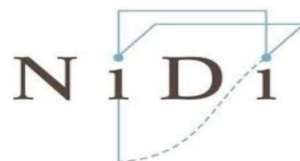




**State of Palestine**  
**Palestinian Central Bureau of Statistics**  
Dissemination and Analysis of Census Findings

**Labour Force Participation and Employment in  
the State of Palestine**

Prepared by



**Netherlands Interdisciplinary Demographic Institute**  
**George Groenewold and Leo van Wissen**



**PCBS**

**January, 2020**

**This document is prepared in accordance with the standard procedures stated in the Code of Practice for Palestine Official Statistics 2006**



التعداد الزراعي  
Agriculture Census  
**2020**

© January 2020.  
All rights reserved

**Citation:**

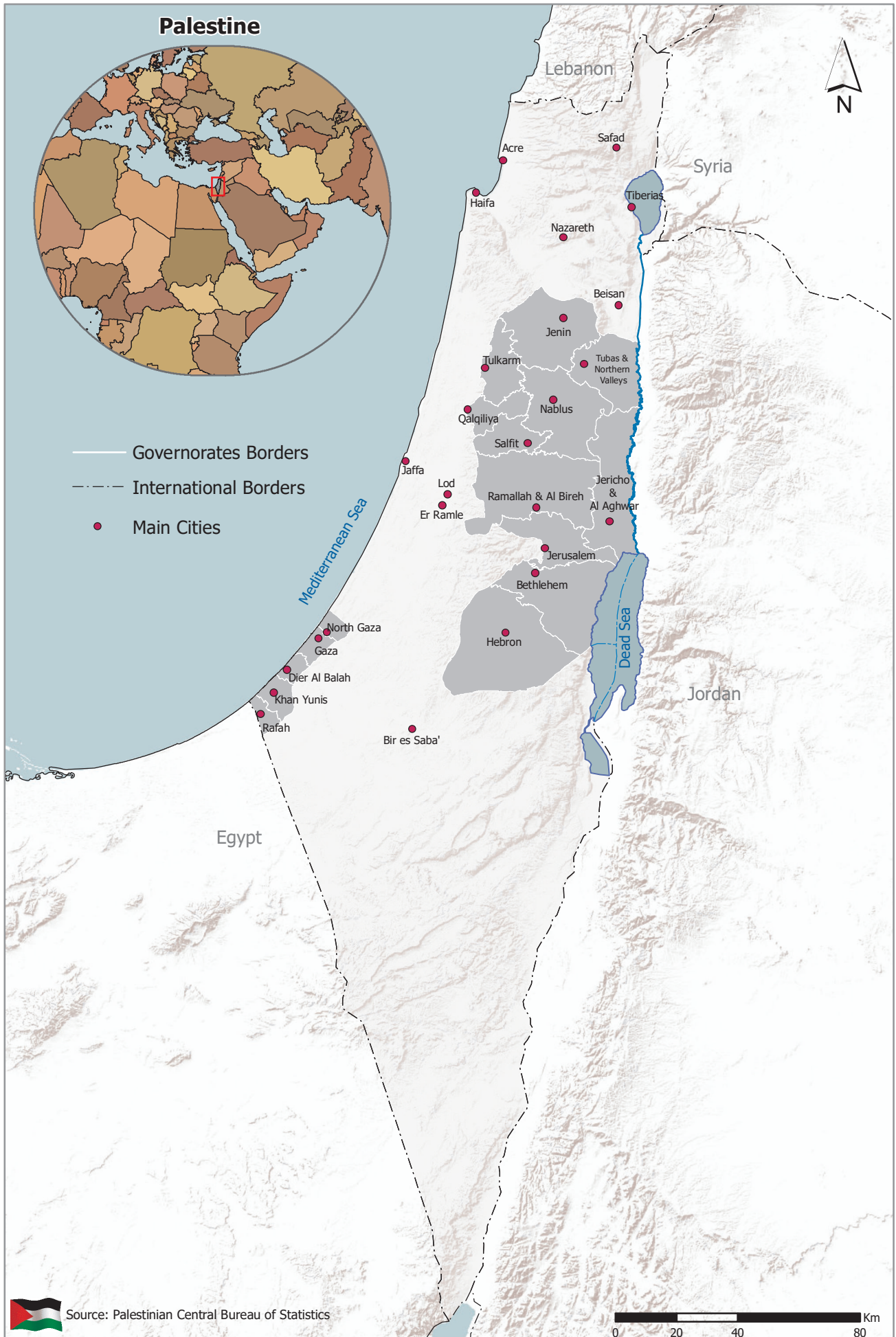
**Palestinian Central Bureau of Statistics, 2020.** *Dissemination and Analysis of Census Findings: Labour Force Participation and Employment in the State of Palestine.*  
Ramallah - Palestine.

All correspondence should be directed to:  
**Palestinian Central Bureau of Statistics**  
**P. O. Box 1647**, Ramallah – Palestine.  
Tel: (970/972) 2 2982700  
Fax: (970/972) 2 2982710  
Toll Free: 1800300300  
E-Mail : diwan@pcbs.gov.ps  
Website: <http://www.pcbs.gov.ps>



Reference ID: 2507

Printing of this study was funded by the People's Republic of China





## Acknowledgments

This study was prepared with a financial contribution from the Federal Ministry for Economic Cooperation and Development of Germany (BMZ) through the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH and it was printed with a financial contribution from the People's Republic of China. The contents of this document are the sole responsibility of Palestinian Central Bureau of Statistics (PCBS).

On this occasion, PCBS extends special thanks to the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH and the People's Republic of China for their generous support and for Netherlands Interdisciplinary Demographic Institute (NIDI) for preparing this Study.





## Work Team

- **Report Preparation**  
Netherlands Interdisciplinary Demographic Institute  
George Groenewold  
Leo van Wissen
  
- **Dissemination Standards**  
Hanan Janajreh
  
- **Preliminary Review**  
Suha Kana'an  
Mohammad Duraidi  
Omayma AL-Ahmad  
Rania Abu Ghaboush  
Maher Sbieh
  
- **Final Review**  
Inaya Zidan
  
- **Overall Supervision**  
Dr. Ola Awad                                  President of PCBS





## **Notice For Users**

- The ideas presented in this document do not necessarily express PCBS official position.
- The researcher worked this study depending on data derived from the PCBS databases and other resources.



## Table of Contents

Subject	Page
	Introduction
Chapter One:	<b>Introduction of Study</b> <b>15</b>
Chapter Two:	<b>Population and working age population</b> <b>19</b>
Chapter Three:	<b>Labour force participation, unemployment and imbalances</b> <b>27</b>
	<ul style="list-style-type: none"> <li>• Participation <span style="float: right;">27</span></li> <li>• Unemployment <span style="float: right;">28</span></li> <li>• Labour market imbalances <span style="float: right;">42</span></li> </ul>
Chapter Four:	<b>Economic sector characteristics and employment conditions</b> <b>45</b>
	<ul style="list-style-type: none"> <li>• Economic sector characteristics of the ever-employed <span style="float: right;">45</span></li> <li>• Economic sector characteristics and the unemployed <span style="float: right;">50</span></li> <li>• Employment contract and secondary employment benefits <span style="float: right;">53</span></li> </ul>
Chapter Five:	<b>Characteristics of persons employed in the primary sector</b> <b>61</b>
Chapter Six:	<b>Demographic, socioeconomic, and spatial correlates of unemployment</b> <b>67</b>
Chapter Seven:	<b>Executive summary and recommendations</b> <b>73</b>
	<b>References</b> <b>85</b>



## **Introduction**

The Population, Housing and Establishments Census 2017 is the cornerstone of the efforts toward developing a reliable, up-to-date and comprehensive database. Nonetheless, PCBS has conducted several important censuses and surveys such as: Population, Housing and Establishments Census 2007 and 2017.

To that end, PCBS is disseminating and analyzing findings and data of Censuses to enhance awareness of the availability of statistical data in general, and Censuses findings in particular, as well as raising awareness about their potential utilization and inter linkages with various socioeconomic conditions.

The outputs of this study cover areas of dissemination and analysis of Census findings. This includes producing a series of user-oriented reports at different levels, including analytical, in-depth analysis and summary reports.

We hope that this study will be a reference for planners and decision makers in the Palestinian public and private sectors toward strengthening the planning and policy making processes at various levels.

**January, 2020**

**Dr. Ola Awad**  
**President of PCBS**



## Chapter One

### Introduction of Study

Upon request of the Palestinian Central Bureau of Statistics (PCBS) this report analyses the Palestinian labour market<sup>1</sup>. Guided by the information available to us in two census data files, we do this from a labour supply-side perspective. More specifically, we study Palestinian labour force participation and (un) employment and their spatial, demographic and socioeconomic correlates, and changes therein between 2007 and 2017, based on the official 2007 and 2017 census data files.

Readers must be aware of the following. First, all tables and analyses in chapters 3 to 6 exclude Palestine population in Jerusalem governorate J1 (those parts of Jerusalem which were annexed by Israeli Occupation in 1967) due to the short of census questionnaire which was used for Population censuses 2007 and 2017. Only basic demographic and spatial data of the Jerusalem Governorate (J1 area) Palestine population was collected, such as age, sex, marital status, educational attainment, refugee status and some housing characteristics, excluding labour and economic activities and its related questions for population 15 years and over 2007, 2017 with respectively (128,792, 180,944 persons). Consequently, the Jerusalem J1 area population is included in most of the analyses and tables in chapter 2, unless stated otherwise. Second, results in this report are based on populations ‘as counted’ and for which person records are available in census data files. Counted total populations deviate somewhat from PCBS reported totals because the latter have been derived by inflating counted populations with under-coverage correction factors from post-enumeration surveys. Therefore, total population figures and some derived statistics, such as population growth rates, in this report differ somewhat from official PCBS figures. Differences are small because under-coverage rates in both censuses are similar. More specifically, the post-enumeration survey following the 2007 census revealed that the census probably covered only 97.3% of the actual, yet unknown, total population. For 2017, the estimate was 98.3%. Therefore, the official PCBS total population estimate for 2007 is 3,767,549 persons, 98,305 higher than the counted population of 3,669,244. The official PCBS 2017 census population estimate of 4,781,248 persons is 75,393 higher than the counted population of 4,705,855. Third, due to rounding, a distribution of percentages may not always sum to 100%. Regarding more complex tables, column- or row totals are suppressed to improve readability. This is mentioned in the table heading.

Our analysis builds on the following interrelated key-concepts and indicators. The first one is working-age population (WAP). Definitions vary across countries. The Palestine censuses collected labour force participation and employment information of persons of age 7 and above. In consultation with PCBS we adopt in this document the age 15 years and over definition of the working-age population and labour force. For substantive reasons, we adopt a 15-64 age range for the multivariate analysis (chapter 5). Information about occupation, economic activity and –sector, workplace, etc., was collected of persons who are currently employed and of job-seekers who are currently unemployed but had a job before, whom we refer to as unemployed ever-worker or ever-employed. Persons who are unemployed and

---

<sup>1</sup> Content and views expressed are the sole responsibility of the authors and not necessarily of PCBS.

actively seek their first job are referred to as unemployed starters or starters. The next concept is economic inactive. It refers to persons in the working-ages who are not participating in the economy as employer or employee, due to school attendance, retirement, disability, illness, cultural barriers, etc. The last one is labour force. It is the economic active part of the working-age population: employers, employees, and unemployed persons actively seeking work.

Two core-indicators of the supply-side of the labour market are the labour force participation 'rate', calculated as the share (percentage) of the working-age population that is employed or seeking employment, and the employment 'rate', calculated as the percentage of the labour force that is currently employed, and the unemployment rate as the percentage of the labour force currently unemployed or 100% minus the employment rate. The unemployment rates of starters and ever-workers share the same numerator, the total labour force, so that these rates can be summed to form the total unemployment rate.

Working-age populations, labour force participation and (un)employment rates vary across space and demographic and socioeconomic categories, such as regions, governorates, age, sex, marital status, and educational attainment. They are related to two main demand-side indicators: value of total economic production in the national economy (GNP), and value of average (labour) productivity (i.e. GNP per employed persons). Given the state of technology, management structures and -styles, the GNP is generated by workers who meet present job-requirements. In an 'ideal' and simplified world, the demand and supply-sides of the labour market are perfectly in equilibrium with each other. Unemployment is non-existent because there are always precisely as many persons available to fill the available job positions to produce the envisioned products and services in the economy. Thus, vacant jobs are immediately filled by persons seeking employment as job-seekers always have the required skills to carry out the required work under present working conditions. In such kind of simplified world or economy it is easier to study and understand to what extent real-world imperfections are attributable to economic and demographic factors. The following equation describes how, in a simplified world, economic and demographic 'production' factors are related.

$$\text{GNP} = \frac{\text{GNP}}{\text{E}} \times \frac{\text{E}}{\text{LF}} \times \frac{\text{LF}}{\text{WAP}} \times \text{WAP} \quad (\text{Equation 1})$$

(1)      (2)      (3)      (4)

Equation 1 expresses that the value of economic production (GNP) is equal to the product of, respectively, working-age population size (WAP), labour force participation rates (LF/WAP), employment rates (E/LF), and values of economic production generated by the employed people, i.e. labour productivity-value, (GNP/E). From the model it can be deduced that if population and working-age population growth rates are higher than the growth rate of jobs in different economic sectors, this immediately results in a rise of unemployment rates (see chapter 2, subchapter 'pressure'). Thus, the population growth rate is an important determinant of employment and unemployment. Regarding the employment rate component (E/LF), our focus in this report is on its complement, the unemployment rate, i.e. 1-E/LF, as this rate is of prime concern to policy makers.



In chapter 2 we start out with profiling of the population in terms of demographic-, spatial- and socioeconomic characteristics. In chapter 3 we investigate to what extent labour force participation and unemployment vary according to demographic-socio-economic- and place of residence characteristics. Special attention is given to unemployed youth 15-24 years who do not receive education or training, and we assess labour market imbalance by comparing growth of the working-age population, labour force, and number of jobs. Chapter 4 examines employment conditions and economic sector characteristics, and chapter 5 describes how persons working in the primary sector (agriculture and fishing) differ from those working in the secondary and tertiary sector. Chapter 6 examines the association between unemployment risk and demographic-, socioeconomic- and spatial background characteristics. Chapter 7 is an executive summary with maps, graphs and policy recommendations.



## Chapter Two

**Population and working age population**

Before addressing participation and employment issues, we examine some main demographic characteristics of the population. By examining size and age-sex structures of the Palestinian population and changes therein, and consulting information about trends in fertility and mortality rates, insight can be obtained about population growth and prospects. This is particularly important regarding working-age population growth. Population and working-age population growth determine growth of the number of potential workers and need for jobs, now and in the future. If working-age population growth outperforms growth of number of jobs, unemployment can be expected to rise.

Table 1 presents the age-sex composition of the Palestine population as counted in 2007 and 2017. For 60,515 persons in 2007 and 31,938 in 2017 age was not recorded, so they are not included.

**Table 1: Age-sex distribution of the Palestinian census populations, 2007, 2017**

Age Group	2007						2017					
	Men		Women		Total		Men		Women		Total	
	Persons	%	Persons	%	Persons	%	Persons	%	Persons	%	Persons	%
0-4	279,975	15	267,280	15	547,255	15	335,274	14	317,783	14	653,057	14
5-9	254,421	14	242,625	14	497,046	14	316,437	13	301,738	13	618,175	13
10-14	252,739	14	241,408	14	494,147	14	278,732	12	266,354	12	545,086	12
15-19	222,864	12	214,086	12	436,950	12	249,363	10	238,897	10	488,260	10
20-24	167,576	9	160,886	9	328,462	9	244,964	10	234,038	10	479,002	10
25-29	136,795	7	133,259	7	270,054	7	206,870	9	198,154	9	405,024	9
30-34	116,920	6	114,248	6	231,168	6	153,069	6	151,772	7	304,841	7
35-39	97,089	5	93,295	5	190,384	5	128,602	5	129,005	6	257,607	6
40-44	86,824	5	80,628	5	167,452	5	113,829	5	111,237	5	225,066	5
45-49	65,259	4	60,552	3	125,811	3	94,445	4	90,028	4	184,473	4
50-54	44,795	2	44,914	3	89,709	2	83,982	4	78,139	3	162,121	3
55-59	34,474	2	33,056	2	67,530	2	60,713	3	57,223	2	117,936	3
60-64	24,017	1	27,668	2	51,685	1	40,599	2	41,257	2	81,856	2
65-69	15,217	1	21,159	1	36,376	1	29,630	1	29,526	1	59,156	1
70-74	13,607	1	17,543	1	31,150	1	18,249	1	21,307	1	39,556	1
75-79	9,133	0	13,071	1	22,204	1	9,661	0	14,048	1	23,709	1
80-84	5,135	0	7,276	0	12,411	0	6,662	0	9,595	0	16,257	0
85-89	2,477	0	3,191	0	5,668	0	3,147	0	5,280	0	8,427	0
90-94	933	0	1,208	0	2,141	0	1,127	0	1,843	0	2,970	0
95+	502	0	624	0	1,126	0	471	0	867	0	1,338	0
<b>Total</b>	<b>1,830,752</b>	<b>100</b>	<b>1,777,977</b>	<b>100</b>	<b>3,608,729</b>	<b>100</b>	<b>2,375,826</b>	<b>100</b>	<b>2,298,091</b>	<b>100</b>	<b>4,673,917</b>	<b>100</b>

The age distribution shows that the Palestinian population is a very young population. In 2017, about 50% of the population was below age 20, while the share of the elderly was yet very small (i.e. 65+, 3%). Such kind of distribution is the result of decades of high fertility rates that a far above replacement-level fertility (i.e. about 2.1 births per woman in the reproductive age-range). Though fertility rates have been declining in the past decades they are still high. For instance, the PCBS estimate of the total fertility rate (TFR) for the period 2011-2013 was 4.1 births (e.g. PCBS, 2018). During the 1970's fertility stood at about 8 births, after which a decline set in. A recent study (PMO-Palestine & UNFPA, 2016) analysed trends in levels and determinants of fertility and found that Palestine fertility remained high because almost all women get married and get married at an early age, and because less than half of the couples use of modern contraception methods (i.e. 44%). That study argues that, consistent with findings in other countries, the rise of female educational attainment is probably responsible for much of the Palestine fertility decline. While in other countries empirical evidence also suggest that increase of female labour force participation is associated with fertility decline, that study concludes that this is unlikely to be the case in Palestine, because only a small portion of women is employed or seeking employment (PMO-Palestine & UNFPA, 2016).

The *single year* age-distributions, notably the one of women in 2007, suggests presence of age-misreporting (i.e. digit preference) in the population at higher ages (60+). A heaping of numbers of women on ages ending on digit 0 or 5 (i.e. 60, 65, 70, etc.) is clearly visible in the age-pyramid in the Executive summary section. In surrounding ages a deficit is visible indicating that such persons tend to round their age to the nearest age with a 0 or 5 end-digit. This may reflect higher levels of illiteracy among elderly women, as the average age of illiterate women appears to be about 61 years.

Table 2 shows that in 2007 the Palestine population lived in 629 thousand households and in 2017 this was 929 thousand household. Application of the continuous growth rate formula<sup>2</sup> reveals that numbers of households increased every year with 3.8 percent.

---

<sup>2</sup> For estimation of (average) annual growth rates in this report we apply the *continuous population growth formula*:  $P(T+n) = P(T) \times e^{(r \times n)}$ , where  $P(T)$  is base-year population,  $P(T+n)$  is population  $n$ -years into the future, 'r' is annual growth rate. Solving for r, leads to  $\ln(929,624/629,682)/10 = 0.038$  or 3.8 percent. The formula also estimates years it takes for a population to double in size.

