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## **Palestinian Women's Reality in Labor Market: 2000-2010**

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### ***Introduction***

This paper tries to shed light on the Palestinian women's reality labor market, and highlight the main characteristics of the females' labor force.

The purpose is to determine and analyze women's participation in the production process, their performance in the labor market, as well as the socioeconomic conditions surrounding Palestinian women's work. In particular, this paper aims to create a map of the current situation of women's participation in the Palestinian labor market, focusing on the phenomena of women's decline in participation in the labor force, and their characteristics outside of labor.

Despite the remarkable progress achieved by the Palestinian National Authority (PNA) in promoting women's participation in the labor market during the last decade, the gender gap is still apparent in terms of participation in the labor force, wages, and unemployment. Available statistics indicate a decline in Palestinian women's participation in the labor market, and indicate that women's work in specific fields, primarily in the agriculture and services sector, in addition to high levels of women's involvement in the unpaid and informal work significantly affects economic and social empowerment.

Although Palestinian law grants women the right to work, these laws are neither implemented nor enforced. Furthermore, the absence of independent labor courts which enforce labor laws is another deterrent for women entering the labor market. The above mentioned factors have prevented women's integration in the labor market, particularly in the private sector. This requires developing regulations, processes for implementation, monitoring, and the execution of labor laws, while simultaneously providing the private sector with incentives that would encourage women's integration in the labor market. Women are reluctant to enter the labor market and have a general belief that looking for work is pointless.

In addition to that and due to cultural influences, women's work is greatly undervalued in Palestinian society. Women are made to believe that their work does not warrant an income, and lack the support to demand the right to earn and dispose of their income. Hence, it is essential to develop a concrete strategy which would educate women and their communities about the importance of women's participation in the labor market because it has a great impact on the developmental process. Most importantly, the right to earn wages for one's work is a fundamental human right that all women should be able to benefit from.

### ***Palestinian Socio-Economic Conditions***

Following the 1993 Oslo Accords between the Palestinians and Israel, it was assumed that with the right mix of economic policies and resources, the traditional economy in the Palestinian Territory will be transformed into dynamic modern economy. It was expected that the Palestinian economy would enter a period of sustained and rapid growth, but performance was not as strong as hoped. During this period, the Palestinian economy experienced a period of rapid and stable growth till year 1999, Real GDP per capita increased by over 18 percent per capita. The Population and Labor force also grow rapidly. The unemployment rates decreased by 35 percent, (of about 11.8 percent in the end of 1999 compared with 18.2 percent in 1995).

In late 2000, the Palestinian uprising “*Al-Aqsa Intifada* <sup>1</sup>” erupted, and the country was exposed to very strict political, economic and military measures by Israel. The Palestinian economy has been on a downward trend. After a steep decline in 2001 and 2002, the Palestinian economy stabilized in 2003. In those two years, Palestinian real GDP per capita shrunk by almost 40 percent. This trend was halted in 2003, and mild positive growth returned. Real GDP per capita increased by one percentage point, but real GDI which includes remittances from abroad and foreign assistance – increased by over 11 percent per capita. After accounting for population growth, an unemployment rate of about 25 percent in 2003 (compared with 10 percent at the eve of the *intifada*) underscores the fact that the Palestinian economy operates well below its potential. But, the Palestinian economy remains severely depressed compared with the pre-*intifada* period. The GDP is 23 percent lower than in 1999. More over, the continued closures and the cut off in direct international aid after the 2006 elections, economic fell again. Another factor affected the Palestinian Economy happened after June 2007<sup>2</sup>, the situation was severely deteriorated when the country was politically and geographically divided between the Palestinian factions. During this period, population and labor force grew rapidly, and unemployment rates increased.

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1 *Intifada* is an Arabic word for shaking off, though it is generally translated into English as rebellion. The word “*intifada*” crystallized in its current Arabic meaning during the first Palestinian uprising in the late 1980s and early '90s. It is seen by many Arabs as a valid term for popular resistance to oppression. The Palestinians were largely unarmed, so the enduring picture of the *intifada* is one of young men and boys throwing stones and rocks at Israeli troops. The Second *Intifada*, also known as the *Al-Aqsa Intifada* refers to the second Palestinian uprising which began in September 2000.

