants (PCBS April – May 1996). A significant number of women are widowed, divorced or separated (9.1% of women in both areas compared to only 0.7% of males). Male labour force participants are more likely to be married (69%) compared to females (51.3%), with the pattern much stronger in Gaza (74.3% of males compared to 55.4% of females) than in the West Bank (66.9% of males versus 50.1% of females) (PCBS April – May 1996, 60).

The reasons can probably be attributed to the dire economic situation in the Palestinian territory, access and movement challenges and the siege on Gaza.

Thus; on the one hand, it seems that the structure of formal female labour markets shows a preference for unmarried women; or at the very least are not child-friendly. On the other hand, there are real reduced rates of fertility among women in the labour force compared to female non-participants. The relationship seems to be that, when women do not enter waged work (through choice or lack of access), the result is higher fertility levels. The reasons are probably multiple; motherhood becomes their prime role and identity; there is more flexibility in time that can be spent on child-rearing, and so forth. The lowered rates of fertility among working women are probably also due to multiple factors. On the negative side, the inflexibility of working hours and lack of adequate support systems probably makes the cost of having many children too high; on the positive side is the fact that working women may have greater decision-making power within the family that allows them to choose to limit their fertility. Either way, it is clear that greater access to work clearly would play a role in reducing the very high fertility rates in Palestinian society<sup>138</sup>.

Higher educational achievement is by no means a guarantee of female entry into employment. The new occupational sectors that employ women (which demand relatively high educational qualifications) are unable to absorb the numbers of females seeking employment. The majority of women listed as un-employed (33.1%) have completed 13+ years of schooling, compared to 19.8% among males (PCBS 2008). These women are probably new graduates who beyond a certain period of joblessness will probably fall out of the labour force altogether, to be replaced by the

<sup>138</sup> Hamami, R. (1997). “Labour and Economy. Gender Segmentation in Palestinian Economic Life”. Women’s Studies Program, Birzeit University.



next year of new female graduates seeking work. On the other hand, the highest unemployment among males was for those who completed 1-6 years at 32.9%.

The other pattern of educational achievement found among women in the labour force provides a case where labour force participation negatively affects female education. In the West Bank, 36.1% of women employed have zero to primary levels of education, while for Gaza the number of women in this category is 35.7%. These women are predominantly working in agriculture where as noted earlier, it is the family that determines women's participation in this sphere. As such, families' need for women's labour in agriculture acts to diminish female educational achievement. Thus; agriculture is not a case where women with low educational levels find employment, but the opposite – women's employment by families in this sphere leads to their low educational achievement.

## **6. RECOMMENDATIONS**

**The Palestinian Authority with the support of the International Community should seriously work towards a peace agreement, and improving of the living conditions of the Palestinian people.** The humanitarian crisis in the occupied Palestinian territory (oPt) continues. The population of 3.7 million people, struggle for their basic needs. Palestinian women, children, and men are increasingly dependent on aid as their livelihoods are destroyed.

**Establish job creation strategies** for women wanting to work but are unable to find a job. Each year, large numbers of female university and community college graduates are unable to find work. Programs that focus first on re-training and then job placement for these work seekers would play an extremely important role of getting more women into wage work at a crucial period of their life cycle. Another social group to focus on is re-training women post-child bearing years to re-enter the labour force.

**Legislation to deal with vertical and horizontal segregation** within the labour market should be endorsed. Disaggregating the situation of women in the different economic spheres and their sub-sectors is crucial would enable better understanding of women's situation in separate and specific areas of the economy.

**Access to credit and financial networks.** Self-employed women in agriculture and the informal sector could benefit greatly from increased access to financial resources, services, training and markets.

**Legislation that supports women taking their inheritance rights in land.** In the current system, women are unpaid workers on family land.

**There is a clear lack of part-time work opportunities.** In a society committed to children, there needs to be much greater flexibility given to working mothers in terms of working hours. Provision of part-time work, or job-sharing schemes that allow working mothers to fulfil dual roles as care-givers and income providers is one important area of interventions.

**Legislation in terms of pay equity, promotion policies, maternity leave** and others would be important to redress women's obstacles and inequality within the service and industrial sectors.

**Integrating greater numbers of women into economic life** over the long run would be the critical factor necessary to bring about positive change.

**Encouraging the delay in the age of marriage** could contribute to promoting women's participation in the labour market, and would reduce fertility rate.

**Employment generation, social security and social safety net programmes** must address the needs, circumstances and interest of men and women in their various settings. There are opportunities to develop multifaceted and gender-sensitive approaches and programmes that ensure a set of services is provided.

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