**Table 2: Average household size and percentage of households headed by women**

Governorate	Household size		Female-headed (%)	
	2007	2017	2007	2017
<b>West Bank</b>	<b>5.5</b>	<b>4.8</b>	<b>10</b>	<b>10</b>
<b>Gaza Strip</b>	<b>6.5</b>	<b>5.6</b>	<b>8</b>	<b>9</b>
<b>State of Palestine</b>	<b>5.8</b>	<b>5.1</b>	<b>9</b>	<b>10</b>
Jenin	5.4	4.7	10	11
Tubas & Northern Valleys	5.6	4.8	9	10
Tulkarm	5.3	4.7	12	13
Nablus	5.4	4.7	10	11
Qalqiliya	5.5	4.8	10	11
Salfit	5.4	4.7	10	10
Ramallah & Al-Bireh	5.3	4.6	12	12
Jericho & Al Aghwar	5.6	4.8	11	12
Jerusalem	5.2	4.4	8	10
Bethlehem	5.4	4.7	9	10
Hebron	6.1	5.2	8	9
North Gaza	6.7	5.7	7	8
Gaza	6.5	5.7	7	9
Dier al Balah	6.4	5.5	9	10
Khan Yunis	6.3	5.5	9	10
Rafah	6.5	5.6	10	11
<b>Total households</b>	<b>629,253</b>	<b>929,221</b>	<b>629,253</b>	<b>929,221</b>

Household size decreased from about 6 persons in 2007 to 5 persons in 2017. Size of households in Gaza Strip is larger than in the West Bank. Household size varies somewhat across governorates. About one in ten households in 2017 was female-headed, slightly more than in 2007.

Population growth in Palestine is very high as compared to those of most other countries (UNDESA, 2019b). Between 2007 and 2017 the population grew on average with 2.5% per year, from 3.7 million (i.e. 3,669,244) to 4.7 million (i.e. 4,705,855). The working age population of age 15 and above grew at an even faster rate of 3.2 percent per year from 2.1 million (i.e. 2,070,281) to 2.9 million (i.e. 2,857,599). This higher working age population growth rate can partly be explained from the fact that the very large age group of 10-15 years old persons in 2007, reflecting high fertility in the early and late 1990's, has entered the working age during the intercensus period and contributes to the large increase of the size of the age-group 20-25 years old in 2017 (see population pyramid in executive summary).

Intercensus population growth rates in the two main regions of Palestine differ. Regarding the West Bank, total and working age populations increased from 2.3 to 2.8 million persons and from 1.4 to 1.8 million persons, implying average annual growth rates of 2.2 and 3.0 percent, respectively. We note that the Jerusalem J1 population increased from 225,416 persons to 281,163 persons, resulting in an average annual growth rate of 2.2%, similar to the population growth rate of the West Bank as a whole. In Gaza Strip, population and working age populations increased even more rapidly, from 1.4 to 1.9 million, and from 763 thousand to 1.1

million, respectively, reflecting annual growth rates of 3.0 and 3.6 percent between 2007 and 2017. These growth rates are summarized in Table 3. Such kind of growth rates can also be derived at the level of governorates by applying the continuous growth rate formula to Table 4 data.

**Table 3: Percentage annual growth of total- and working-age population (15+ years old), by region.**

Region	Total population	WAP 15+
West Bank	2.2	3.0
Gaza Strip	3.0	3.6
State of Palestine	2.5	3.2

If such average annual population growth rates would prevail the total population of Gaza strip would double in 23 years to 3.8 million people and its working-age population in only 19 years to 2.2 million. In another way, such growth rates would result Palestine population to grow from 4.7 to 6.0 million persons by 2027, and its working age population 15+ years old from 2.9 to 3.9 million persons.

Table 4 summarizes spatial and socioeconomic background characteristics of the Palestine population. The size of reference populations of these characteristics differ as census questions pertain to different population groups. For instance, information about location, type of location, age, sex and refugee status were obtained from all persons. Education-related questions were posed only to persons 10 years and older while marital status questions were posed in 2007 to persons 12 years and older but in 2017 to persons 14 years and older. These person-characteristics were also collected of Palestinians living in the Israel-occupied and -controlled Jerusalem J1. However, labour and economic activity related questions were excluded from short Palestinian census questionnaire which was used in Population censuses 2007 and 2017 to Palestinians in Jerusalem J1. Labour and economic activity related questions were posed only to persons of age 7 and above. To facilitate international comparisons, we use in our tabulations the population of age 15 and above as the reference population for these characteristics.

**Table 4: Spatial and socioeconomic characteristics of Palestine census populations**

Socioeconomic Characteristics		2007		2017	
		%	Persons	%	Persons
Region (all ages)	West Bank	62	2,281,714	60	2,830,538
	Gaza Strip	38	1,387,530	40	1,875,317
	<b>State of Palestine</b>	<b>100</b>	<b>3,669,244</b>	<b>100</b>	<b>4,705,855</b>
Governorate (all ages)	Jenin	7	251,807	7	308,618
	Tubas & Northern Valleys	1	48,164	1	60,186
	Tulkarm	4	156,792	4	183,205
	Nablus	9	315,956	8	387,240
	Qalqiliya	2	88,574	2	108,234
	Salfit	2	58,800	2	73,756
	Ramallah & Al-Bireh	7	262,941	7	322,193
	Jericho & Al Aghwar	1	40,403	1	50,002
	Jerusalem	10	350,051	9	415,040
	Bethlehem	5	169,966	5	215,047
	Hebron	15	538,260	15	707,017
	North Gaza	7	265,355	8	364,188
	Gaza	13	484,771	14	641,310
	Dier al Balah	5	200,689	6	269,830
	Khan Yunis	7	265,953	8	366,823
	Rafah	5	170,762	5	233,166
	<b>State of Palestine</b>	<b>100</b>	<b>3,669,244</b>	<b>100</b>	<b>4,705,855</b>
Locality (all ages)	Urban	74	2,698,329	77	3,628,787
	Rural	17	629,205	15	686,913
	Camps	9	341,710	8	390,155
	<b>Total</b>	<b>100</b>	<b>3,669,244</b>	<b>100</b>	<b>4,705,855</b>
Refugee status (all ages)	Registered refugee	41	1,484,668	41	1,902,374
	Non-registered refugee	1	52,400	2	78,186
	Non-refugee	57	2,067,747	58	2,683,560
	<b>Total</b>	<b>100</b>	<b>3,604,815</b>	<b>100</b>	<b>4,664,120</b>
Education (age 10+)	Illiterate	5	139,157	3	98,659
	Can read and write	13	331,465	10	355,805
	Elementary	24	608,208	19	645,671
	Preparatory	28	711,937	29	972,778
	Secondary	18	462,362	20	666,805
	Intermediate diploma	4	101,752	5	165,471
	Bachelor	7	186,053	13	448,148
	Higher diploma, Masters, PhD	1	22,636	1	45,916
	<b>Total</b>	<b>100</b>	<b>2,563,570</b>	<b>100</b>	<b>3,399,253</b>
Marital status (age 12+, 2007) (age 14+, 2017)	Married	53	1,247,220	61	1,795,840
	Never married	43	1,027,072	36	1,054,663
	Divorced, separated, widowed	4	89,891	4	106,633
	<b>Total</b>	<b>100</b>	<b>2,364,183</b>	<b>100</b>	<b>2,957,136</b>
Labour force status (Men, age 15+)	Employed	53	513,570	56	754,611
	Unemployed ever-worked	9 (12)	83,143	4 (6)	58,696
	Unemployed starter	7 (11)	72,201	14 (19)	185,007
	Inactive	31	305,176	26	352,243
	<b>Total</b>	<b>100</b>	<b>974,090</b>	<b>100</b>	<b>1,350,557</b>
	<b>Participation</b>	<b>69</b>	<b>668,914</b>	<b>74</b>	<b>998,314</b>
Labour force status (Women, age 15+)	Employed	9	84,548	10	128,209
	Unemployed ever-worked	1 (5)	5,466	1 (5)	9,981
	Unemployed starter	1 (16)	16,595	6 (35)	75,508
	Inactive	89	854,291	83	1,109,050
	<b>Total</b>	<b>100</b>	<b>960,900</b>	<b>100</b>	<b>1,322,748</b>
	<b>Participation</b>	<b>11</b>	<b>106,609</b>	<b>16</b>	<b>213,698</b>

While the reference period for labour force participation in both censuses was the same (i.e. 1 week preceding the interview), the reference period for employment-seeking was 1 week in the 2007 census questionnaire, but 4 weeks in 2017 census questionnaire. We assume that this difference does not jeopardize comparisons between 2007 and 2017. The definition of 'being employed' excludes own-account workers producing for their own or their household's consumption.

Table 4 also shows that about four out of ten Palestinians are UNRWA recognized refugees<sup>3</sup>. Numbers have increased from about 1.5 to 2 million people during the intercensus period. In both censuses, refugee-status was recorded as unknown for about 64 thousand persons. Three out of four Palestinians live in urban areas and one out of ten live in UNRWA refugee camps. While the share of camp-populations in the total population decreased, actual numbers increased by about 50,000 during the intercensus period. From Table 4 it can be deduced that most refugees do not live in UNRWA camps as the overall increase of numbers of refugees is ten times higher than the increase in size of camp populations.

Educational attainment levels in the population increased. Relatively more people attained higher degrees. In 2017 about 39% of the population attained a secondary level or higher whereas in 2007 this was 30%.

Regarding marital statuses in the Palestine population, other studies have reported about early and universal marriage in Palestine (e.g. PMO-Palestine & UNFPA, 2016). The percentage distribution of the population according to marital status confirms almost universal marriage and marriage at a young age. About 61 percent of the population in 2017 reported to be currently married (Table 4) while 61 percent of the population is 15 years or older (Table 1).

Regarding labour force status, Table 4 shows that about 70 percent of the male population of age 15+ was economic active and made up the labour force comprising about 669 thousand men in 2007. Labour force participation of the population in working ages of 15 years and older increased from 69 to 74 percent by 2017 leading to a labour force of about 1 million persons. Thus, the labour force increased with 4 percent annually. With only 106 thousand women in 2007, the size of the female labour force was six times smaller than of men. During the intercensus period numbers of women as well as their participation rate increased. The participation of women in the economy has increased between the two census years as their number increased with 7 percent annually, leading to a doubling of the female labour force to about 213 thousand women by 2017. Although labour force participation of women has increased from 11 to 16 percent, such figures still belong to the lowest in the world (ILO, 2019). These low female labour force participation rates of women in 2017 are similar to those found elsewhere in the region for the population of 15 years and older, such as in Jordan (13%, 2015), Syria (15%, 2011), and Iraq (11%, 2017), but lower than in Lebanon (23%, 2009) and Israel (69%, 2017) (ILO, 2019). As women traditionally face cultural and practical barriers to labour force participation (Richter-Devroe, 2011) increase of their participation may

---

<sup>3</sup> Persons whose normal place of residence was Palestine during the period 1 June 1946 to 15 May 1948, and who lost both home and means of livelihood as a result of the 1948 conflict. Patrilineal descendants of Palestine refugee males, including legally adopted children, are also eligible for registration. By 2018, UNRWA recorded about 6 million Palestine refugees. About 80% lives in Palestine and Jordan, the remainder in Lebanon and Syria (UNRWA, 2019).



be partly due to increase of aspirations, as more women attain higher levels of education, and partly due to increase of household poverty, in particular in Gaza Strip where poverty rates increased with 39 percent in 2011 to 53 percent in 2017 (PCBS, 2017).

PCBS estimates of male labour force participation rates are derived from labour force sample surveys in 2007 and 2017 and they are 67 and 72 percent, respectively (ILO, 2019). These estimates are pretty much on target with the aforementioned census participation rates. Most probably, these census results are well within the sampling error range of these PCBS labour force surveys. However, the estimates of female labour force participation based on these surveys were 16 percent and 19 percent, respectively. The difference between census and survey results of women is higher (five and three percent points, respectively) than of men. This may relate to female sample size in labour force surveys being much smaller than sample size of men, reflecting their representation in the labour force. If so, sampling error and confidence intervals of indicators of women will be larger than those of men are. Census results could then still fall within sampling error range of survey-based female labour force participation rates.

Unemployment rates of male and female starters increased from 11 to 19 percent and from 16 to 35 percent, respectively. The overall unemployment rate of men (i.e. ever-workers plus starters) increased from 23 to 25 percent, and of women from 22 to 40 percent. In terms of absolute numbers, numbers of female unemployed starters increased from about 17 thousand to 76 thousand, while numbers of male unemployed starters increased from 72 thousand to 185 thousand. While numbers of male unemployed ever-workers declined, numbers of female unemployed ever-workers increased.



Chapter Three

**Labour force participation, unemployment and imbalances**

**Participation**

The census data provide a cross-sectional view of the Palestine population. Nevertheless, if age-related behavioural patterns are relatively stable over time, it is possible to sketch a temporal picture of the life course of the inhabitants. This is especially revealing for the labour force career of men and women in Palestine. As table 5 shows that careers of men and women are quite different.

**Table 5: Life course trajectories of men and women, 2007, 2017**

		Worker		Unemployed ever-worker	Unemployed starter	Inactive:			Total	WAP 10+	
		<35 hours	>= 35 hours			Inactive: student	house keeper	Inactive: other			
<b>2007</b>											
Men	10-14				1	97		1	100	237,959	
	15-17	2	5	2	6	83		2	100	133,953	
	18-19	5	16	5	16	54		4	100	76,361	
	20-24	7	36	8	15	29		4	100	157,328	
	25-29	10	63	10	9	5		4	100	127,415	
	30-34	11	70	11	5	1		3	100	108,565	
	35-39	12	70	11	4			3	100	89,916	
	40-44	11	67	13	4			4	100	80,970	
	45-49	11	63	14	4			7	100	60,668	
	50-54	11	56	14	4			15	100	41,453	
	55-59	10	47	11	3			29	100	31,868	
60-64	8	23	6	2			62	100	22,000		
65+	5	8	1				85	100	43,593		
Women	10-14					99	1	1	100	227,771	
	15-17					89	9	1	100	129,203	
	18-19		1		2	61	34	3	100	73,298	
	20-24	1	6	1	5	29	56	2	100	151,053	
	25-29	2	13	1	3	5	74	2	100	123,786	
	30-34	2	13	1	1	2	80	1	100	106,111	
	35-39	3	12	1	1	1	81	1	100	86,702	
	40-44	3	12	1	1	1	82	2	100	75,231	
	45-49	2	11			1	83	3	100	56,627	
	50-54	2	8				82	7	100	41,621	
	55-59	2	6				75	16	100	30,940	
60-64	1	2				59	38	100	25,741		
65+						25	74	100	60,587		
<b>2017</b>											
Men	10-14		1		2	97		1	100	262,590	
	15-17	2	9	1	12	74		2	100	144,170	
	18-19	5	23	3	23	44		2	100	89,839	
	20-24	7	39	5	25	22		2	100	230,875	
	25-29	9	58	6	20	3		3	100	195,833	
	30-34	9	70	6	11	1		3	100	143,619	
	35-39	9	74	5	8			4	100	119,517	
	40-44	9	74	5	7			6	100	105,526	
	45-49	9	70	5	6			9	100	87,032	
	50-54	9	62	5	7			17	100	77,703	
	55-59	8	52	4	6			30	100	56,303	
60-64	6	26	2	3			63	100	37,325		
65+	3	9	1	1			86	100	62,815		
Women	10-14					99	1	1	100	251,743	
	15-17				1	90	9	1	100	137,491	
	18-19		1		3	65	31	1	100	87,102	
	20-24	1	5	1	12	30	51	1	100	220,070	
	25-29	2	10	2	13	4	68	1	100	186,991	
	30-34	3	14	2	8	1	72	1	100	141,710	
	35-39	3	14	1	4	1	75	1	100	119,621	
	40-44	3	13	1	2		79	1	100	103,444	
	45-49	3	12	1	1		80	2	100	83,958	
	50-54	3	11		1		79	6	100	72,975	
	55-59	2	8				74	15	100	53,767	
60-64	1	2				59	37	100	38,438		
65+		1				25	74	100	77,181		

The arrows and colour-markings visualize mainstream labour status trajectories the life course, showing marked differences between men and women.

The first panel shows that in 2007 most men remain in school up to age 18. After age 18, more men leave the education system and enter the labour market. Although many find work, a large share in the age range 18 to 24 is still looking for a first job (i.e. starters). In the age-range 30 to 59, about two thirds has found work while one third has become an unemployed ever-worker looking for a new job (about 12 percent). Employed persons mostly have 'full-time' jobs of more than 35 hours. Participation and employment decreases rapidly at highest ages (60+). Most men have retired by age 65. In 2007, the life course of women was entirely different, and simple. Women stay somewhat longer in school and then become housekeepers. Only a small share is employed.

The second panel presents the figures and trajectories in 2017. The mainstream life course trajectories in 2017 and 2007 are similar. However, there are some salient differences. Compared to 2007, relatively more young adult men reported in 2017 to have left school and are searching for work. Although in 2017 relatively more of them also reported to have found a job, the share of unemployed jobseekers (i.e. starters) has also increased and a larger share stays unemployed until a higher age (i.e. age 30-34 years). Another difference is that although participation rates of women in the working-ages 25-59 increased, still only about 15% actually reports to have a job, up from 14% in 2007. Working-women mostly work in jobs of 35 hours a week or more.

## Unemployment

Tables 6 and 7, below, present a more comprehensive overview of participation and unemployment rates for the population of age 15+ years old than the figures presented in the bottom panel of Table 4 in chapter 1<sup>4</sup>. Results show that participation and unemployment rates in 2007 and 2017 vary according to demographic, socioeconomic and spatial background characteristics.

Labour force participation rates of men increase rapidly between age 15 and 30, then level off and decline rapidly at higher ages (i.e. after age 60, in the case of Palestine men). This pattern is also observed among women but participation rates are much lower. However, between 2007 and 2017 participation of women increased considerably in the age range 20-39.

Participation rates according to educational attainment has not changed much in the intercensus period. Only among men and women with a preparatory and secondary level of education participation rates increased. This is most likely associated with the increase in participation of youth in the age range 15-24. Similarly, in this age-range never married persons are overrepresented so that the increase in participation of the never married reflects the increase of participation of young adults.

An increase in participation according refugee-status is observed in all refugee-status categories, male and female, probably reflecting the overall higher participation of the population in the labour force to cope with deteriorating living conditions in all households. If so, this could explain why, irrespective of place of residence (i.e. Type of locality, region, governorates) participation rates of men and women have across the board increased between 2007 and 2017.

---

<sup>4</sup> Due to rounding, the sub-population totals in the bottom panel of Table 4 differ will differ from such totals if derived from age-specific rates and -totals reported in Tables 5, 6a and 6b.