2 On 15 June 2007 Islamic Resistance Movement ( Hamas ) effectively took control of Gaza. Palestinian president Mahmoud Abbas then moved to dissolve the Hamas-led government and established an “emergency” government in the West Bank. This effectively created two Palestinian political entities, one in Gaza led by Hamas and one in the West Bank led by Fatah and the PLO. Sanctions against the Hamas-led government in Gaza by Israel, the European Union (EU) and the United States (USA) further reduced an already low standard of living.

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**Table 1 Aggregate Socio- Economic Indicators in Palestinian Territory**

<b>Indicator</b>	1995	1999	2002	2003	2006	2007	2009
Population (in millions)							
<i>GDP Per capita</i> (US\$:constant prices)	1388.2	1640.3	1084.8	1210.9	1275.4	1303.2	1415.7
<i>GNI Per capita (US\$)</i>	1601.2	1921.7	1167.2	1295.5	1392.7	1429.1	1544.1
<i>GNDI Per capita (US\$)</i>	1779.6	2068.3	1669.0	1557.3	1741.7	1976.6	2075.1
<i>Participation rate (15yrs+) %</i>	39.0	41.6	38.1	40.3	41.3	41.9	41.6
<i>Unemployment rate %</i>	18.2	11.8	31.3	25.6	23.6	21.5	24.5

*Source: Palestinian Central Bureau of Statistics*

Population growth trends are associated with total fertility decrease rates estimated in 1995 at 5.9 average births per woman. This rate decreased over time to reach 4.6 average births per women in 2006 and is expected to reach 3.1 by the year 2025. Crude Death Rates are also decreasing as in 1998 it was estimated at 4.8 deaths per 1000 people, in 2006 it decreased to 3.9 and is expected to reach less than 3.3 deaths per 1000 people by 2025. Yet, the results of the 1997 Population, Housing and Establishments Census indicated that those aged 15 years and above account for 53% of the total population, which meant that there were 1.5 million potential candidates participating in the production process by the end of 1997. This percentage, according to the 2007 Census, is estimated at more than two million people. This means that during the last decade, population growth alone has produced more than half a million potential participants in the labor market.

### **Women's Labor Force Participation in the Palestinian Territory**

Labor force estimates for individuals aged 15 years and above indicate close expected number of potential male and female participants in the production process. Yet, stark differences appear in actual participation in the labor force where the number of male participants (whether in the form of full employment, underemployment or unemployment) is more than four times of the number of female participants. Moreover, time series statistics shows that the size of female labor force has grown much faster than men. Although this indicates that there has been an improvement in women's participation, but this remains a slow improvement, and means that the participation gap has continued to exist and will probably continue for the upcoming years. Also, the annual variations in women's participation in the Palestinian labor market are disproportionate to changes in the market itself.

**Table 2 Labor Force Participation in Palestinian Territory**

<b>Gender</b>	2000	2001	2002	2003	2006	2007	2009	2010
Male	69.5	65.8	64.5	66.5	67.1	67.1	66.9	66.8
Female	12.9	10.4	10.5	12.8	14.6	15.7	15.4	14.7
<b>Total</b>	<b>41.6</b>	<b>38.5</b>	<b>37.9</b>	<b>40.0</b>	<b>41.0</b>	<b>41.7</b>	<b>41.4</b>	<b>41.1</b>

*Source: Palestinian Central Bureau of Statistics*

### **Female Labor**

In order to understand the nature of women's participation in the Palestinian labor market and the factors that attract or deter them from staying and/or entering the labor market, the main characteristics of women's work according to the general framework for standard labor force classification issued by ILO, are presented.

About five percent of total workers are classified as employers, distributed as five percent males and less than one percent females. Self employed males account for 22 percent of total workers compared to 11 percent of females, and male paid workers account for 63 percent compared to 60 percent of females. In striking contrast, 6 percent of males account for unpaid family members compared to 28 percent of females. Which means that, *More* than one third of women worked for no wages, which deprived them from the ability to use their work revenues, thus minimized their chances of economic independence. However, working in family-owned enterprises or farms is often poorly organized, highly seasonal and does not contribute to training workers and improving their competency.