**Table 6a: Participation- and unemployment rates of working-age population (age 15+) with different background characteristics, 2007**

Background Characteristics		Men				Women				Total			
		Ever-workers	Starters	Participation	WAP 15+	Ever-workers	Starters	Participation	WAP 15+	Ever-workers	Starters	Participation	WAP 15+
<b>Age group</b>	<b>Total population of Palestine</b>	<b>12</b>	<b>11</b>	<b>69</b>	<b>974,090</b>	<b>5</b>	<b>16</b>	<b>11</b>	<b>960,900</b>	<b>11</b>	<b>11</b>	<b>40</b>	<b>1,934,990</b>
	15-17	11	43	15	133,953	6	62	1	129,203	11	44	8	263,156
	18-19	12	38	41	76,361	7	59	3	73,298	12	39	22	149,659
	20-24	12	23	66	157,328	8	40	13	151,053	11	25	40	308,381
	25-29	11	10	91	127,415	7	17	19	123,786	10	11	56	251,201
	30-34	11	5	96	108,565	4	7	17	106,111	10	5	57	214,676
	35-39	12	4	96	89,916	4	5	16	86,702	11	4	57	176,618
	40-44	14	4	96	80,970	3	4	16	75,231	13	4	57	156,201
	45-49	15	4	92	60,668	3	3	14	56,627	14	4	54	117,295
	50-54	16	4	85	41,453	3	2	11	41,621	15	4	48	83,074
	55-59	16	5	71	31,868	4	2	8	30,940	15	4	40	62,808
	60-64	17	4	38	22,000	6	3	3	25,741	16	4	19	47,741
65+	9	3	15	43,593	4	3	1	60,587	9	3	7	104,180	
<b>Education</b>	Illiterate	19	13	31	32,374	5	7	2	98,684	17	12	9	131,058
	Can read and write	20	11	72	69,870	6	12	5	65,164	19	11	40	135,034
	Elementary	17	11	83	162,822	5	14	5	136,699	16	11	47	299,521
	Preparatory	13	12	62	333,559	7	19	4	315,619	13	13	33	649,178
	Secondary	11	11	57	213,434	6	23	5	216,288	11	12	31	429,722
	Intermediate diploma	7	9	89	46,915	5	13	45	45,962	6	10	67	92,877
	Bachelor	4	10	91	97,779	5	16	63	77,143	5	12	79	174,922
	Higher diploma, Masters, PhD	2	3	90	16,862	2	3	82	4,501	2	3	89	21,363
<b>Marital status</b>	Married	13	5	87	571,829	4	8	10	588,889	12	5	48	1,160,718
	Never married	11	28	44	389,665	6	29	13	294,008	10	28	30	683,673
	Divorced, separated, widowed	15	9	35	8,817	6	7	9	74,267	9	8	11	83,084
<b>Refugee status</b>	Registered refugee	15	13	67	406,726	6	17	12	405,621	14	14	40	812,347
	Non-registered refugee	12	10	70	9,971	5	12	12	12,431	11	10	38	22,402
	Non-refugee	11	9	70	556,044	5	15	11	539,749	10	10	40	1,095,793

**Table 6a (cont.): Participation- and unemployment rates of working-age population (WAP, age 15+) with different background characteristics, 2007**

Background Characteristics		Men				Women				Total			
		Ever-workers	Starters	Participation	WAP 15+	Ever-workers	Starters	Participation	WAP 15+	Ever-workers	Starters	Participation	WAP 15+
<b>Type of locality</b>	Urban	13	11	69	698,212	5	16	11	685,316	12	12	40	1,383,528
	Rural	9	8	69	181,372	5	13	10	178,497	9	8	40	359,869
	Camps	16	13	67	94,506	6	18	11	97,087	14	14	39	191,593
<b>Region</b>	West Bank	8	7	69	591,685	5	12	12	581,845	7	7	41	1,173,530
	Gaza Strip	20	18	68	382,405	6	24	9	379,055	18	18	39	761,460
<b>Governorate</b>	Jenin	8	9	69	74,258	4	14	10	72,969	7	9	40	147,227
	Tubas & Northern Valleys	6	3	70	14,030	7	11	15	13,870	6	5	43	27,900
	Tulkarm	8	7	68	47,145	5	14	13	47,344	8	8	40	94,489
	Nablus	7	5	71	94,896	6	14	13	94,001	7	6	42	188,897
	Qalqiliya	8	7	70	25,954	3	8	11	24,706	7	7	41	50,660
	Salfit	8	6	68	17,313	6	14	16	17,011	8	8	42	34,324
	Ramallah & Al-Bireh	7	4	70	77,290	5	7	17	78,038	6	5	43	155,328
	Jericho & Al Aghwar	5	3	76	11,002	5	5	18	11,286	5	4	47	22,288
	Jerusalem	10	8	72	31,089	5	9	11	30,742	10	8	42	61,831
	Bethlehem	12	6	68	50,507	5	8	14	48,684	10	6	41	99,191
	Hebron	7	8	69	148,201	4	15	9	143,194	7	9	40	291,395
	North Gaza	23	15	67	71,842	6	20	8	70,254	21	16	38	142,096
	Gaza	20	15	69	132,943	5	22	9	131,343	19	16	39	264,286
	Dier al Balah	17	20	66	56,550	6	23	12	56,944	15	20	39	113,494
	Khan Yunis	21	21	67	75,130	7	30	9	73,976	19	22	38	149,106
Rafah	15	21	66	45,940	6	26	10	46,538	14	22	38	92,478	

**Table 6b: Participation- and unemployment rates of working-age population (WAP, age 15+) with different background characteristics, 2017**

Background Characteristics		Men				Women				Total			
		Ever-workers	Starters	Participation	WAP 15+	Ever-workers	Starters	Participation	WAP 15+	Ever-workers	Starters	Participation	WAP 15+
<b>Age group</b>	<b>Total population of Palestine</b>	<b>6</b>	<b>19</b>	<b>74</b>	<b>1,350,557</b>	<b>5</b>	<b>35</b>	<b>16</b>	<b>1,322,748</b>	<b>6</b>	<b>21</b>	<b>45</b>	<b>2,673,305</b>
	15-17	4	50	24	144,170	1	80	1	137,491	4	51	13	281,661
	18-19	5	44	54	89,839	2	76	4	87,102	5	46	29	176,941
	20-24	6	34	76	230,875	3	66	19	220,070	6	40	48	450,945
	25-29	7	22	94	195,833	6	48	27	186,991	7	27	61	382,824
	30-34	6	12	96	143,619	7	30	26	141,710	6	16	61	285,329
	35-39	5	8	95	119,517	5	19	23	119,621	5	10	59	239,138
	40-44	5	7	94	105,526	3	12	19	103,444	5	8	57	208,970
	45-49	6	7	91	87,032	3	8	17	83,958	5	7	55	170,990
	50-54	7	8	83	77,703	2	6	15	72,975	6	8	50	150,678
	55-59	6	8	70	56,303	2	4	11	53,767	5	8	41	110,070
	60-64	6	9	37	37,325	3	6	4	38,438	6	8	20	75,763
	65+	4	7	14	62,815	4	7	1	77,181	4	7	7	139,996
<b>Education</b>	Illiterate	8	30	28	23,681	3	21	2	69,077	7	29	8	92,758
	Can read and write	9	22	69	73,829	4	19	5	66,121	9	22	39	139,950
	Elementary	8	19	81	183,538	4	24	5	132,165	8	20	49	315,703
	Preparatory	7	21	72	475,805	4	39	5	405,975	6	21	41	881,780
	Secondary	5	17	64	293,750	4	46	6	326,559	5	19	33	620,309
	Intermediate diploma	5	21	85	77,743	5	41	39	77,869	5	27	62	155,612
	Bachelor	3	15	89	193,303	5	35	54	230,829	4	24	70	424,132
	Higher diploma, Masters, PhD	2	4	87	28,908	4	10	79	14,153	2	6	84	43,061
<b>Marital status</b>	Married	6	10	85	823,045	5	29	15	856,568	6	13	49	1,679,613
	Never married	6	38	57	515,143	4	48	19	378,633	5	40	41	893,776
	Divorced, separated, widowed	9	19	49	12,366	4	23	13	87,546	6	22	18	99,912
<b>Refugee status</b>	Registered refugee	7	27	72	558,294	5	44	19	555,926	7	30	45	1,114,220
	Non-registered refugee	6	15	75	10,400	5	22	19	13,090	6	17	43	23,490
	Non-refugee	5	13	75	780,395	4	27	14	750,388	5	15	45	1,530,783

**Table 6b (cont.): Participation- and unemployment rates of working-age population (WAP, age 15+) with different background characteristics, 2017**

Background Characteristics		Men				Women				Total			
		Ever-workers	Starters	Participation	WAP 15+	Ever-workers	Starters	Participation	WAP 15+	Ever-workers	Starters	Participation	WAP 15+
<b>Type of locality</b>	Urban	6	20	74	1,018,421	5	36	16	997,490	6	23	45	2,015,911
	Rural	4	7	76	215,494	4	20	14	208,849	4	9	45	424,343
	Camps	7	31	72	116,642	5	51	20	116,409	6	35	46	233,051
<b>Region</b>	West Bank	4	8	76	801,106	4	19	16	780,407	4	10	46	1,581,513
	Gaza Strip	10	35	71	549,451	6	57	17	542,341	9	39	44	1,091,792
<b>Governorate</b>	Jenin	3	8	77	100,965	3	22	14	98,122	3	10	46	199,087
	Tubas & Northern Valleys	3	6	75	19,455	5	23	18	18,863	3	9	47	38,318
	Tulkarm	5	8	74	61,800	5	22	17	60,051	4	11	46	121,851
	Nablus	4	6	77	126,911	3	18	16	124,778	4	8	46	251,689
	Qalqiliya	4	10	75	34,985	3	15	12	32,976	3	11	45	67,961
	Salfit	4	7	75	23,473	4	23	19	22,717	4	10	47	46,190
	Ramallah & Al-Bireh	3	4	75	102,563	3	10	22	102,210	3	6	49	204,773
	Jericho & Al Aghwar	3	7	76	14,704	2	13	17	14,969	2	8	46	29,673
	Jerusalem	4	10	74	35,628	3	14	15	35,276	4	11	44	70,904
	Bethlehem	4	8	75	69,831	3	18	18	67,426	4	10	47	137,257
	Hebron	3	11	77	210,791	4	24	12	203,019	4	12	45	413,810
	North Gaza	10	30	71	106,732	8	54	16	104,060	10	35	44	210,792
	Gaza	11	29	72	189,344	6	49	14	185,507	10	32	43	374,851
	Dier al Balah	8	38	70	80,382	6	59	24	81,382	8	44	47	161,764
	Khan Yunis	10	40	70	106,487	6	64	19	104,356	9	44	45	210,843
Rafah	7	49	72	66,506	4	67	17	67,036	6	52	44	133,542	



During the intercensus period, unemployment rates of starters have increased considerably, in all regions and governorates, in particular in Gaza Strip governorates and among women in Gaza Strip. Conversely, rates of unemployed ever-workers have decreased in all governorates, including those of Gaza Strip. Job-experience may have put the unemployed ever-worker in a better position than an unemployed starter because he or she may take advantage, in addition to skill-experience, of personal networks which were created during employment. Unemployed starters face competition of unemployed ever-workers in a job market where numbers of jobs are scarce. In this competition for jobs, women are especially vulnerable as they have to overcome barriers to participation and employment arising at home, in public life, and in the workplace. Although there are important exceptions, many women are ascribed a low status which put them in a poor negotiating position when competing with men for work and equal pay (e.g. Richter-Devroe, 2011).

If unemployment rates vary according to demographic, socioeconomic and spatial background characteristics of people, the question arises about whether the profile of unemployed starters and unemployed ever-workers in the labour force differ from those who are employed. This question can be answered with help of Table 7, using 2017 census data.

Among men, the employed are older than the unemployed ever-workers and unemployed starters. There is hardly any difference between the three groups regarding educational attainment. The employed and unemployed ever-workers are mostly married, whereas unemployed starters are mostly never married, which is probably associated with the age-difference between groups. Furthermore, the employed are more often non-refugee compared to unemployed ever-workers and unemployed starters, while starters are more often registered refugees.

Among women, there are similar age differences between the three groups, though female unemployed starters and unemployed ever-workers are older than male counterparts. Also, regarding educational attainment, there is little difference between the three labour force categories. However, educational attainment of women in all three labour status groups is (much) higher than of men. Thus, although labour force participation of Palestine women is about six times lower than of men, working and work-seeking women are much higher educated than men and most attained at least an intermediate or bachelor level of education. Similar to men, unemployed starters are more often never married and refugee, whereas the employed and unemployed ever-workers are more often married and non-refugee.

Employed persons, male or female, are more likely to be found in the West Bank than in Gaza Strip, whereas unemployed ever-workers and starters are most likely to be found in Gaza Strip.

Youth unemployment is of particular interest to policy makers as the quality and quantity of youth determines a nation's future. Youth is a vulnerable group in the sense that their 'quality' is determined by their participation in education and occupational skills training, the quality and accessibility of the educational system, how well they are absorbed by the labour market, and how well they can derive financial and mental support from their jobs to realize and maintain a desired life-

style, such as building and sustaining a family. Therefore, a society should strive to reduce the prevalence of youth unemployment in general, and in particular unemployment among youth that is out of reach of education and skills training.

**Table 7: Profile of employed persons, unemployed ever workers and starters in terms of background characteristics, 2017**

Background Characteristics		Men			Women			Total		
		Employed	Ever worked	Starter	Employed	Ever worked	Starter	Employed	Ever worked	Starter
<b>Age group</b>	15-17	2	2	9			1	2	2	7
	18-19	3	4	12	1	1	3	3	4	9
	20-24	14	18	32	10	14	35	13	18	33
	25-29	17	22	22	18	33	33	18	23	25
	30-34	15	14	9	18	24	15	16	15	11
	35-39	13	10	5	16	13	7	14	11	5
	40-44	12	9	4	13	7	3	12	9	4
	45-49	9	8	3	10	4	2	9	7	3
	50-54	7	7	3	8	2	1	7	6	2
	55-59	4	4	2	4	1		4	4	1
	60-64	2	1	1	1			1	1	0
	65+	1	1		1			1	1	0
	<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>Educational attainment</b>	Illiterate	1	1	1	1			1	1	1
	Can read and write	5	8	7	2	1	1	4	7	4
	Elementary	14	20	16	4	3	2	13	17	12
	Preparatory	33	38	37	8	8	10	29	34	30
	Secondary	19	17	17	7	7	11	18	15	15
	Intermediate diploma	6	6	7	13	17	17	7	7	10
	Bachelor	18	10	14	58	60	58	24	17	27
	Higher diploma, Masters, PhD	3	1	1	7	4	1	4	1	1
	<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>Marital status</b>	Married	77	71	38	67	65	50	76	70	42
	Never married	22	28	61	27	30	46	23	28	56
	Divorced, separated, widowed	1	1	1	7	5	3	1	2	1
	<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>Refugee status</b>	Registered refugee	35	48	58	41	56	61	36	49	59
	Non-registered refugee	1	1	1	1	1	1	1	1	1
	Non-refugee	64	51	41	58	43	38	63	50	40
	<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

**Table 7 (cont.): Profile of employed persons, unemployed ever workers and starters in terms of background characteristics, 2017**

Background Characteristics		Men			Women			Total		
		Employed	Ever worked	Starter	Employed	Ever worked	Starter	Employed	Ever worked	Starter
<b>Type of locality</b>	Urban	74	80	80	75	77	77	74	80	79
	Rural	19	10	7	17	10	7	19	10	7
	Camps	7	10	14	8	13	16	7	10	14
	<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>Region</b>	West Bank	71	37	27	73	43	30	72	38	27
	Gaza Strip	29	63	73	27	57	70	28	62	73
	<b>State of Palestine</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>Governorate</b>	Jenin	9	4	3	8	5	4	9	4	3
	Tubas & Northern Valleys	2	1		2	2	1	2	1	1
	Tulkarm	5	3	2	6	5	3	5	4	2
	Nablus	12	6	3	12	7	5	12	6	4
	Qalqiliya	3	2	1	3	1	1	3	2	1
	Salfit	2	1	1	2	2	1	2	1	1
	Ramallah & Al-Bireh	9	4	2	15	8	3	10	4	2
	Jericho & Al Aghwar	1			2	1		1	0	0
	Jerusalem	3	2	1	3	2	1	3	2	1
	Bethlehem	6	4	2	7	4	3	6	4	2
	Hebron	19	10	10	13	9	8	18	10	9
	North Gaza	6	13	12	5	13	12	6	13	12
	Gaza	11	25	21	9	16	16	10	24	20
	Dier al Balah	4	8	11	5	12	15	4	8	13
	Khan Yunis	5	12	16	5	11	16	5	12	16
	Rafah	3	5	12	3	4	10	3	5	12
	<b>State of Palestine</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

This viewpoint underlies United Nations Sustainable Development Goal SDG 8.6 and its indicator 8.6.1. That goal states that by 2020, nations should aim at substantially reducing the share of youth in the age range 15-24 who are Not in Employment, Education or Training (NEET), thus to reduce the youth NEET unemployment rate (SDG indicator 8.6.1). This indicator is a broader measure of potential youth labour market entrants than the youth unemployment rates as addressed in Tables 6 and 7. The youth NEET unemployment rate includes discouraged workers as well as those outside the labour force due to disability or engagement in household chores, among other reasons. The youth NEET-rate is also a better measure of vulnerability and potential youth labour market entrants as compared with the youth inactivity-rate, as the latter includes those youth who are outside the labour force but are currently receiving education or occupational skills-training.

The calculation of the indicator requires information of a person's current labour market status as well as his/her current participation in education or training. This information is available in the Palestine censuses of 2007 and 2017. To avoid misinterpretation of the NEET unemployment rate, it is important to note that it is composed of two different non-overlapping sub-groups: (1) youth 15-24 who are

unemployed or inactive and who are currently not in education or training, and (2) youth outside the labour force who are not currently attending education or training sessions.

The NEET unemployment rate for youth in the age range 15-24 year old is defined as (UNDESA, 2019a):

$$= \frac{\text{Youth} - (\text{Youth in employment} + \text{Youth not in employment but in education or training})}{\text{Youth}} \times 100$$

NEET unemployment rates for 2007 and 2017 are derived in Table 8a. The population of interest to the NEET unemployment rate is the population in the shaded area in Table 8a.

The number of persons constituting the numerator can be derived by simply summing the number of persons in the shaded area of the table. These constitute all 15-24 old youth not currently employed as well as not receiving education or training. The denominator is the total table population.

In line with the more general findings in previous tables, employment conditions for youth outside employment and outside education in Palestine deteriorated between 2007 and 2017. The NEET overall unemployment rate for youth 15-24 years increased from 31 to 35 per cent. Instead of a decrease (SDG 8.6), we observe an increase of youth NEET unemployment of 4%. From the table it can be deduced that this percentage increase means that during the intercensus period the stock of unemployed youth who are currently not receiving any education and training increased with almost 100 thousand persons!

Table 8a shows that we are essentially dealing with two kinds of populations: (1) the youth NEET-population, marked by the shaded areas, and (2) the remainder, youth currently employed or in education. These two subpopulations feature in Tables 8b (2007) and 8c (2017). The first group, labelled 'Not working, Not in education (NEET)' is of main interest to our analysis. While Table 8a presents NEET-rates for the entire population of youth 15-24, Tables 8b and 8c present such rates for youth with different background characteristics.

In the youngest age-group (i.e. 15-17), NEET unemployment rates are lowest, because enrolment in school is still high (see Table 5) and also the difference between men and women is slight. At higher ages, rates increase rapidly and so are the differences between men and women.

**Table 8a: Labour force status and enrolment in education or training and NEET unemployment rate of youth (15-24 years old), 2007, 2017**

2007	Currently enrolled	Not currently enrolled		Total
		Ever enrolled	Never enrolled	
Employed	8,409	95,916	431	104,756
Unemployed	1,755	70,947	596	73,298
Inactive: student	385,044	16,820	157	402,021
Inactive: house keeper	6,253	114,073	955	121,281
Inactive: ill, disabled, other	16	15,772	3,682	19,470
<b>Total</b>	<b>401,477</b>	<b>313,528</b>	<b>5,821</b>	<b>720,826</b>
<b>Youth 15-24 NEET unemployment rate</b>				<b>31%</b>

2017	Currently enrolled	Not currently enrolled		Total
		Ever enrolled	Never enrolled	
Employed	8,388	150,834	352	159,574
Unemployed	4,321	138,257	603	143,181
Inactive: student	421,179	21,628	95	442,902
Inactive: house keeper	3,873	145,987	593	150,453
Inactive: ill, disabled, other	375	8,840	4,222	13,437
<b>Total</b>	<b>438,136</b>	<b>465,546</b>	<b>5,865</b>	<b>909,547</b>
<b>Youth 15-24 NEET unemployment rate</b>				<b>35%</b>

Regarding marital status, we note that actual numbers are small, but they show that divorced young men and, notably, divorced as well as married women have high NEET-unemployment rates. However, rates of young unmarried women are rates of young unmarried men are. This is what we expect to find because female youth stay (much) longer in the educational system than male youth (Table 5).

The education gradient with lower NEET unemployment rates for youth with higher educational attainment levels is consistent with what we found in Tables 6a and 6b. Tables 8b and 8c show that such rates are considerably higher for female youth than male youth.

NEET-unemployment rates refugee and non-refugee youth differ only slightly, and spatial differences in youth NEET-unemployment rates are similar to the spatial differences in general unemployment rates presented in tables 6a and 6b. Rates are highest in Gaza Strip region and governorates, and lowest in the West Bank region, notably in Tubas & Northern Valleys, Salfit and Ramallah & Al-Bireh. As mentioned before, everywhere rates of female youth are, mostly, much higher than rates of men are.

The tables for 2007 and 2017 show that youth NEET-unemployment rates have increased during the intercensus period, most notably among male youth with highest educational attainment, in Gaza Strip governorates among male youth, and, among female youth almost irrespective of their background characteristics. In a few instances, rates (slightly) declined, such as among male youth in Nablus, Ramallah & Al-Bireh, Jenin and among female youth in Jerusalem governorate.

**Table 8b: Youth NEET rates by sex and background characteristics, 2007**

Background Characteristics		Men				Women				Total			
		NEET		Works and/or in education		NEET		Works and/or in education		NEET		Works and/or in education	
		N	%	N	%	N	%	N	%	N	%	N	%
<b>Age-group</b>	15-17	16,786	13	117,122	87	14,092	11	115,058	89	<b>30,878</b>	<b>12</b>	<b>232,180</b>	<b>88</b>
	18-19	22,400	29	53,922	71	29,446	40	43,811	60	<b>51,846</b>	<b>35</b>	<b>97,733</b>	<b>65</b>
	20-24	45,098	29	112,159	71	95,180	63	55,752	37	<b>140,278</b>	<b>46</b>	<b>167,911</b>	<b>54</b>
	Total (15-24)	84,284	23	283,203	77	138,718	39	214,621	61	<b>223,002</b>	<b>31</b>	<b>497,824</b>	<b>69</b>
<b>Marital status</b>	Married	8,624	25	25,968	75	93,094	78	26,366	22	<b>101,718</b>	<b>66</b>	<b>52,334</b>	<b>34</b>
	Never married	74,657	23	255,293	77	43,905	19	186,921	81	<b>118,562</b>	<b>21</b>	<b>442,214</b>	<b>79</b>
	Divorced, separated, widowed	98	39	155	61	1,139	65	615	35	<b>1,237</b>	<b>62</b>	<b>770</b>	<b>38</b>
<b>Educational attainment</b>	Illiterate	2,849	85	512	15	2,760	99	35	1	<b>5,609</b>	<b>91</b>	<b>547</b>	<b>9</b>
	Can read and write	5,665	54	4,752	46	4,881	96	210	4	<b>10,546</b>	<b>68</b>	<b>4,962</b>	<b>32</b>
	Elementary	17,441	40	26,172	60	18,651	71	7,520	29	<b>36,092</b>	<b>52</b>	<b>33,692</b>	<b>48</b>
	Preparatory	34,413	19	148,245	81	57,146	33	114,516	67	<b>91,559</b>	<b>26</b>	<b>262,761</b>	<b>74</b>
	Secondary	15,379	14	91,954	86	37,026	31	83,066	69	<b>52,405</b>	<b>23</b>	<b>175,020</b>	<b>77</b>
	Intermediate diploma	2,993	42	4,051	58	5,619	68	2,681	32	<b>8,612</b>	<b>56</b>	<b>6,732</b>	<b>44</b>
	Bachelor	5,501	43	7,349	57	12,544	66	6,485	34	<b>18,045</b>	<b>57</b>	<b>13,834</b>	<b>43</b>
Higher diploma, Masters, PhD	33	23	113	77	65	48	70	52	<b>98</b>	<b>35</b>	<b>183</b>	<b>65</b>	
<b>Refugee status</b>	Registered refugee	38,562	25	117,015	75	56,417	38	93,575	62	<b>94,979</b>	<b>31</b>	<b>210,590</b>	<b>69</b>
	Non-registered refugee	878	25	2,690	75	1,722	44	2,190	56	<b>2,600</b>	<b>35</b>	<b>4,880</b>	<b>65</b>
	Non-refugee	44,773	22	163,176	78	80,358	40	118,588	60	<b>125,131</b>	<b>31</b>	<b>281,764</b>	<b>69</b>
<b>Region</b>	West Bank	42,097	20	171,587	80	76,858	38	126,557	62	<b>118,955</b>	<b>29</b>	<b>298,144</b>	<b>71</b>
	Gaza Strip	42,187	27	111,616	73	61,860	41	88,064	59	<b>104,047</b>	<b>34</b>	<b>199,680</b>	<b>66</b>

**Table 8b (cont.): Youth NEET rates by sex and background characteristics, 2007**

Background Characteristics		Men				Women				Total			
		NEET		Works and/or in education		NEET		Works and/or in education		NEET		Works and/or in education	
		N	%	N	%	N	%	N	%	N	%	N	%
<b>Governorate</b>	Jenin	5,518	21	20,786	79	8,973	36	15,799	64	<b>14,491</b>	<b>28</b>	<b>36,585</b>	<b>72</b>
	Tubas & Northern Valleys	622	13	4,278	87	1,432	30	3,380	70	<b>2,054</b>	<b>21</b>	<b>7,658</b>	<b>79</b>
	Tulkarm	3,241	20	13,194	80	5,160	33	10,568	67	<b>8,401</b>	<b>26</b>	<b>23,762</b>	<b>74</b>
	Nablus	6,028	19	26,393	81	11,475	37	19,499	63	<b>17,503</b>	<b>28</b>	<b>45,892</b>	<b>72</b>
	Qalqiliya	1,845	19	7,689	81	3,315	38	5,365	62	<b>5,160</b>	<b>28</b>	<b>13,054</b>	<b>72</b>
	Salfit	941	15	5,371	85	1,662	28	4,251	72	<b>2,603</b>	<b>21</b>	<b>9,622</b>	<b>79</b>
	Ramallah & Al-Bireh	4,568	17	22,825	83	9,379	36	16,956	64	<b>13,947</b>	<b>26</b>	<b>39,781</b>	<b>74</b>
	Jericho & Al Aghwar	672	18	3,050	82	1,607	43	2,090	57	<b>2,279</b>	<b>31</b>	<b>5,140</b>	<b>69</b>
	Jerusalem	2,695	25	8,257	75	4,601	43	6,048	57	<b>7,296</b>	<b>34</b>	<b>14,305</b>	<b>66</b>
	Bethlehem	3,697	21	13,745	79	5,508	33	10,941	67	<b>9,205</b>	<b>27</b>	<b>24,686</b>	<b>73</b>
	Hebron	12,270	21	45,999	79	23,746	43	31,660	57	<b>36,016</b>	<b>32</b>	<b>77,659</b>	<b>68</b>
	North Gaza	8,065	27	22,258	73	12,425	43	16,553	57	<b>20,490</b>	<b>35</b>	<b>38,811</b>	<b>65</b>
	Gaza	14,393	27	38,641	73	23,103	44	29,213	56	<b>37,496</b>	<b>36</b>	<b>67,854</b>	<b>64</b>
	Dier al Balah	5,912	26	16,416	74	7,477	35	14,118	65	<b>13,389</b>	<b>30</b>	<b>30,534</b>	<b>70</b>
	Khan Yunis	8,931	30	20,933	70	11,695	41	17,159	59	<b>20,626</b>	<b>35</b>	<b>38,092</b>	<b>65</b>
	Rafah	4,886	27	13,368	73	7,160	39	11,021	61	<b>12,046</b>	<b>33</b>	<b>24,389</b>	<b>67</b>

**Table 8b (cont.): Youth NEET rates by sex and background characteristics, 2017**

Background Characteristics		Men				Women				Total			
		NEET		Works and/or in education		NEET		Works and/or in education		NEET		Works and/or in education	
		N	%	N	%	N	%	N	%	N	%	N	%
<b>Age group</b>	15-17	24,442	17	119,728	83	14,673	11	122,818	89	<b>39,115</b>	<b>14</b>	<b>242,546</b>	<b>86</b>
	18-19	28,410	32	61,429	68	32,852	38	54,250	62	<b>61,262</b>	<b>35</b>	<b>115,679</b>	<b>65</b>
	20-24	77,456	34	153,419	66	142,392	65	77,678	35	<b>219,848</b>	<b>49</b>	<b>231,097</b>	<b>51</b>
	Total (15-24)	130,308	28	334,576	72	189,917	43	254,746	57	<b>320,225</b>	<b>35</b>	<b>589,322</b>	<b>65</b>
<b>Marital status</b>	Married	13,881	28	34,828	72	124,098	78	34,609	22	<b>137,979</b>	<b>67</b>	<b>69,437</b>	<b>33</b>
	Never married	116,233	28	299,502	72	63,779	23	219,207	77	<b>180,012</b>	<b>26</b>	<b>518,709</b>	<b>74</b>
	Divorced, separated, widowed	194	44	245	56	2,040	69	930	31	<b>2,234</b>	<b>66</b>	<b>1,175</b>	<b>34</b>
<b>Educational attainment</b>	Illiterate	2,997	91	291	9	2,257	100	6	0	<b>5,254</b>	<b>95</b>	<b>297</b>	<b>5</b>
	Can read and write	7,257	61	4,736	39	2,554	93	181	7	<b>9,811</b>	<b>67</b>	<b>4,917</b>	<b>33</b>
	Elementary	21,676	43	28,225	57	12,173	69	5,412	31	<b>33,849</b>	<b>50</b>	<b>33,637</b>	<b>50</b>
	Preparatory	58,069	25	171,653	75	71,458	37	119,215	63	<b>129,527</b>	<b>31</b>	<b>290,868</b>	<b>69</b>
	Secondary	21,052	16	108,286	84	53,584	32	114,722	68	<b>74,636</b>	<b>25</b>	<b>223,008</b>	<b>75</b>
	Intermediate diploma	7,433	49	7,746	51	14,183	79	3,686	21	<b>21,616</b>	<b>65</b>	<b>11,432</b>	<b>35</b>
	Bachelor	11,690	47	13,395	53	33,479	75	11,301	25	<b>45,169</b>	<b>65</b>	<b>24,696</b>	<b>35</b>
	Higher diploma, Masters, PhD	134	35	244	65	229	51	223	49	<b>363</b>	<b>44</b>	<b>467</b>	<b>56</b>
<b>Refugee status</b>	Registered refugee	66,749	34	127,399	66	77,124	42	107,993	58	<b>143,873</b>	<b>38</b>	<b>235,392</b>	<b>62</b>
	Non-registered refugee	962	26	2,809	74	1,977	47	2,205	53	<b>2,939</b>	<b>37</b>	<b>5,014</b>	<b>63</b>
	Non-refugee	62,515	23	204,096	77	110,558	43	144,304	57	<b>173,073</b>	<b>33</b>	<b>348,400</b>	<b>67</b>
<b>Region</b>	West Bank	52,931	20	216,137	80	104,309	41	151,730	59	<b>157,240</b>	<b>30</b>	<b>367,867</b>	<b>70</b>
	Gaza Strip	77,377	40	118,439	60	85,608	45	103,016	55	<b>162,985</b>	<b>42</b>	<b>221,455</b>	<b>58</b>



**Table 8b (cont.): Youth NEET rates by sex and background characteristics, 2017**

Background Characteristics		Men				Women				Total			
		NEET		Works and/or in education		NEET		Works and/or in education		NEET		Works and/or in education	
		N	%	N	%	N	%	N	%	N	%	N	%
<b>Governorate</b>	Jenin	6,328	19	27,325	81	12,765	40	19,355	60	<b>19,093</b>	<b>29</b>	<b>46,680</b>	<b>71</b>
	Tubas & Northern Valleys	941	14	5,558	86	2,084	34	3,967	66	<b>3,025</b>	<b>24</b>	<b>9,525</b>	<b>76</b>
	Tulkarm	4,215	21	16,315	79	6,846	36	12,011	64	<b>11,061</b>	<b>28</b>	<b>28,326</b>	<b>72</b>
	Nablus	6,863	16	34,846	84	14,746	37	24,814	63	<b>21,609</b>	<b>27</b>	<b>59,660</b>	<b>73</b>
	Qalqiliya	2,906	24	9,003	76	4,496	41	6,440	59	<b>7,402</b>	<b>32</b>	<b>15,443</b>	<b>68</b>
	Salfit	1,247	16	6,652	84	2,508	34	4,897	66	<b>3,755</b>	<b>25</b>	<b>11,549</b>	<b>75</b>
	Ramallah & Al-Bireh	4,640	15	27,265	85	10,405	34	20,434	66	<b>15,045</b>	<b>24</b>	<b>47,699</b>	<b>76</b>
	Jericho & Al Aghwar	1,066	22	3,874	78	2,341	48	2,514	52	<b>3,407</b>	<b>35</b>	<b>6,388</b>	<b>65</b>
	Jerusalem	2,982	25	8,963	75	4,818	42	6,701	58	<b>7,800</b>	<b>33</b>	<b>15,664</b>	<b>67</b>
	Bethlehem	4,570	20	17,759	80	8,134	38	13,488	62	<b>12,704</b>	<b>29</b>	<b>31,247</b>	<b>71</b>
	Hebron	17,173	23	58,577	77	35,166	49	37,109	51	<b>52,339</b>	<b>35</b>	<b>95,686</b>	<b>65</b>
	North Gaza	14,734	37	24,817	63	17,649	47	20,090	53	<b>32,383</b>	<b>42</b>	<b>44,907</b>	<b>58</b>
	Gaza	25,601	38	42,474	62	31,602	48	33,843	52	<b>57,203</b>	<b>43</b>	<b>76,317</b>	<b>57</b>
	Dier al Balah	11,219	40	16,604	60	10,698	40	16,264	60	<b>21,917</b>	<b>40</b>	<b>32,868</b>	<b>60</b>
	Khan Yunis	14,962	41	21,745	59	15,332	43	19,975	57	<b>30,294</b>	<b>42</b>	<b>41,720</b>	<b>58</b>
	Rafah	10,861	46	12,799	54	10,327	45	12,844	55	<b>21,188</b>	<b>45</b>	<b>25,643</b>	<b>55</b>

### Labour market imbalances

There are various demand and supply side factors affecting unemployment. An important one is how well the growth of number and type of jobs matches growth of numbers of potential workers, i.e. the working-age population. Regarding growth of jobs, various studies have argued that limited job-creation in Palestine is caused by low levels of private sector investment and its concentration in low-productivity sectors with weak potential for economic growth. These studies also argue, not surprisingly, that a main constraint is the ongoing conflict with Israel, notably their control of and restrictions on trade, movement, and access to resources. However, these studies also point to internal constraints such as a poor business climate, lack of competition, costly and non-streamlined processes for land surveying, dispute resolution, and registration, limited access to finance for small and medium enterprises, and an education and skills training system that does not equip graduates with the skills needed by businesses (e.g. Hillis, Alaref, & Takkenberg, 2018).

Regarding the supply of numbers of job-seekers, the growth of the working age population of age 15+ is a major determinant (see equation 1, page 1). In chapter 1, we showed that the Palestine population growth rate is very high, leading to a rapid increase every year in the supply of numbers of potential workers and demand for more and more jobs. Even if labour force participation rates would remain the same over time, the number of vacant jobs would need to increase to keep up with growth of the working-age population 15+. The demand for jobs is further increased by the rising levels of labour participation of Palestine women. As a result, especially for women finding a (first) job has become increasingly difficult. For them growth in number of vacant jobs is only a necessary condition to find work, but not a sufficient one because cultural barriers prevent women to accept the same type of jobs as men do.

If we assume that new job-positions are instantaneously filled by persons seeking work then the growth in numbers of employed persons in a country can proxy the growth of numbers of jobs. If so, then we can compare growth of the working-age population (fuelled mainly by current and past high fertility rates), or potential labour force, with the growth of the actual labour force (persons actively seeking work and persons employed) with growth of the employed population (i.e. growth of number of jobs). The considerable imbalance in the case of Palestine is illustrated in Table 9.

Table 9 summarizes intercensus growth of the working age population (WAP) of age 15 years and older and the labour force vis-à-vis growth of the number of employed persons (i.e. jobs). Differences in growth imply changes in numbers of unemployed persons. The numbers in the table exclude Palestinians residing in Jerusalem J1 as labour force status information was not collected from them. Results show that the working age population of age 15+ increased between 2007 and 2017 with 735 thousand of which 436 thousand entered the labour force and about 285 thousand found a job, leading to a job-shortage of about 151 thousand (i.e.  $436-285=151$  thousand). Consistent with earlier findings is that the increase of unemployment was highest in the youngest age group (15-29), in Gaza Strip, in Gaza governorate and in the refugee population. Apparently, all administrative areas faced a rise of unemployment, except in male populations of Ramallah & Al-Bireh and Jerusalem governorates where the increase in numbers of employed men was, respectively, 476 and 172 persons higher than the increase of the local male labour force.