**Table 3 Distribution of Workers by Employment status**

Gender	2000	2001	2002	2003	2006	2007	2009	2010
<b>Male</b>								
Employer	5.1	5.3	4.4	3.9	5.2	4.6	6.1	6.8
Self-employed	21.0	25.4	3.5	30.9	27.0	25.9	19.8	19.3
Wage employee	69.2	64.0	48.7	58.5	61.7	63.0	69.3	69.5
Unpaid family worker	4.7	5.4	6.4	6.7	6.2	6.5	4.8	4.4
<b>Female</b>								
Employer	0.7	0.9	0.4	0.7	0.7	0.6	1.6	1.3
Self-employed	9.9	8.2	9.6	12.0	12.7	12.9	10.9	11.3
Wage employee	56.2	63.9	60.9	55.2	55.3	52.9	69.4	69.7
Unpaid family worker	33.2	27.0	29.1	32.1	31.2	33.6	18.1	17.7

*Source: Palestinian Central Bureau of Statistics.*

### **Occupation**

Occupation is the profession performed by an individual regardless of training, education, or economic activity. Statistics shows that women in general are concentrated in non-leadership or legislative occupations in society. During the last decade, the statistics showed that, both the currently employed and the previously employed in the Palestinian Territory were categorized in the third level according to the International Standard Classification of Occupations (ISCO-88) with 118 occupations. Women did not engage in 20 of those occupations and 60 occupations were engaged by less than 100 women. Moreover, more than 60% of women who are both currently or previously employed were categorized in detailed professions in the following descending order: Workers in basic education; Workers in textile and clothing industries; Workers in secondary education; Secretaries and keyboard operators; Farmers in fields and market crops; Workers in pre-elementary education.

Hence, there are a very limited number of occupations performed by women in the Palestinian Territory. These occupations are traditional and include occupations such as working as teachers in various levels of education, craftswomen in industries (particularly tailor shops or even as self employed tailors working from home), and nurses or health professionals. Most of these occupations require a certain level of education on the employee's part and a certain level of organization on the employer's part. This caused a difficulty in entering the labor market under these categories which indeed explains the reason leading to the declined participation of women in the labor force. It is important to note that most of the occupations mentioned above are occupations abandoned by men, which leads us to believe that women's entry into the labor market is associated with occupations abandoned by men rather than it being a matter of competition between men and women. This naturally minimizes the chances to accommodate

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female labor particularly as the Palestinian labor market already suffers from the inability to accommodate the increasing male labor supply.

**Table 4 Distribution of Workers by Occupation**

Gender	2000	2001	2002	2003	2006	2007	2009	2010
<b>Male</b>								
Legislators, Senior Officials and Managers	2.8	3.1	3.4	3.3	2.8	3.4	4.5	4.2
Professionals, Technical, Associate and Clerks	14.1	14.2	12.9	13.4	14.0	14.6	15.4	14.7
Service, Shop and Market Workers	14.2	15.5	14.2	15.8	17.8	18.7	18.5	17.0
Skilled Agricultural & Fishery Workers	6.9	6.1	7.0	8.5	8.0	7.6	5.6	6.6
Craft and Related Trade Workers	24.4	19.3	14.3	19.2	17.8	17.9	17.1	16.2
Plant and Machine Operators and Assemblers	8.7	8.3	6.8	7.9	8.9	9.6	8.6	7.5
Elementary Occupations	28.8	33.4	41.6	31.9	30.5	28.2	30.3	33.8
<b>Female</b>								
Legislators, Senior Officials and Managers	2.2	2.4	2.3	2.4	1.8	1.7	2.9	2.7
Professionals, Technical, Associate and Clerks	37.1	42.8	40.1	36.9	36.4	34.9	45.7	43.2
Service, Shop and Market Workers	6.3	7.7	6.5	7.9	7.2	8.2	8.0	8.4
Skilled Agricultural & Fishery Workers	29.7	22.4	24.2	27.9	28.0	29.8	15.0	17.8
Craft and Related Trade Workers	7.9	6.5	5.8	5.2	4.5	4.9	4.4	4.4
Plant and Machine Operators and Assemblers	0.7	1.2	0.8	1.4	2.6	2.9	2.1	1.2
Elementary Occupations	16.1	17.0	20.3	18.2	19.5	17.5	22.1	22.3

*Source: Palestinian Central Bureau of Statistics.*

### **Economic activity**

Economic activity is the field or area of work of an establishment employing individuals regardless of their occupation. Statistics show that nearly half of working women in the last decade worked in the services sector and one-third of them in the agricultural sector. Moreover, manufacturing industries accommodated about ten percent of working women while the remaining were distributed between other economic activities including trade, hotels, restaurants, transportation, storage, telecommunications and construction.