**Table 9: Intercensus change in size of working-age population (WAP), labour force, employed- and unemployed persons**

Background Characteristics		Increase of WAP			Increase of labour force			Increase of jobs			Increase of unemployment		
		Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
<b>Age group</b>	<b>Total population</b>	374,060	361,106	<b>735,166</b>	329,400	107,089	<b>436,489</b>	241,041	43,661	<b>284,702</b>	88,359	63,428	<b>151,787</b>
	15-29	163,159	153,178	<b>316,337</b>	169,860	49,664	<b>219,524</b>	91,773	7,199	<b>98,972</b>	78,087	42,465	<b>120,552</b>
	30-64	191,644	191,303	<b>382,947</b>	157,414	57,277	<b>214,691</b>	147,394	36,356	<b>183,750</b>	10,020	20,921	<b>30,941</b>
	65+	19,257	16,625	<b>35,882</b>	2,126	148	<b>2,274</b>	1,874	106	<b>1,980</b>	252	42	<b>294</b>
<b>Region</b>	West Bank	208,244	198,132	<b>406,376</b>	197,963	49,495	<b>247,458</b>	186,816	34,381	<b>221,197</b>	11,147	15,114	<b>26,261</b>
	Gaza Strip	165,816	162,974	<b>328,790</b>	131,437	57,594	<b>189,031</b>	54,225	9,280	<b>63,505</b>	77,212	48,314	<b>125,526</b>
<b>Governorate</b>	Jenin	26,472	24,928	<b>51,400</b>	26,132	6,292	<b>32,424</b>	26,109	4,129	<b>30,238</b>	23	2,163	<b>2,186</b>
	Tubas & Northern Valleys	5,416	4,981	<b>10,397</b>	4,830	1,194	<b>6,024</b>	4,524	624	<b>5,148</b>	306	570	<b>876</b>
	Tulkarm	14,548	12,647	<b>27,195</b>	14,160	3,752	<b>17,912</b>	13,128	2,223	<b>15,351</b>	1,032	1,529	<b>2,561</b>
	Nablus	32,039	30,717	<b>62,756</b>	30,252	7,803	<b>38,055</b>	28,500	5,863	<b>34,363</b>	1,752	1,940	<b>3,692</b>
	Qalqiliya	8,866	8,183	<b>17,049</b>	8,127	1,269	<b>9,396</b>	7,171	851	<b>8,022</b>	956	418	<b>1,374</b>
	Salfit	6,134	5,686	<b>11,820</b>	5,862	1,660	<b>7,522</b>	5,543	1,046	<b>6,589</b>	319	614	<b>933</b>
	Ramallah & Al-Bireh	25,133	24,106	<b>49,239</b>	22,825	9,458	<b>32,283</b>	23,301	7,930	<b>31,231</b>	-476	1,528	<b>1,052</b>
	Jericho & Al Aghwar	3,700	3,669	<b>7,369</b>	2,899	480	<b>3,379</b>	2,541	296	<b>2,837</b>	358	184	<b>542</b>
	Jerusalem	4,066	4,118	<b>8,184</b>	3,997	1,727	<b>5,724</b>	4,169	1,324	<b>5,493</b>	-172	403	<b>231</b>
	Bethlehem	19,859	19,579	<b>39,438</b>	17,748	5,141	<b>22,889</b>	17,682	3,508	<b>21,190</b>	66	1,633	<b>1,699</b>
	Hebron	62,011	59,518	<b>121,529</b>	61,131	10,719	<b>71,850</b>	54,148	6,587	<b>60,735</b>	6,983	4,132	<b>11,115</b>
	North Gaza	34,707	33,767	<b>68,474</b>	27,703	11,601	<b>39,304</b>	15,504	2,442	<b>17,946</b>	12,199	9,159	<b>21,358</b>
	Gaza	55,916	54,082	<b>109,998</b>	43,391	13,795	<b>57,186</b>	21,483	3,032	<b>24,515</b>	21,908	10,763	<b>32,671</b>
	Dier al Balah	23,688	24,384	<b>48,072</b>	18,646	12,339	<b>30,985</b>	6,244	1,742	<b>7,986</b>	12,402	10,597	<b>22,999</b>
Khan Yunis	31,175	30,339	<b>61,514</b>	24,459	12,661	<b>37,120</b>	8,949	1,654	<b>10,603</b>	15,510	11,007	<b>26,517</b>	
Rafah	20,330	20,402	<b>40,732</b>	17,238	7,198	<b>24,436</b>	2,045	410	<b>2,455</b>	15,193	6,788	<b>21,981</b>	
<b>Refugee status</b>	Registered refugee	150,048	149,658	<b>299,706</b>	127,736	56,421	<b>184,157</b>	69,162	15,598	<b>84,760</b>	58,574	40,823	<b>99,397</b>
	Non-registered refugee	394	640	<b>1,034</b>	823	908	<b>1,731</b>	750	516	<b>1,266</b>	73	392	<b>465</b>
	Non-refugee	222,340	209,677	<b>432,017</b>	200,819	49,767	<b>250,586</b>	171,165	27,620	<b>198,785</b>	29,654	22,147	<b>51,801</b>

By taking labour force status information of the two census populations into account, the results for the total population in Table 9 can be decomposed to derive figures for male and female unemployed ever-workers and starters.

Table 10 reveals that that numbers of male unemployed ever-workers reduced with about 24 thousand persons, while numbers of female unemployed ever-workers increased with 4 thousand. In line with earlier findings regarding rise of unemployment rates starters on the labour market, we found that numbers of male starters more than doubled, while numbers of female unemployed starters increased fivefold. To conclude, while the share of unemployed starters in total unemployment was about 50% in 2007, this has increased to 79% in 2017. This indicates that the rise of unemployment has increasingly become a problem of persons without working-experience, such as young adult school-leavers, and in particular female starters in the labour market. Findings are consistent with figures in the bottom panel of Table 4.

**Table 10: Increase of numbers of unemployed ever-workers and -starters between, 2007, 2017**

Indicator	Men	Women	Total
Growth labour force	329,400	107,089	436,489
Growth jobs	241,041	43,661	284,702
Growth of unemployment	88,359	63,428	151,787
of which:			
- Growth Unemployed ever-workers	-24,447	4,515	-19,932
- Growth Unemployed starters	112,806	58,913	171,719

## Chapter Four

### **Economic sector characteristics and employment conditions**

From a sub-population of the labour force, i.e. employed persons and unemployed ever-workers of age 15 and above, also referred to as ever-employed persons or ever-workers, information is available about the kind of economic activities they are involved in, as well as about sector type, occupation, employment status, and workplace. This information permits us to also examine to what extent the ever-employed are exposed to unemployment and how exposure varies by economic activity, sector type, occupation and workplace. Results in previous chapters already showed that there are marked differences in living conditions of people living in Gaza Strip and the West Bank, including employment conditions, so we present results for men and women separate for each region.

Measurement of economic activities in the 2007 census was based on an earlier version of the ILO-ISIC coding system than in the 2017 census for which the ISIC 2008 Revision 4 version was used. To permit comparison of results of the two censuses, we recoded the 2007 response according to the coding system used in 2017. Consequently, the count of numbers of persons involved in broad 2007 ISIC economic activity-categories could not be broken down and allocated to the more refined ISIC coding system used to classify economic activities in 2017. The 2007 categories to which this applies are marked with a star (\*). Rounded percentages imply that 0 stands for zero or less than 0.5 percent.

#### **Economic sector characteristics of the ever-employed**

Table 11 shows the distribution of the labour force of men and women of age 15 years and over in the West Bank, Gaza strip and the whole country across economic sectors. We focus in this subsection on comparing the two regions with respect to whether region-specific ‘profiles’ in 2007 have changed during the intercensus period. For instance, the table shows that in 2007, 83 percent of the women in the West Bank labour force have been working in the tertiary sector (i.e. service sector) but that in 2017 this sector has become even more important to women for employment as the figure increased to 90 percent.

Regarding economic activity, in Gaza Strip, most men are involved in three activities: public administration & defence, construction, wholesale & retail & repair, in 2007 and in 2017. Minor involvement is in manufacturing, transport and agriculture & fishing. Over half of all working or work-seeking women are involved with work in the educational system. Minor areas are public administration and health & social work, in 2007 as well as in 2017. In the West Bank, we see a different pattern among men, as their main activities are in construction, wholesale & retail & repair, or in manufacturing. Women in the West Bank resemble those in Gaza strip in that their main area of work is in the educational system, health & social work and, increasingly in public administration. Although working in manufacturing was important to women in 2007 it has become less important in 2017.

In the table, primary sector activities comprise of agriculture & fishing, and mining activities. Secondary sector activities are manufacturing, electricity and water &

sewage activities while tertiary activities comprise all remaining activities. Results show that most men and women in particular work in tertiary sector activities, even more so in Gaza Strip than in the West Bank. While numbers of men involved in primary sector activities (agriculture, fishing) increased in the West Bank, numbers of women working in that sector declined in the intercensus period. In Gaza Strip numbers of men working in agriculture & fishing remained more or less the same or increased slightly, while numbers of women working in that sector declined.

**Table 11: Percentage distribution of ever-employed men and women in Palestine by economic characteristics and region, 2007, 2017**

Economic Characteristics		West Bank				Gaza Strip				State of Palestine			
		2007		2017		2007		2017		2007		2017	
		Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
	<b>Total persons</b>	<b>372,368</b>	<b>61,003</b>	<b>547,251</b>	<b>96,885</b>	<b>208,117</b>	<b>26,267</b>	<b>249,661</b>	<b>39,289</b>	<b>580,485</b>	<b>87,270</b>	<b>796,912</b>	<b>136,174</b>
Economic activity	Agriculture, fishing	7	5	5	2	7	1	6	0	7	4	6	2
	Mining	1	0	1	0	0	0	0	0	0	0	0	0
	Manufacturing	14	12	15	8	9	3	8	1	13	9	13	6
	Electricity	0	0	0	0	0	0	0	0	0	0	0	0
	Water, sewage	*	*	0	0	*	*	0	0	*	*	0	0
	Construction	27	0	31	1	12	0	10	0	22	0	24	0
	Wholesale, retail, repair	19	7	17	9	15	3	18	3	17	5	18	7
	Transportation, storage	6	1	5	0	6	1	7	0	6	1	5	0
	Accommodation, food	2	0	3	1	1	0	2	0	2	0	3	1
	Information, communication	*	*	1	2	*	*	1	2	*	*	1	2
	Financial and insurance	1	2	1	3	1	1	1	1	1	2	1	2
	Real-estate	2	3	0	0	1	1	0	0	2	3	0	0
	Professional, scientific, technical	*	*	2	4	*	*	1	2	*	*	2	3
	Administrative, support services	*	*	1	1	*	*	1	0	*	*	1	1
	Public administration, defence	10	9	9	13	32	16	27	14	18	11	14	13
	Education	6	42	4	38	7	51	7	51	6	44	5	42
	Health, social work	2	10	2	10	4	13	4	12	3	11	2	11
	Arts, entertainment	*	*	0	1	*	*	0	0	*	*	0	1
	Other services	2	7	2	6	2	8	4	8	2	7	3	6
	Private households	0	0	0	0	0	0	0	0	0	0	0	0
Extraterritorial organisations	1	1	0	1	1	2	2	4	1	2	1	2	

**Table 11 (cont.): Percentage distribution of ever-employed men and women in Palestine by economic characteristics and region, 2007, 2017**

Economic Characteristics		West Bank				Gaza Strip				State of Palestine			
		2007		2017		2007		2017		2007		2017	
		Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Economic-sector	Primary sector	8	5	6	2	7	1	7	0	7	4	6	2
	Secondary sector	15	12	15	8	10	3	8	2	13	9	13	6
	Tertiary sector	77	83	79	90	83	96	85	98	80	86	81	92
Sector type	National private (indoor)	42	45	44	55	31	21	37	31	38	38	42	48
	National private (outdoor)	21	5	18	5	16	1	24	2	19	4	20	4
	Foreign private (indoor)	8	3	14	4	3	1	1	2	6	2	10	3
	Foreign private (outdoor)	12	1	12	1	5	0	1	0	10	1	8	0
	National government	16	38	11	31	40	48	33	40	24	41	18	34
	Foreign government	0	1	0	0	0	0	0	0	0	0	0	0
	Non-profit organization	0	4	0	2	2	8	1	5	1	5	0	3
	UNRWA	1	3	0	2	3	21	3	21	2	9	1	7
	International organization	0	1	0	0	0	1	0	1	0	1	0	0
Occupation	Legislators	3	4	7	6	2	4	4	5	3	4	6	6
	Professionals	9	38	12	48	13	57	25	64	10	44	16	52
	Technicians	5	18	5	14	10	25	7	14	7	20	5	14
	Clerks	2	8	1	7	2	3	2	6	2	7	1	7
	Service & sales workers	20	10	15	13	29	5	23	6	23	9	18	11
	Agriculture: skilled workers	4	4	2	1	2	1	2	0	3	3	2	1
	Craft workers	26	11	27	5	17	3	15	1	23	8	23	4
	Plant, Machine operators	9	1	7	1	7	0	8	0	8	0	7	0
	Elementary occupations	22	6	24	6	18	3	16	3	21	5	22	5
Employment status	Employer	11	3	11	4	7	1	6	2	9	2	9	3
	Self-employed	16	6	18	7	13	3	17	3	15	5	18	6
	Regular wage employee	47	80	49	80	60	89	50	82	52	82	49	80
	Irregular wage employee	25	8	20	8	19	6	26	13	23	7	22	9
	Unpaid family member	2	4	2	2	1	1	2	0	1	3	2	1



**Table 11 (cont.): Percentage distribution of ever-employed men and women in Palestine by economic characteristics and region, 2007, 2017**

Economic Characteristics		West Bank				Gaza Strip				State of Palestine			
		2007		2017		2007		2017		2007		2017	
		Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Workplace	Home	1	4	2	4	2	3	2	2	2	4	2	3
	Same locality	34	42	26	32	33	37	34	35	34	40	28	33
	Same governorate	34	45	38	54	38	40	46	44	35	44	41	51
	Other governorate	10	6	10	8	18	19	17	18	13	10	12	11
	In Israel	16	1	20	1	8	0	0	0	13	1	14	1
	In settlement	3	0	3	0	0	0	0	0	2	0	2	0
	Abroad	2	1	1	0	1	1	0	0	1	1	1	0

Note: \* = not available, not yet a distinct ISIC category in 2007, 0= zero or less than 0.5

Regarding sector type, most men and women in the West Bank work indoor in national private institutions. Working outdoors in national private institutions is important to men, but not to women. Working for the national government is another important sector type, even more so to the West Bank women. In Gaza Strip the situation is quite different. In Gaza strip, most men and women work for the National Government, followed by working indoor for national private institutions. Women rarely work in outdoor contexts.

Regarding occupation, the situation in the West Bank is different than in Gaza, and also between men and women. Men in the West Bank are mainly craftsmen, work in elementary occupations or in services & sales, in 2007 as well as in 2017. Women work in occupations requiring higher levels of education, and thus work as professionals or as technicians, and, though less often, in service & sales.

Regarding employment status, in both regions men work mostly as regular or irregular wage employee, while most women work as regular wage employee only. Gaza Strip saw an increase in women working as irregular wage employee.

Regarding workplace, in both regions, the majority of men and women work the same locality or governorate where they reside. The percentage of the West Bank men working in Israel increased from 16 in 2007 to 20 percent in 2017, but the situation is quite different in Gaza Strip as previously 8 percent of the men worked in Israel, by 2017 there were no men working in Israel anymore. Compared to the West Bank, Gaza Strip women work relatively more often in another governorate. This may relate to the close proximity of other governorates in Gaza Strip.

### **Economic sector characteristics and the unemployed**

Table 12 uses the same reference population as Table 11 and presents ever-worker unemployment rates. Although our focus is on regional differences, we also included figures for the country as a whole. Unemployed starters are excluded because, without working experience, they lack reference points in economic sectors. Therefore, the ever-worker rate, a percentage, is defined differently from the one presented in previous sections as the denominator only comprises employed persons and unemployed ever-workers. Therefore, rates must only be used for comparisons within the context of Table 12.

Overlooking the results of Table 12 some general patterns can be detected. First, regarding the six (row) variables characterising the economic sector, unemployment rates of ever-workers in Gaza Strip are invariably (much) higher than in the West Bank. Second, while ever-worker rates of men have declined in both regions, those of women have increased in both regions. Third, though less consistent, unemployment rates of female ever-workers are mostly higher than rates of men are. A more specific finding drawing attention is that occupational job status is inversely related to unemployment, and is most pronounced and best visible among men in Gaza Strip, and in both census years.

Legislators, professionals and technicians experienced much lower unemployment rates, in both census years, than persons with occupations as skilled agricultural workers, craftsmen, plant- and machine workers, and persons with an elementary occupation such as cleaning, property watching, collecting garbage, simple farming & fishing, packing by hand, driving animal-drawn vehicles or machinery.

Another finding that draws attention is that unemployment rates of men and women in the West Bank working in Israel or in settlement areas have declined between 2007 and 2017.

**Table 12: Unemployment rates of ever-employed men and women in Palestine by economic characteristics and region, 2007, 2017**

Economic Characteristics		West Bank				Gaza Strip				State of Palestine			
		2007		2017		2007		2017		2007		2017	
		Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Economic activity	Agriculture, fishing	7	3	6	2	40	10	27	42	19	3	13	5
	Mining	6	0	3	0	44	0	30	0	6	0	5	0
	Manufacturing	4	4	3	5	53	32	24	23	17	6	7	6
	Electricity	3	4	1	5	6	12	3	13	4	8	2	7
	Water, sewage	*	*	3	2	*	*	14	39	*	*	6	12
	Construction	13	5	6	12	78	32	43	35	26	11	11	15
	Wholesale, retail, repair	3	3	2	4	16	9	12	13	7	4	5	5
	Transportation, storage	4	4	3	11	20	9	18	10	10	5	9	11
	Accommodation, food	6	4	5	5	20	4	16	14	9	4	7	5
	Information, communication	*	*	4	7	0	0	8	20	*	*	5	11
	Financial and insurance	2	3	2	3	6	9	5	7	3	4	3	4
	Real-estate	4	6	3	7	15	16	9	80	6	8	4	9
	Professional, scientific, technical	*	*	3	8	*	*	11	25	*	*	5	10
	Administrative, support services	*	*	5	6	*	*	16	19	*	*	7	7
	Public administration, defence	1	2	1	2	2	3	3	8	2	2	2	4
	Education	1	2	1	4	4	5	7	12	2	3	3	7
	Health, social work	2	3	1	4	3	4	7	13	2	3	4	7
	Arts, entertainment	*	*	5	8	*	*	17	32	*	*	9	11
	Other services	3	5	2	7	13	11	14	23	6	7	8	13
	Private households	15	4	8	5	15	0	13	18	15	4	10	7
Extraterritorial organisations	6	5	3	7	14	14	22	35	10	8	15	24	
Economic sector	Primary sector	7	3	5	2	40	10	27	42	18	3	13	5
	Secondary sector	4	4	3	5	51	30	23	23	17	7	7	6
	Tertiary sector	6	3	4	4	18	6	13	14	11	4	7	7
Sector type	National private (indoor)	4	4	3	5	26	11	16	17	10	5	7	7
	National private (outdoor)	9	4	6	4	39	16	27	17	18	5	14	6

**Table 12 (cont.): Unemployment rates of ever-employed men and women in Palestine by economic characteristics and region, 2007, 2017**

Economic Characteristics		West Bank				Gaza Strip				State of Palestine			
		2007		2017		2007		2017		2007		2017	
		Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
	Foreign private (indoor)	8	4	4	5	80	25	29	27	22	7	5	8
	Foreign private (outdoor)	12	6	6	4	89	69	45	25	26	12	7	5
	National government	1	2	1	3	2	2	3	8	1	2	2	5
	Foreign government	6	6	4	6	66	42	30	17	21	13	8	8
	Non-profit organization	2	3	2	6	6	10	14	26	4	6	10	17
	UNRWA	4	4	1	5	8	8	18	18	7	7	15	16
	International organization	18	9	2	7	26	8	17	26	21	9	12	18
Occupation	Legislators	1	1	2	2	5	2	9	5	2	1	3	2
	Professionals	2	3	1	4	5	5	4	13	3	4	3	7
	Technicians	3	3	2	5	4	6	8	17	4	4	4	9
	Clerks	2	4	2	6	5	7	11	22	3	5	6	10
	Service & sales workers	2	3	2	5	6	8	9	15	4	4	5	6
	Agriculture: skilled workers	5	2	4	1	22	2	18	9	8	2	8	1
	Craft workers	8	4	5	5	53	32	31	28	20	7	10	7
	Plant, Machine operators	4	4	3	6	23	21	16	17	10	5	7	7
	Elementary occupations	11	3	6	3	50	13	28	29	23	5	11	7
Employment status	Employer	2	1	1	2	16	3	10	4	6	2	3	2
	Self-employed	5	3	4	3	23	10	19	10	10	5	8	4
	Regular wage employee	3	2	2	4	12	5	6	12	7	3	3	6
	Irregular wage employee	13	8	9	15	57	22	31	34	26	12	17	22
	Unpaid family member	4	1	3	2	16	2	11	6	7	1	5	2
Workplace	Home	2	3	2	3	14	8	8	8	8	4	5	4
	Same locality	5	3	4	4	18	7	16	14	9	4	9	7
	Same governorate	5	3	3	4	17	6	16	15	10	4	8	7
	Other governorate	4	4	3	6	11	5	8	14	7	5	5	10
	In Israel	11	5	5	3	90	86	91	0	29	8	6	3
	In settlement	8	3	5	1	91	100	61	0	12	4	5	1
	Abroad	6	16	7	25	47	59	28	48	15	30	9	29

Note:\*=not available, not yet a distinct ISIC category in 2007, 0=zero or less than 0.5

Apparently, it has become easier for those in the West Bank to find work in Israel. Table 11 shows that this is certainly not the case for unemployed ever-workers in Gaza Strip. For such persons employment in Israel has apparently become more difficult during the intercensus period or even impossible as indicated by the very high male ever-worker unemployment rates (91%). The zero-figure for women means that only a few women or none at all worked in Israel.

### **Employment contract and secondary employment benefits**

Having a job for income acquisition is important, but contractual conditions and access to secondary employment benefits is also important. The results in this chapter show that many wage-workers in Palestine do their work without a formal written contract and do not have access to particular secondary employment benefits, such as participation in pension fund in which the employer financially contributes to an employee's pension-savings, employer-paid annual leave, -sick-leave and -maternity leave. For the first time, the 2017 Palestine census included questions about these characteristics. They were posed to persons indicating that they work as a regular or irregular wage employee.

While Table 11 indicates that, overall, the population's labour force status distribution of the West Bank does not differ much from the one of Gaza Strip, Table 12a shows that the two regions are quite different when it comes to employment contract- practices and access to secondary employment benefits.

Regarding type of employment contract, Table 12a shows that, in both regions, most male irregular wage workers do their work without any form of contract or, at most, a verbal agreement. However, among women some form of contract is much more common, in particular among female irregular wage-workers in Gaza Strip. There, a large share (43%) of such women do irregular work backed-up by a written contract. This may be related to the regional differences in level of educational attainment of women and the concomitant type of occupations they have.

A closer look at the census data for the sub-population of female irregular wage workers reveals that in the West Bank about 50% of such women have a secondary or lower level of education, while in Gaza Strip about 80% of such women have an intermediate or bachelor+ level of education. Furthermore, there are regional differences in the economic domains in which such women work. In Gaza Strip only 3% percent are involved in agriculture or manufacturing, this is 22% in the West Bank. While 68% of such women in Gaza Strip work in education, health or social work while this is only 38% in the West Bank. Overall, such women in the West Bank are involved in a larger variety of economic activities than those in Gaza Strip.<sup>3</sup>

Associated with differences in educational attainment level, female irregular wage workers in the West Bank more often (31%) are involved in lower-status occupations (e.g. crafts, elementary occupations) than such women in Gaza Strip (6%) are. In fact, most female irregular wage workers in Gaza Strip (69%) are employed as professionals and technicians while a substantial part (12%) is employed by the United Nations (UNRWA). In the West Bank, less than 1% of female irregular wage employees work for UNRWA. It is reasonable to expect that female irregular wage workers with a low level of education attainment, working in low-status occupations in primary or secondary sector activities are more likely to work based on verbal agreement or no formal contract, than female irregular wage workers with a high educational attainment level and with higher status occupations working in tertiary sector activities. The latter are more likely to work based on formal written contracts.

**Table 12a: Employment contract practices and access to secondary employment benefits among ever-employed persons in Palestine by region, 2017**

2017		West Bank				Gaza Strip				State of Palestine			
		Men		Women		Men		Women		Men		Women	
		Regular	Irregular	Regular	Irregular	Regular	Irregular	Regular	Irregular	Regular	Irregular	Regular	Irregular
Contract type	<b>Total Persons</b>	<b>276,866</b>	<b>114,121</b>	<b>78,244</b>	<b>7,716</b>	<b>125,912</b>	<b>64,707</b>	<b>32,549</b>	<b>4,991</b>	<b>402,778</b>	<b>178,828</b>	<b>110,793</b>	<b>12,707</b>
	Written, limited period	10	2	20	17	15	5	29	43	11	3	23	27
	Written, unlimited period	24	1	42	6	66	2	61	9	37	2	48	7
	Verbal agreement	15	15	7	16	6	21	3	13	13	17	6	15
	No contract	50	82	30	61	13	71	7	35	39	78	23	51
Secondary employment benefits	Pension fund	44	5	66	10	72	2	69	7	53	4	67	9
	Annual leave	43	3	70	11	74	2	73	10	53	3	70	11
	Sick leave	44	3	72	13	76	3	75	13	54	3	73	13
	Maternity leave	n.a.	n.a.	70	12	n.a.	n.a.	73	10	n.a.	n.a.	70	11

n.a.=not applicable

Contrary to male regular wage workers in Gaza Strip, such men in the West Bank are mostly employed without any contract or on the basis of a verbal agreement. The above reasoning to explain regional differences between female irregular wage workers also seems to apply to explain regional differences between male regular wage workers in Table 12a. More specifically, educational attainment level of 49% of such men in the West Bank is at the preparatory level or below, while in Gaza Strip this is only 30%. While in the West Bank about 26% of those men have attained a bachelor level or higher, this is 42% in Gaza Strip. Thus, such men in Gaza strip are generally better educated than in the West Bank. Not surprisingly, relatively more of such men work in the West Bank work in lower status occupations than such men in Gaza Strip do.

More explicitly, in the West Bank, about 54% of male regular wage workers are employed in elementary type of occupations such as in crafts, repair, machine operators, taxi-drivers, etc., while in Gaza Strip this is only 16%. Furthermore, there are regional differences in the type of economic activities such type of men are involved. In the West Bank they are more often occupied in primary or secondary sector activities, whereas in Gaza Strip it is mostly in tertiary sector activities. The data show that in the West Bank most (52%) male regular wage-workers are employed in construction, manufacturing, and whole sale activities. In Gaza Strip this is 13% only. There, most of such men work in public administration activities (53%) or in education-related activities (13%) and almost two-thirds (64%) work for the national or local government institutions whereas this is only 22% in the West Bank. There, most of these men (43%) work for national private institutions where different contract practices prevail as we will show later, in Table 12c.

Table 12 indicates that about one in five ever-workers in the West Bank works in Israel. A closer look at the underlying data of Table 12a reveals that Palestine regular wage workers employed in Israel mostly work based on a verbal contract (25%) or no contract (62%).

Regarding secondary employment benefits, Table 12a shows that, overall, such benefits rarely apply to irregular wage workers. However, we may not conclude from this that irregular wage workers are excluded from such benefits because access to benefits may be related to employment contract-type. Table 12b provides insight into this matter. It confirms, first and foremost, that persons enjoying secondary employment benefits are much more often found among regular wage workers than among irregular wage workers, and, that having a written contract for an unlimited period is the best ticket for access to secondary employment benefits. However, the table also shows that irregular wage-worker are certainly not excluded from access to such benefits but that those whose employment situation is backed up by a formal written contract, preferably a contract for an unlimited period, are most likely to have access to secondary employment benefits.

**Table 12b: Percentage of regular and irregular wage workers in Palestine in 2017 with access to secondary employment benefits according to employment contract-type**

2017		Pension fund	Annual leave	Sick leave	Maternity leave
<b>Regular</b>	Written, limited period	56	61	64	55
	Written, unlimited period	92	92	93	94
	Verbal agreement	22	20	21	24
	No contract	27	27	28	50
<b>Irregular</b>	Written, limited period	15	18	22	16
	Written, unlimited period	44	45	46	54
	Verbal agreement	4	3	3	4
	No contract	2	1	2	4

From table 12a we learned that the majority of wage-workers are *regular* wage workers. We now focus in more detail on this particular group to examine whether contractual practices and access to secondary employment benefits varies and depends on the type of occupation a person's has and on the economic sector type in which persons are working. Table 12c present figures pertaining to latest census year.



**Table 12c: Percentage of male (M) and female (F) regular wage-workers in different occupations and sectors according to employment contract-type and access to secondary employment benefits, 2017**

Economy Characteristics		Sex	Total persons	Type of employment contract				Secondary employment benefits			
				Written, limited period	Written, unlimited period	Verbal contract	No contract	Pension fund	Annual leave	Sick leave	Maternity leave
Occupation	Legislators	M	15,623	14	63	3	20	85	87	88	*
		F	5,731	16	63	3	18	86	89	90	89
		Total	21,354	15	63	3	19	85	88	89	*
	Professionals	M	115,959	15	65	2	17	85	86	88	*
		F	63,913	23	54	4	19	76	78	81	79
		Total	179,872	18	61	3	18	82	83	85	*
	Technicians	M	32,859	18	56	5	21	74	77	78	*
		F	16,792	26	49	5	20	68	73	76	72
		Total	49,651	21	54	5	20	72	76	78	72
	Clerks	M	9,014	24	50	5	21	67	71	73	*
		F	8,002	41	34	6	19	49	55	59	53
		Total	17,016	32	42	5	20	59	63	66	*
	Services & sales	M	56,790	9	35	15	40	45	46	49	*
		F	6,515	11	17	23	50	24	28	31	26
		Total	63,305	9	33	16	41	43	44	47	*
	Agriculture: skilled work	M	135	7	7	20	66	15	11	13	*
		F	4	25	0	25	50	0	0	0	0
		Total	139	8	6	20	65	14	11	12	*
	Crafts workers	M	66,251	6	8	24	62	23	20	18	*
		F	2,515	5	7	25	63	13	12	13	11
		Total	68,766	6	8	24	62	22	20	18	*
Plant, machine operators	M	19,430	7	19	22	52	27	28	30	*	
	F	394	9	25	22	43	34	37	36	31	
	Total	19,824	7	19	22	52	27	28	30	*	
Elementary occupations	M	82,823	9	13	20	59	27	24	25	*	
	F	5,422	19	33	10	38	50	53	55	52	
	Total	88,245	9	14	19	58	28	26	26	*	

**Table 12c (cont.): Percentage of male (M) and female (F) regular wage-workers in different occupations and sectors according to employment contract-type and access to secondary employment benefits, 2017**

Economy Characteristics		Sex	Total persons	Type of employment contract				Secondary employment benefits			
				Written, limited period	Written, unlimited period	Verbal contract	No contract	Pension fund	Annual leave	Sick leave	Maternity leave
Sector type	National private (indoor)	M	<b>147,762</b>	11	22	18	49	32	34	36	*
		F	<b>47,141</b>	23	33	12	32	50	54	58	54
		Total	<b>194,903</b>	14	25	16	45	36	39	41	*
	National private (outdoor)	M	<b>23,380</b>	5	8	22	64	13	13	15	*
		F	<b>2,118</b>	22	23	13	42	38	42	45	42
		Total	<b>25,498</b>	6	9	22	63	15	16	18	*
	Foreign private (indoor)	M	<b>51,953</b>	10	11	23	55	38	32	29	*
		F	<b>3,693</b>	29	43	6	23	67	70	72	69
		Total	<b>55,646</b>	11	13	22	53	40	34	32	*
	Foreign private (outdoor)	M	<b>23,172</b>	7	5	21	68	23	20	15	*
		F	<b>393</b>	26	31	9	34	55	57	59	55
		Total	<b>23,565</b>	7	5	21	67	24	20	16	*
	National/Local government	M	<b>142,272</b>	12	71	1	15	91	91	92	*
		F	<b>44,438</b>	20	61	1	18	86	88	89	88
		Total	<b>186,710</b>	14	69	1	16	89	90	92	*
	Foreign government	M	<b>1,738</b>	20	29	11	40	53	51	51	*
		F	<b>445</b>	32	46	2	20	75	77	80	77
		Total	<b>2,183</b>	22	32	9	36	57	56	57	*
	Non-profit organization or cooperative association	M	<b>3,153</b>	34	49	4	13	58	65	68	*
		F	<b>2,995</b>	40	39	6	15	50	58	63	58
		Total	<b>6,148</b>	37	44	5	14	54	61	65	*
	UNRWA	M	<b>8,506</b>	30	64	0	5	77	78	79	*
		F	<b>9,004</b>	27	68	0	4	80	81	82	81
		Total	<b>17,510</b>	29	66	0	5	78	80	80	*
	International organization	M	<b>842</b>	49	44	1	5	67	77	79	*
		F	<b>566</b>	49	44	1	7	64	74	76	73
		Total	<b>1,408</b>	49	44	1	6	66	76	78	*

Note: \* = not applicable, 0= zero or less than 0.5%

The list of occupations in Table 12c can be interpreted as a kind of occupational status listing, from high to low status. Results show that employment of regular wage workers with a higher status occupation is much more often sealed with a written contract and, notably, with a contract for an unlimited period. Persons with lower status occupations are more often recruited based on a verbal contract or none at all.

Consistent with results presented in Table 12b is that persons with a higher occupational status have more often also access to secondary employment benefits than those in lower status jobs. There are some differences between men and women though. In case of a written contract, women with higher status occupations are more often recruited for a limited period, while men are more often hired based on a contract for an unlimited period. However, it is the opposite in lower status occupations: women are more often employed based on a written contract for an unlimited period than men are. The data do not provide clues as to why this is so.

In general, persons working in higher ranking occupations have much more often access to the listed secondary employment benefits than those working in bottom rank occupations. However, women working in a bottom-rank occupation have more often access to such benefits than men do. This may be due to the fact that women in those occupations more often work based on some form of written contract than men do, while a written contract more often provides access to secondary employment benefits.

A written contract is the most common practice for regular wage workers employed by the national government, local authorities and by international organizations, including UNRWA. In the former two organisations men are more often employed based on a written contract for unlimited period, while relatively more women are employed based on a written contract for a limited period. Still about 18% of men and women in these institutions are employed without contract or explicit verbal agreement. In international organisations the situation is more 'gender neutral' as there are hardly differences between men and women regarding employment contract-type. Furthermore, such organizations rarely employ people based on a verbal agreement or without contract.

Working for private institutions, whether national or international, is much more often associated with working without a written contract. In fact, working without any form of formal contract or (verbal) agreement seems to be the norm, in particular for male regular wage-workers. Women are much more often recruited by those institutions based on a written contract, which probably relates to the fact that such women are most probably well-educated women capable of working in higher status occupations, more so than the men working in those institutions. Secondary employment benefits are less often enjoyed by regular wage workers in private institutions than those working for national, local government institutions or for international organizations. The fact that women have more often access to such benefits than men probably relates to them being much more often employed based on a written contract than men.



## Chapter Five

**Characteristics of persons employed in the primary sector**

Table 13 compares characteristics of persons in the three main sectors of the economy. The primary sector comprises the economic activities of agriculture and fishing, mining and quarrying. As workers in mining and quarrying are very small, the primary sector mainly stands for agriculture and fishing in Palestine. As mentioned before, the codes available do not permit to differentiate between agriculture and fishing.

The results in Table 13 for the West Bank and Gaza Strip reveal certain differences but also some common features. We focus on the situation in 2017, as figures for 2007 are, by and large, similar.

In both regions the number of ever-employed persons in the primary sector is small as compared to the tertiary sector, both in the West Bank and Gaza Strip regions. In both regions numbers of men working in the primary sector increased: from about 27 thousand to 31 thousand in the West Bank, and from about 15 thousand to 16 thousand in Gaza strip. Numbers of women working in that sector, already very few in 2007, decreased considerably, notably in Gaza Strip. There, the number of women working in agriculture or fishing related activities decreased from 310 to 135. Compared to the situation in the West Bank, there are relatively fewer working women in Gaza Strip who are occupied in primary or secondary sector activities.

Results show that *age-distributions* of men and women working in the three sectors in both regions are similar, though women working in the primary sector are mostly older than men. It may be so that, compared to young men, the primary sector is less attractive to women for work, or they face cultural restrictions to work in this male-dominated sector. Younger generations of working women are generally much better educated than older generations and have attained intermediate to high levels of educational attainment. Work in the primary sector generally requires a relatively low level of general educational attainment but high level of vocational skills and a physically strong body. We found in earlier chapters that working women and work-seeking women generally have a high educational attainment level and their focus is more on service sector work such as work in the education-, health- and care sectors, or in public administration.

In both regions, the results clearly show an *educational attainment* gradient. Persons working in the primary sector generally have lowest levels of educational attainment, somewhat higher levels among persons working in the secondary sector, and even higher attainment levels are observed among those working in the tertiary sector. As was noted before, working women in both regions mostly have high levels of educational attainment, and those working in the tertiary sector predominantly have a bachelor level or higher, in both regions.

Although there is no reason to a priori expect differences between people working in different sectors regarding their *marital status*, differences apparently do exist. More specifically, women working in the secondary sector (e.g. manufacturing) are more often never married, in both regions, compared to women working in the other

sectors. Possibly these are young women in factory worker-groups doing similar type of work.

Regarding refugee status, in the West Bank, there is, overall, not much difference between workers in the three sectors. The majority is non-refugee, while in Gaza Strip the majority has the refugee-status.

**Table 13: Profile of the labour force in Palestine by background characteristics and region, 2017**

Background Characteristics	West Bank						Gaza Strip						State of Palestine					
	Primary sector		Secondary sector		Tertiary sector		Primary sector		Secondary sector		Tertiary sector		Primary sector		Secondary sector		Tertiary sector	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
<b>Total persons</b>	<b>32,389</b>	<b>2,130</b>	<b>84,253</b>	<b>7,760</b>	<b>430,612</b>	<b>86,996</b>	<b>16,262</b>	<b>135</b>	<b>21,210</b>	<b>606</b>	<b>212,189</b>	<b>38,548</b>	<b>48,651</b>	<b>2,265</b>	<b>105,463</b>	<b>8,366</b>	<b>642,801</b>	<b>125,544</b>
<b>Age Group</b>																		
15-17	5	2	4	1	2	0	2	0	2	0	1	0	4	2	4	1	2	0
18-19	6	2	6	2	4	1	4	0	3	1	2	0	5	2	5	2	3	0
20-24	16	5	19	11	15	12	18	2	17	11	11	7	17	5	19	11	13	10
25-29	13	7	18	15	18	20	22	11	20	15	18	19	16	7	18	15	18	20
30-54	49	65	47	63	54	63	48	71	53	63	63	69	49	66	48	63	57	65
55-59	5	10	4	6	5	4	3	8	3	6	4	4	5	10	4	6	5	4
60-64	3	5	2	2	2	1	1	7	1	2	1	1	2	5	1	2	2	1
65+	2	4	1	1	1	1	1	1	0	1	1	0	2	3	1	1	1	0
<b>Educational Attainment</b>																		
Illiterate	2	12	0	2	0	0	2	10	1	1	0	0	2	12	1	2	0	0
Can read and write	11	21	5	9	5	1	10	13	7	4	4	0	11	20	5	8	4	1
Elementary	24	28	18	18	15	3	23	21	19	11	11	1	24	28	18	17	13	2
Preparatory	38	28	42	31	34	8	42	26	38	25	27	3	39	27	41	30	32	6
Secondary	16	8	21	14	19	7	15	16	19	19	19	5	16	8	21	14	19	7
Intermediate diploma	3	1	5	7	6	13	4	4	7	11	8	15	3	2	5	7	7	14
Bachelor	6	2	8	18	18	59	5	10	9	26	25	68	5	3	8	19	20	62
Higher diploma, Masters, PhD	0	0	1	1	3	8	0	1	1	2	4	7	0	0	1	1	4	8
<b>Marital Status</b>																		
Married	70	68	67	38	74	67	78	80	80	58	87	73	73	69	69	40	78	69
Never married	29	22	33	51	25	27	21	9	19	33	13	21	27	21	30	50	21	25
Divorced, Separated, Widowed	1	10	1	11	1	6	1	11	1	9	1	6	1	10	1	11	1	6

**Table 13 (cont.): Profile of the labour force in Palestine by background characteristics and region, 2017**

Background Characteristics	West Bank						Gaza Strip						State of Palestine					
	Primary sector		Secondary sector		Tertiary sector		Primary sector		Secondary sector		Tertiary sector		Primary sector		Secondary sector		Tertiary sector	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
<b>Refugee Status</b>																		
Registered refugee	21	33	23	27	25	29	46	73	59	67	65	76	30	35	30	30	38	43
Non-registered refugee	1	2	1	1	1	2	1	2	0	0	0	0	1	2	1	1	1	1
Non-refugee	77	65	76	72	74	70	53	24	41	32	35	23	69	63	69	69	61	55
<b>Labour force status</b>																		
Employed	95	98	97	95	96	96	73	58	77	77	87	86	87	95	93	94	93	93
Unemployed ever-worked	5	2	3	5	4	4	27	42	23	23	13	14	13	5	7	6	7	7
<b>Employment type</b>																		
Employer	11	2	12	6	10	4	5	1	9	7	5	2	9	2	12	6	9	3
Self-employed	27	21	12	14	19	6	20	7	15	33	17	3	24	21	12	15	18	5
Regular wage employee	26	18	54	59	50	83	6	41	29	38	55	83	19	19	49	58	52	83
Irregular wage employee	29	16	20	18	19	7	64	33	44	19	21	12	41	17	24	18	20	8
Unpaid family member	7	42	2	3	1	1	5	18	4	3	2	0	6	41	3	3	2	1



Table 13 shows that, in Gaza Strip, (male) refugees in the primary sector are underrepresented, whereas in the other two sectors refugee status distributions are similar to the one in the general population. An explanation might be that in Gaza Strip many people with a refugee status came from outside Gaza Strip and may live in refugee camps and less likely to own agricultural land (e.g. UNRWA, 2019).