As in the case of main occupations, distribution according to the economic activity indicates that women are concentrated in a limited number of economic activities with more than four fifths of women working in the agricultural and services sectors. However, over two-third of women who were both currently and previously employed were concentrated in six detailed economic activities in the following descending order: Elementary education and kindergarten; Clothing industries excluding fur industry; 3. Cultivating crops and gardening; Activities related to human health; Managing the State's political, economic and social affairs in the society (including employees at ministries and public sector institutions); and General Secondary education.

Therefore, the economic activities joined by women are also limited and include education, state affairs administration and health related activities. This sets specific educational requirements for women to participate in or compete for, besides women's involvement in the agricultural

activities are mostly in the form of working in a family owned enterprise characterized by seasonality and irregularity and is unpaid in most cases. However, the industry sector, which is one of the economic activities that accommodate female labor on an international level, suffers from problems relating to its development within the Palestinian economy. It relies largely on exporting labor to Israel and this whole situation also contributes to explaining why women's participation in labor forces is so low. It also explains women's entry into the labor market at a delayed age as studies indicate that working Palestinian women enter labor market at a delayed age compared to men.

**Table 5 Distribution of Workers by Economic Activity**

Gender	2000	2001	2002	2003	2006	2007	2009	2010
<b>Male</b>								
Agriculture	9.8	8.1	8.8	11.1	11.1	10.3	9.4	8.9
Manufacture	14.0	12.1	9.6	11.5	11.9	12.0	12.0	10.7
Construction	25.3	18.5	10.3	16.1	15.0	15.3	15.5	16.6
Commerce, hotels and Restaurants	17.5	16.8	15.1	17.4	17.6	18.7	18.0	18.1
Transport, Storage, and Communication Services	5.2	5.1	4.5	5.3	5.5	5.8	5.8	6.2
	28.2	39.3	51.6	38.5	38.9	37.8	39.3	39.5
<b>Female</b>								
Agriculture	30.7	23.2	25.2	28.6	28.6	30.3	15.8	15.9
Manufacture	10.4	9.0	7.3	7.1	7.7	8.4	7.5	6.2
Construction	0.4	0.6	0.2	0.2	0.2	0.3	0.2	0.3
Commerce, hotels and Restaurants	6.7	7.2	6.0	6.9	6.1	6.5	6.5	6.3
Transport, Storage and Communication Services	0.5	0.3	0.3	0.4	0.7	0.4	0.9	0.7
	51.3	59.6	60.9	56.7	56.6	54.1	69.2	70.6

*Source: Palestinian Central Bureau of Statistics.*

### **Wages**

On the other side, Statistics indicate that there is a *Wage gap* between men and women in the Palestinian labor market. Women's average of daily wage equals about two-third of that of men in general. As for the economic activity, the wage gap between men and women is the largest in the industrial sector where women receive about half men's average wage in the same economic activity while the gap is the smallest in the services sector where women receive almost the same rate of men's wages. This result indicates the repelling factors faced by women in the industrial sector, which is supposed to play a major role in accommodating female labor supply. The huge wage gap between men and women and extremely low women's wages drive them towards the services sector which mostly involves working in the governmental sector and thus reducing working women's participation in other productive sectors.