Regarding labour force status, almost all persons of the reference population of age 15 and older in the West Bank region were employed at the time of the census, in all three sectors, and there is (thus) little difference in ever-worker unemployment rates between the three sectors. This is much different in Gaza strip region. There, those associated with primary and secondary sector work are much more often unemployed ever-workers as compared to persons working in the tertiary sector.

Last, with respect to employment type, persons working in the primary sector are much more often employer or are self-employed than in the other sectors. Probably this is related to seasonal fluctuations in labour demand in the agricultural sector so that a large share of numbers of persons working in that sector are irregular wage workers instead of regular wage worker such as in the other sectors. In both regions, women occupied in the primary sector very often work as Unpaid family memberers. Conversely, women working in the tertiary sector mostly work as regular wage worker.



## Chapter Six

**Demographic, socioeconomic, and spatial correlates of unemployment**

In the previous chapters we use descriptive methods to show that people with different background characteristics tend to have different unemployment rates. In this chapter, we take on a multivariate approach to integrate and synthesize these findings. In this chapter we examine how relevant each of these background characteristics is, relative to the other characteristics, in explaining the observed variation in unemployment across the territory.

We use the method of logistic regression and the study population is the labour force 15-64 years old. Persons of age 65+ are excluded because retirement (i.e. status of economic inactive) rather employment-seeking is the focus of most of these persons. Determinants of unemployment among the relatively few 65+ year old persons may be quite different than those in age-groups below age 65.

The dependent variable is a dichotomous variable that can take on two values only: 1 (being unemployed) or 0 (being employed). Gender, age, marital status, refugee status, educational attainment, type of place of residence, governorate of residence and census year are the independent variables for which we examine how important they are in ‘predicting’ or ‘explaining’ observed variation in unemployment. More specifically, we derive so-called odds-ratios for each category of all of these variables, except for one category, which is chosen as the reference category. The odds-ratio for the reference category of a particular variable is set to 1. Odds-ratios for the other categories of that variable can be larger or smaller than 1, and convey to what extent the odds of unemployment in these other categories differ from the odds of unemployment of members in the reference category. For instance, the odds ratio of 1.6 for women (Table 14, first row, under gross) conveys that the odds of unemployment among women is 1.6 times higher than among men. Another example is the odds-ratio of 21.0 for Rafah in the bottom of the table (last column, 2017, model 2), which conveys that the odds of unemployment of people in Rafah governorate is 21 times higher than in Ramallah & Al-Bireh governorate.

In Table 14 we make a distinction between gross and net odds-ratios. Gross odds-ratio convey what the odds of unemployment are of members of a particular category (e.g. women) relative to the odds of unemployment of people in the reference group or -category, without taking into account that members of the two groups may differ regarding educational attainment, age, place of residence, etc. Net odds-ratios convey what the odds of unemployment is of persons with a particular characteristics, compared to the reference group, with taking account of differences between the two groups in terms of the other characteristics in the model. In general, it is better to base policies on conclusions from net odd ratios than on gross odds ratios. Gross odds-ratio act as benchmark for comparing size and direction (larger or smaller than 1) of net odds-ratios. It helps to study how an effect changes if more information is factored in.

For instance, the 1.6 odds ratio suggest that women are at a disadvantage. However, (hypothetically) if all women would be illiterate and all men would have a university degree, one would be tempted to draw wrong conclusions from that gross odds-ratio

for policies. The gross odds-ratio would direct towards a gender equality policy but that may not be the most effective policy (only indirectly it could be effective too). However, a well-designed education policy including various measures stimulating participation of women in higher education and vocational skills training (including steps to ‘modernize’ Palestine gender ideology, including involvement of men) would probably be more effective.

**Table 14: Odds of unemployment of persons with particular socio demographic and spatial characteristics compared to the odds of unemployment of persons in reference category**

Reference category		Gross	Net					
			Pooled years		2007		2017	
			Model 1	Model 2	Model 1	Model 2	Model 1	Model 2
Men 50-64	Women	1.6 **	1.9 **	2.3 **	1.1 **	1.3 **	2.5 **	3.1 **
	15-17	3.7 **	4.3 **	4.0 **	2.5 **	2.2 **	5.9 **	5.8 **
	18-19	3.1 **	3.8 **	3.4 **	2.4 **	2.1 **	5.0 **	4.5 **
	20-24	2.5 **	2.9 **	2.5 **	1.7 **	1.4 **	4.2 **	3.5 **
	25-29	1.2 **	2.0 **	1.8 **	1.0 <b>n.s.</b>	0.9 **	3.0 **	2.6 **
	30-39	0.5 **	1.1 **	1.0 *	0.8 **	0.7 **	1.5 **	1.2 **
	40-49	0.4 **	0.9 **	0.9 **	0.9 **	0.9 **	0.9 **	0.8 **
Non-refugee	Registered refugee	2.0 **	2.2 **	1.1 **	1.7 **	1.1 **	2.6 **	1.1 **
	Non-registered refugee	0.8 **	1.1 **	1.1 **	1.1 **	1.1 **	1.0 <b>n.s.</b>	1.2 **
Bachelor and higher	Illiterate or can read and write	1.4 **	2.5 **	3.0 **	2.9 **	3.4 **	2.5 **	2.9 **
	Elementary	1.1 **	1.7 **	2.2 **	2.1 **	2.7 **	1.6 **	1.9 **
	Preparatory	1.1 **	1.3 **	1.6 **	1.6 **	2.1 **	1.3 **	1.5 **
	Secondary	0.9 **	1.2 **	1.3 **	1.5 **	1.6 **	1.2 **	1.3 **
	Intermediate	1.0 **	1.2 **	1.3 **	1.1 **	1.2 **	1.4 **	1.3 **
Married	Never married	3.3 **	1.7 **	2.3 **	1.9 **	2.4 **	1.7 **	2.3 **
	Divorced, separated, widowed	0.9 **	1.1 **	1.1 **	1.0 <b>n.s.</b>	1.1 <b>n.s.</b>	1.1 **	1.2 **
Urban	Rural	0.4 **		1.1 **		1.1 **		1.0 **
	Camp	1.7 **		1.1 **		1.0 <b>n.s.</b>		1.2 **

**Table 14 (cont.): Odds of unemployment of persons with particular socio demographic and spatial characteristics compared to the odds of unemployment of persons in reference category**

Reference category		Gross	Net					
			Pooled years		2007		2017	
			Model 1	Model 2	Model 1	Model 2	Model 1	Model 2
Ramallah & Al-Bireh	Jenin	0.5 **		1.7 **		1.7 **		1.7 **
	Tubas & Northern Valleys	0.4 **		1.2 **		0.9 <i>n.s.</i>		1.5 **
	Tulkarm	0.5 **		1.8 **		1.6 **		2.0 **
	Nablus	0.4 **		1.4 **		1.2 **		1.5 **
	Qalqiliya	0.5 **		1.5 **		1.2 **		1.9 **
	Salfit	0.5 **		1.9 **		1.6 **		2.1 **
	Jericho & Al Aghwar	0.3 **		0.8 **		0.6 **		1.0 <i>n.s.</i>
	Jerusalem	0.5 **		1.7 **		1.6 **		1.8 **
	Bethlehem	0.5 **		1.7 **		1.7 **		1.8 **
	Hebron	0.5 **		1.8 **		1.5 **		2.1 **
	North Gaza	2.2 **		8.6 **		6.1 **		11.0 **
	Gaza	2.1 **		7.7 **		5.1 **		10.5 **
	Dier al Balah	2.6 **		9.8 **		5.9 **		14.1 **
	Khan Yunis	3.1 **		11.9 **		7.3 **		17.0 **
	Rafah	3.1 **		12.4 **		5.9 **		21.0 **
Census year 2007	Census year 2017	1.3 **		1.3 **				
Equation constant			0.08	0.02	0.11	0.04	0.06	0.016
Nagelkerke Pseudo R-Square			17%	31%	13%	22%	22%	38%
Reference population (N=)			1,937,893		753,205		1,184,688	

Note: \*\*=significant at 1% level, \*=significant at 5% level, *n.s.*=not statistically significant

In Table 14 the results of a number of logistic regressions are reported. As mentioned already, the gross effects pertain to models where only one variable is taken into account in the explanation of unemployment.

The ‘pooled’ model estimates were derived after the records of the two census data files were merged. Furthermore, estimates of two distinct models were derived, separately, for each census year. Model 2 differs from model 1 by the incorporation of two spatial context variables: type of community of residence and governorate of residence. In the bottom panel we included the Nagelkerke R-square statistic. It summarizes to what extent a particular set of model variables explains observed variation in unemployment-risk in the population. The results show that the model variables much better explain variation in unemployment-risk in 2017 than in 2007. Furthermore, by adding spatial context variables to the sociodemographic variables of model 1, the risk of unemployment in the population is even much better explained (i.e. model 2).

The reason for including a ‘pooled’ model in the analysis was to explore: (1) to what extent the risk of unemployment in 2017 is greater than in 2007, (2) whether census year differences would still show up after variation in socioeconomic, demographic and spatial characteristics in the population is accounted for. We found (Table 14) that (1) the odds-ratio for the census-year 2017 is 1.3, suggesting that the risk of unemployment in 2017 was 1.3 times higher than in 2007.

From the results of fitting models separately to 2007 and 2017 data, we can examine whether the effect of particular characteristics on unemployment-risk has changed over time. We found that, by and large, the effects of model variables have remained the same or of similar magnitude over time. We investigated this by also incorporating particular interaction terms in the pooled models (results not shown). A few interaction terms turned out to be statistically significant indicating that fitting of the models separately to the 2007 and 2017 data will help to assess which variables turn out differences in effects in 2017 as compared to 2007. Table 14 results reveal that, first, all model variables but a few are important to the explanation of unemployment-risk in both census years, and that the direction of effects of variables is in the same direction in 2017 as in 2007.

The results in Table 14 reveal something important and that is that in practically all cases the odds-ratios in 2017 are higher than in 2007. This means that between 2007 and 2017, differences between all types of groups of people have increased regarding unemployment-risk. To illustrate, the odds of unemployment in Rafah in 2007 was about 6 times higher than in Ramallah & Al-Bireh governorate, but this difference increased dramatically during the intercensus period. In 2017, the odds of unemployment there has become 21 times higher than the odds of unemployment in Ramallah & Al-Bireh. Furthermore, differences in unemployment-risk between people residing in different governorates have increased between 2007 and 2017.

Another important finding is that the difference between men and women regarding access to jobs has increased during the intercensus period. The odds of unemployment has increased to the disadvantage of women as the odds-ratio of 1.3 (model 2, 2007) increased to 3.1 (model 2) in 2017.

Table 14 also shows that the odds of unemployment relative to the odds of unemployment is highest in the younger age groups and decreases with age, which is consistent with what was reported in the descriptive analysis. Furthermore, persons with a refugee status generally have a higher odds of unemployment than non-refugees, in both census years. Although in 2007 differences in odds of unemployment of people in urban areas was not much lower than in camps, this has become different in 2017 as the odds of unemployment of camp dwellers has become much higher than in urban areas, contributing to deteriorating living conditions in refugee camps.

Perhaps the most impressive finding is that unemployment risks of Palestinians living in Gaza Strip governorates have dramatically increased during the intercensus period as compared to the odds of unemployment of people in the West Bank governorates, notably those living in Ramallah & Al-Bireh and Jericho & Al Aghwar governorates. The problem of rising unemployment in Gaza Strip can be expected to continue further as a result of demographic change, and the much less favourable economic situation.

To conclude, multivariate analysis results are consistent with what we expected to find based on results of descriptive analyses. The added value of the multivariate analysis is that the effects that each of these socioeconomic, demographic and spatial characteristics have are integrated and measured on the same scale, putting effects that each of these characteristics have on unemployment in a comparative perspective.



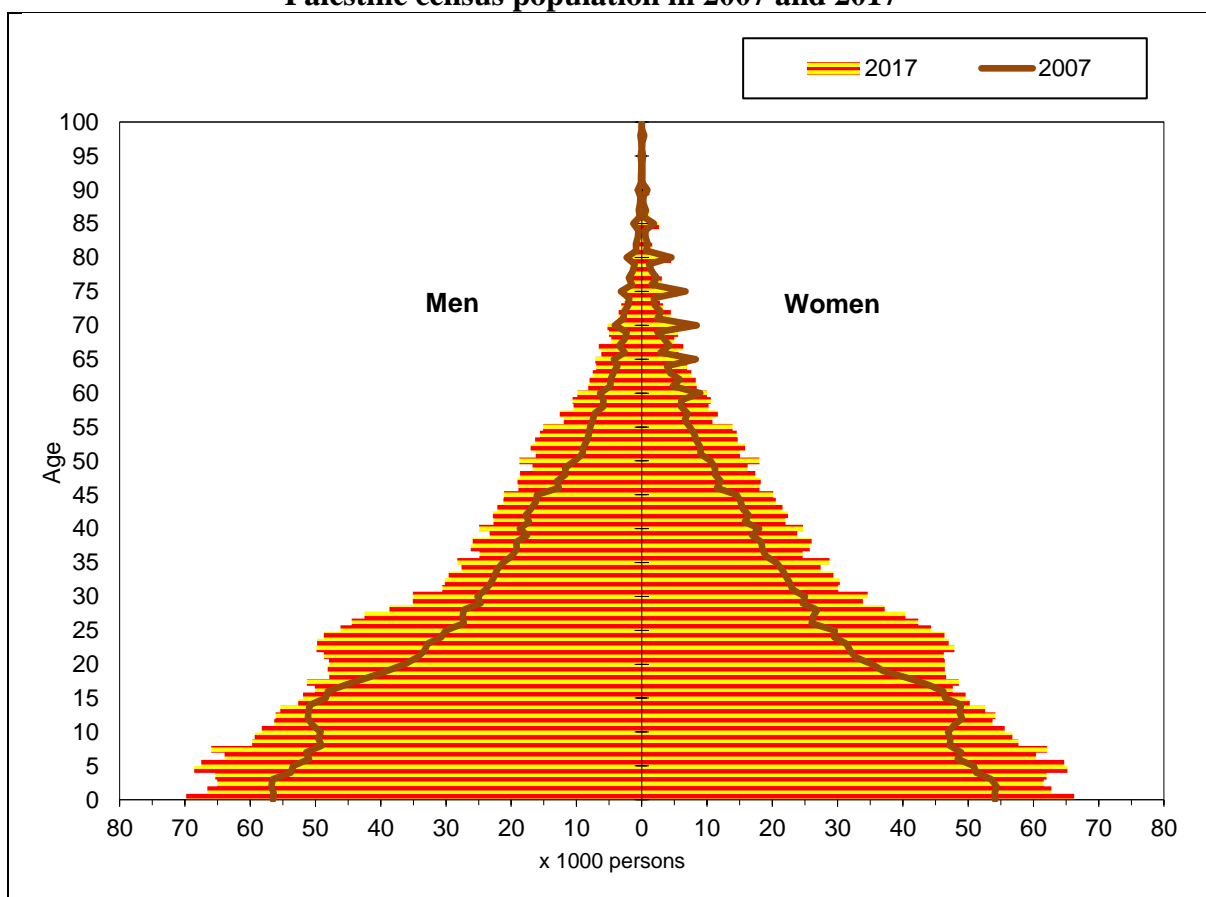
## Chapter Seven

### Executive summary and recommendations

#### Population and working age population

Palestine has a population of 4.7 million people in 2017, up from 3.7 million in 2007. With this high growth rate, which amounts to 2.5% per year Palestine is in the top 25 percent of the fastest growing countries in the world (UNDESA, 2019b). The Palestine population is also very young: in 2017 (49%) of the population was younger than 20 years. A gradual shift in the age structure is visible: in 2007 the percentage under 20 was 55%. The high speed of population growth is due to high but declining fertility, from about 8 births per woman in 1970's to about 4 around 2017, but still considerably higher than replacement-level fertility of about 2.1 births. The working age population of age 15 and above (i.e. WAP 15+ ) amounted to 2.9 million in 2017, up from 2.1 million in 2007, implying an average annual growth rate of 3.2%. In 2017, 77% of the population live in urban areas, a percentage that is slightly higher than in 2007, when 74% lived in urban areas.

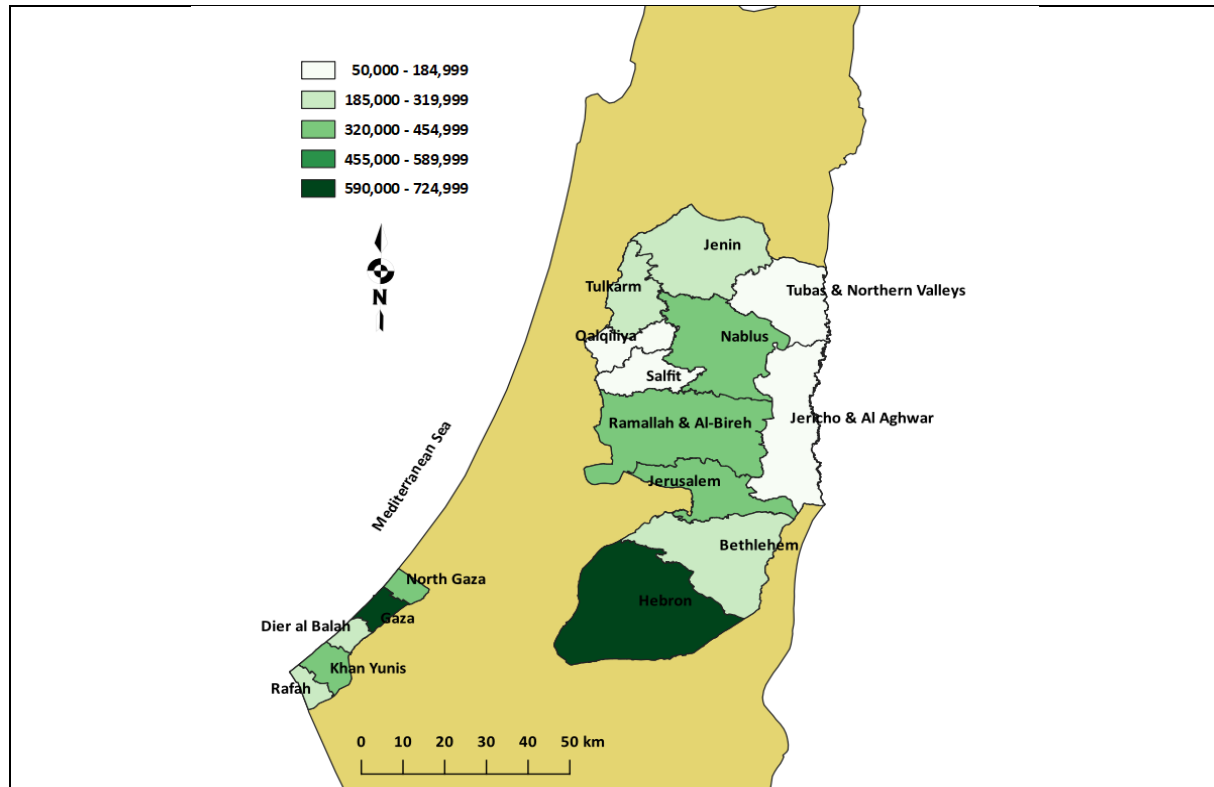
**Palestine census population in 2007 and 2017**



The State of Palestine consists of two non-contiguous geographical areas, which are the West Bank region with 2.8 million people, and Gaza Strip region with 1.9 million people. Based on figures of the counted census-populations of 2007 and 2017, the average annual population growth rate in Gaza Strip was 3.0%, while it was 2.2% in the West Bank. Likewise, average household size in Gaza Strip appears to be larger compared to the West Bank: 5.6 versus 4.8 persons, respectively. There are major demographic and labour market differences between the two regions.