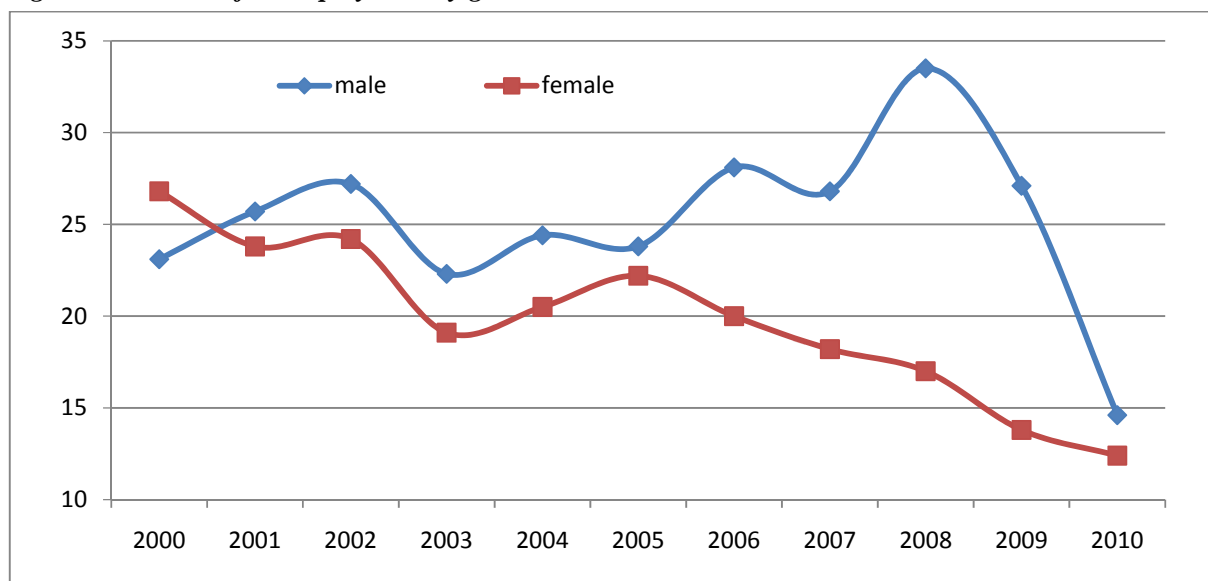
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**Unemployment between women**

Participation in labor force does not necessarily translate into employment and the deviation between the two can be different for men and women. This has indeed been the case in the Palestinian Territory. The share of women in employment more or less does not follow the same trends as their shares in labor force do. Female unemployment has been a major problem for women seeking jobs, though it has grown more serious in recent years. In the unemployment pool, women are represented almost twice as frequency as they are in the labor force.

Statistics show that the Overall women’s rate of unemployment during the period 2000-2009 was approximately 20 percent compared to 25 percent for men. The following figure illustrates rates of unemployment by gender during the mentioned period:

**Fig 1 Annual rate of unemployment by gender 2000-2010**



Source: Palestinian Central Bureau of Statistics.

The figure shows that the percentage of unemployed women is higher than that of total women in the labor force. It indicates that the declined participation of women in the labor market can be attributed to the market’s ability to accommodate female labor supply rather than being a matter of women refraining from work or being selective in accepting work that meets certain conditions or specifications. This is confirmed by working conditions statistics which indicate that more than one quarter of working women are working in occupations that do not correspond to their qualifications or training.

Moreover, Statistics indicate that the majority (nearly 80 percent) of unemployed women has received 13 years or more of education compared to 14 percent of males. In addition, less than five percent of unemployed women have received six years or less of education compared to about 16 percent of males. Therefore, women’s unemployment is mostly among educated women, who can be attributed to the fact that women’s labor force participation requires education and this may be why uneducated women do not seek employment. However, limited

occupations and economic activities that are open for women make many women compete for few categories of occupations. Women mostly choose occupations abandoned by men while rates of pay in industrial and private sector act as a repelling factor driving women away from participating in these sectors.

**Table 5 Distribution of Unemployment by Years of Schooling**

Gender	2000	2001	2002	2003	2006	2007	2008	2009	2010
<b>Male</b>									
Nothing	1.8	1.4	1.5	1.3	0.8	1.0	0.9	0.8	0.9
1-6 yrs	23.0	22.5	22.2	20.8	19.6	17.4	16.7	34.8	16.1
7-9 yrs	30.5	31.7	31.9	30.9	29.5	28.6	29.1	21.7	28.2
10-12 yrs	31.8	34.0	33.8	34.5	35.4	37.7	37.0	29.5	38.0
13 or over	12.9	10.4	10.6	12.6	14.7	15.3	16.3	13.3	16.8
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Female</b>									
Nothing	0.3	0.5	1.0	1.1	0.6	0.4	0.6	0.5	0.2
1-6 yrs	3.2	4.4	6.0	3.9	5.4	2.9	3.3	25.7	1.6
7-9 yrs	8.8	7.0	9.2	7.0	6.0	4.5	3.1	2.3	2.7
10-12 yrs	11.8	9.3	19.8	15.5	11.4	9.4	9.2	6.3	6.9
13 or over	75.9	78.8	64.0	72.6	76.6	82.7	83.8	65.2	88.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

*Source: Palestinian Central Bureau of Statistics.*

### **Women outside labor**

Statistics show that women outside the labor force in the Palestinian territory make an inhomogeneous category; More than half of the women outside the labor force have completed more than ten years of education and 13.5% of them have completed more than 13 years of education. There is a higher percentage of women outside the labor force in urban areas. Statistics show that the most important reason for women staying outside the labor force was due to staying home for housework.

From another aspect, Statistics indicate that the main reason for women to stay outside the labor market and not look for work is their previous fruitless searches for work. Nevertheless, this is followed by the fact that they have applied for work and are waiting to be called for work which is the reason for nearly third of them. From that, two major issues that drop women outside labor can be noticed: the first is that women's refraining from joining labor market is not a matter of labor supply but rather a result associated with market conditions and deterrents which prevent women's participation. The second point is that women outside the labor force constitute an inhomogeneous group that changes according to geographical and other social indicators.



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**Table 5 Distribution of Women Out-Labor by Selected Variables**

	2000	2001	2002	2003	2006	2007	2008	2009	2010
<b>Main reason</b>									
Old/ill	5.8	5.5	5.3	5.2	5.8	5.7	5.4	4.4	4.2
Household work	72.0	72.7	71.2	69.1	65.8	65.3	65.0	66.0	66.7
Study	19.7	20.1	21.7	23.9	26.8	27.1	27.9	28.2	27.5
other	2.6	1.8	1.8	1.7	1.6	1.8	1.7	1.4	1.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Age group</b>									
15-24	37.6	37.3	37.6	38.3	39.4	39.6	39.1	39.3	39.4
25-34	24.3	24.4	23.9	23.3	22.6	22.2	21.8	21.4	21.3
35-44	16.7	16.8	16.9	16.5	15.9	15.5	15.8	15.7	15.7
45-54	8.4	8.8	9.0	9.3	9.8	9.8	10.2	10.5	10.5
55 or over	12.9	12.7	12.6	12.6	12.4	13.0	13.0	13.2	13.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Years of schooling</b>									
Nothing	14.6	14.1	13.4	12.6	10.3	10.2	9.9	7.3	8.5
1-6 yrs	17.5	16.6	16.1	15.2	13.0	12.5	12.1	33.6	12.0
7-9 yrs	27.1	26.6	26.6	26.0	25.1	23.9	23.7	17.6	22.6
10-12 yrs	33.2	34.7	35.1	36.3	39.0	40.0	40.2	30.1	41.2
13 or over	7.6	7.9	8.9	9.8	12.7	13.4	14.1	11.3	15.7
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Locality Type</b>									
Urban	55.2	55.5	53.6	55.0	55.3	56.1	53.6	70.4	72.6
Rural	28.8	28.7	28.5	29.1	28.2	27.2	28.2	19.3	17.4
Refugee camp	16.0	15.8	17.9	15.9	16.6	16.7	18.1	10.3	10.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Marital status</b>									
Never married	30.9	31.7	33.8	35.1	34.0	34.7	34.6	33.8	33.5
Ever married	60.9	60.2	57.9	56.6	57.8	57.1	57.2	58.1	58.4
Other	8.2	8.1	8.3	8.3	8.2	8.2	8.2	8.1	8.1
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Previous work period</b>									
Worked during last 12 months	1.7	1.9	0.9	3.2	2.4	3.9	3.4	2.7	1.8
Worked more than one year and less than 5 years	2.2	1.3	1.6	2.3	4.8	3.9	3.5	0.8	0.8
More than 5 years	3.4	2.1	1.8	2.6	4.8	5.3	5.2	2.0	1.5
Never	92.8	94.7	95.7	91.8	87.9	86.8	88.0	94.5	96.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

*Source: Palestinian Central Bureau of Statistics.*

## Conclusions

The paper shows that participation in the labor force in the Palestinian Territory is low in general and females' participation is very low in the production process. The study also showed that the low participation of women is attributed to many reasons as follows:

- Economic Reasons represented in the Palestinian labor market's capacity to accommodate the female work force, deterring factors from the market, and low wages.
- Social Reasons associated with women's entry into the labor market at an old age compared to men.
- Social and Cultural Reasons represented in the limited jobs which women compete for.
- Social, Cultural, and Economic Reasons represented in the limited economic activities, which women compete for.

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