About 42% of the population is refugee, and 8% live in refugee camps. Two out of three refugees live in Gaza Strip. According to the UNRWA, there were in 2018 a total of 6 million Palestinian refugees. About 80% lives in Palestine and Jordan, the remainder in Lebanon and Syria (UNRWA, 2019).

### Distribution of (counted) census population over governorates in Gaza Strip and the West Bank. 2017

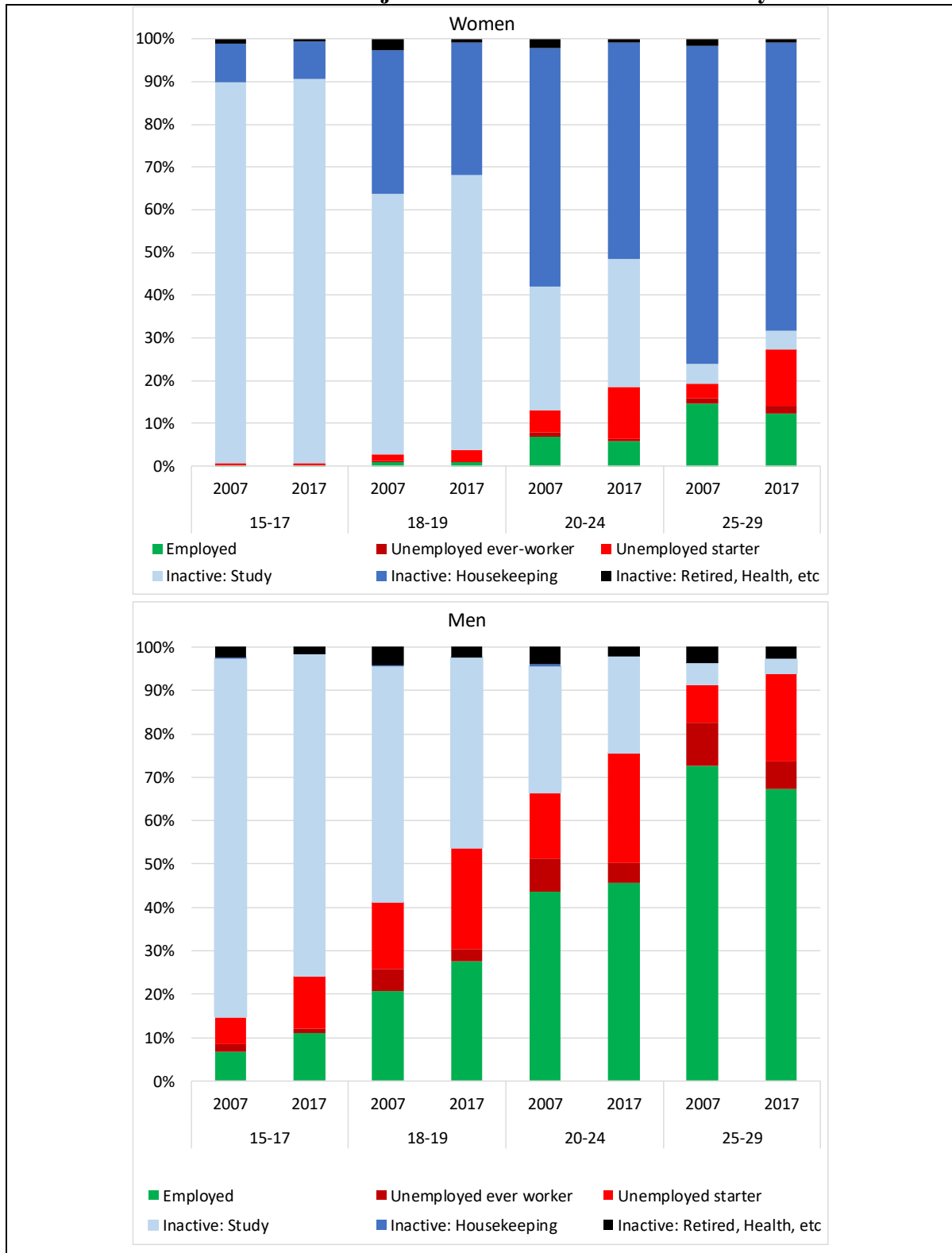


### Labour force participation, unemployment and labour market imbalances

In 2017, the labour force participation rate of the WAP15+ was 74% for men and 16% for women, up from 69% and 11%, respectively, in 2007. Although number of participating women doubled from 106 to 213 thousand, still, their percentage-wise participation is very low by international standards. In fact, only 15% of all women in the 25-59 year age range have jobs, mostly of 35 hours per week or longer. Conversely, about 75% of the men in that age range have jobs, mostly taking 35 hours per week or more. This indicates that women face various barriers to labour force participation and employment. Women who do participate generally have a higher level of educational attainment than men have, such as an intermediate-, bachelor or even higher level diploma.

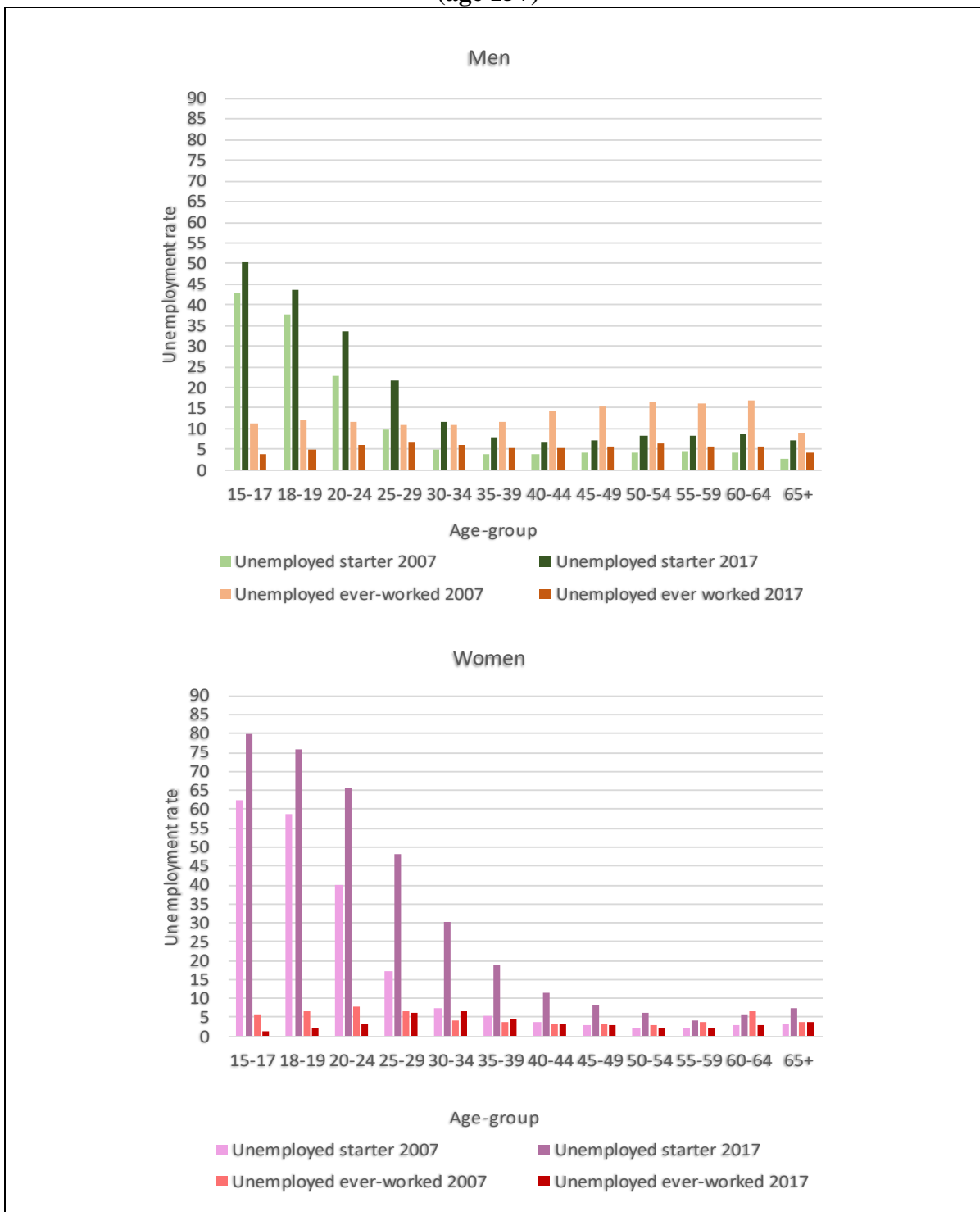
As illustrated below, men and women follow different life course trajectories regarding labour force participation. Men on average leave school at age 17, whereas women stay in school up to age 20. Male school-leavers start looking for their first job, and most of them become unemployed (the so-called unemployed starters). Nevertheless, at age 30, seven out of 10 men are employed, whereas many are still looking for their first job. At age 55 they change from working to retirement. Women, on the other hand, mostly become housekeeper after leaving school. Once housekeeper, they mostly remain in that position for the rest of their lives. Those women who enter the labour market face higher levels of unemployment than men.

### Mainstream life course trajectories of men and women 15-29 years old



Unemployment is a major issue in Palestine. About 25% of the male labour force is unemployed, and even 40% of the female labour force. These figures are higher than in 2007, with 23 and 21 % respectively. The burden of unemployment falls heavily on those entering the labour market.

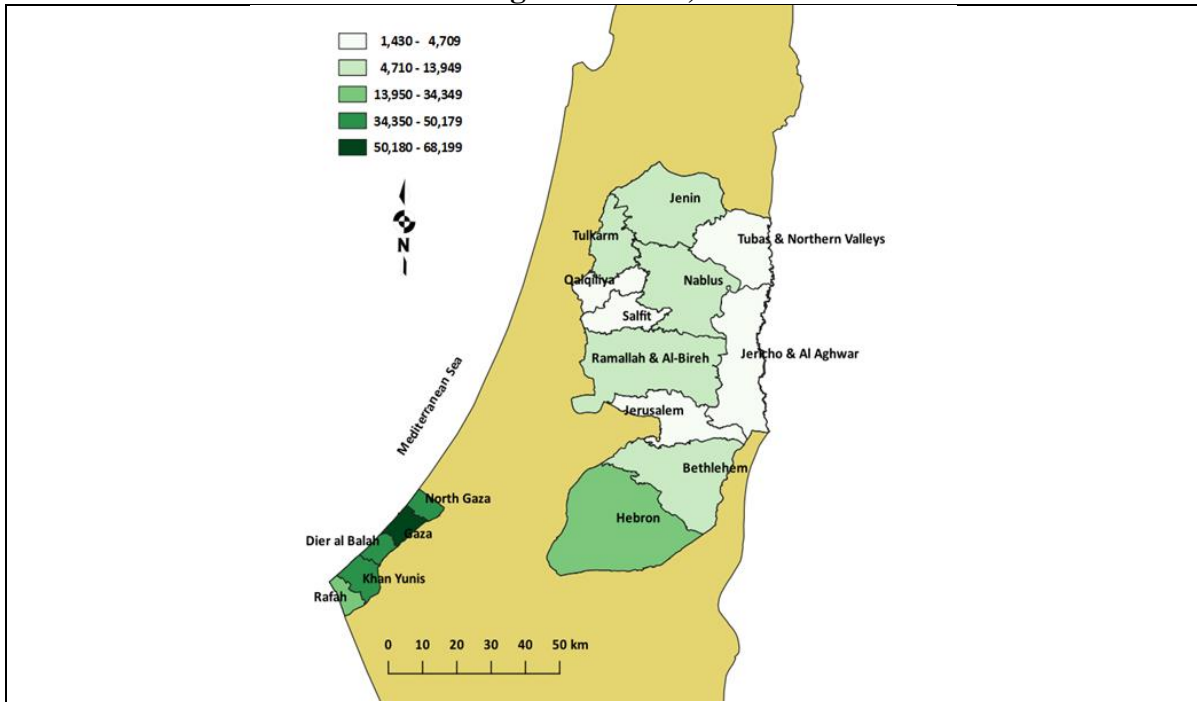
### Changing unemployment rates of unemployed starters and unemployed ever-workers (age 15+)



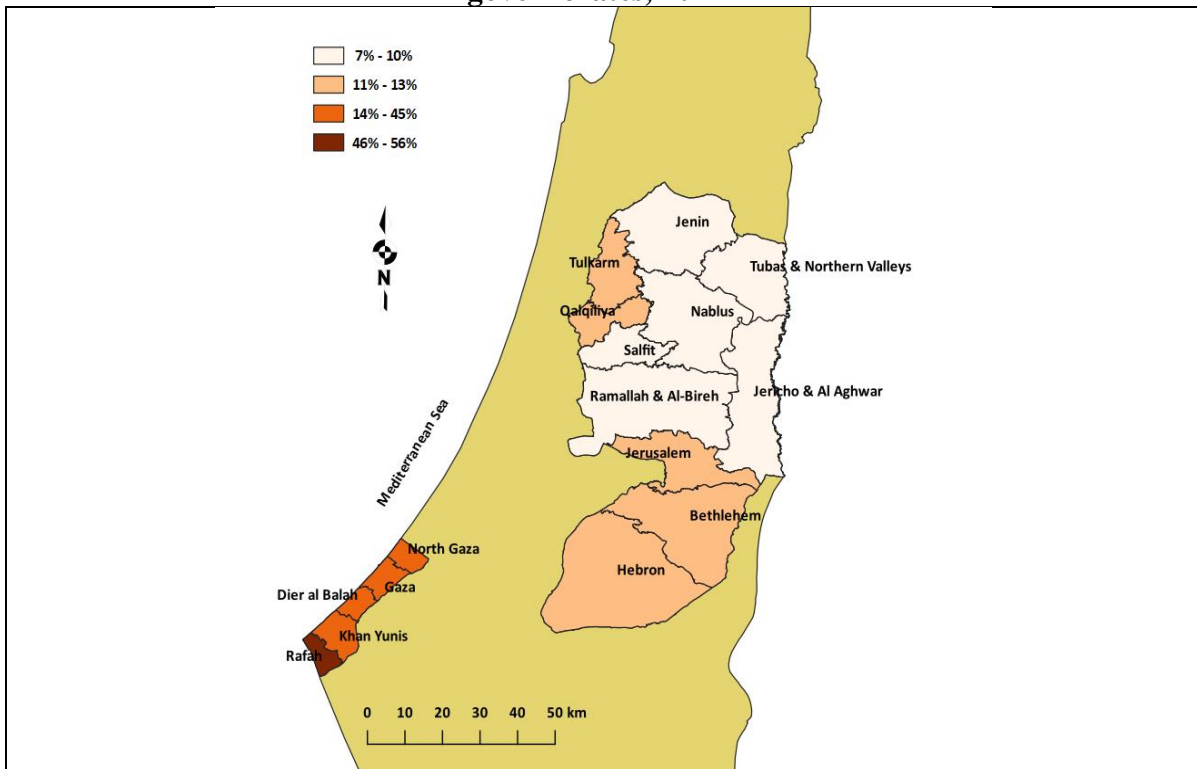
For instance, the 25% unemployed males comprises 19% starters and 6% ever-employed (those who had a job before). In 2007 the unemployed men were more or less equally divided between starters and ever workers, so the situation has become much worse for persons entering the labour market for the first time. For women the difference is even more striking: 35% of the female labour force are unemployed starters, and only 5% is unemployed ever-worker. The number of male unemployed ever-workers has even decreased somewhat in the period 2007-

2017, which is a further indication that the burden of unemployment rests for the most part on the shoulders of young starters.

**Number of unemployed persons of age 15+ years old in the labour force of age 15+ years old in governorates, 2017**

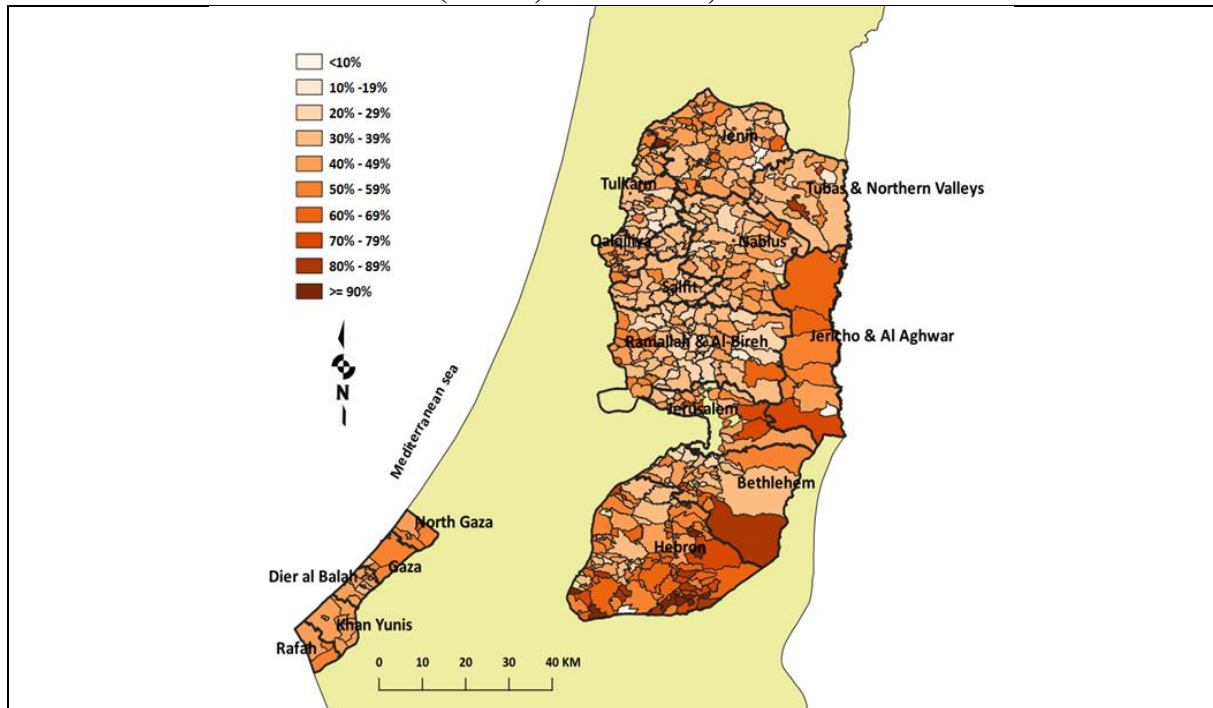


**Percentage of unemployed persons of age 15+ years old in the labour force in governorates, 2017**

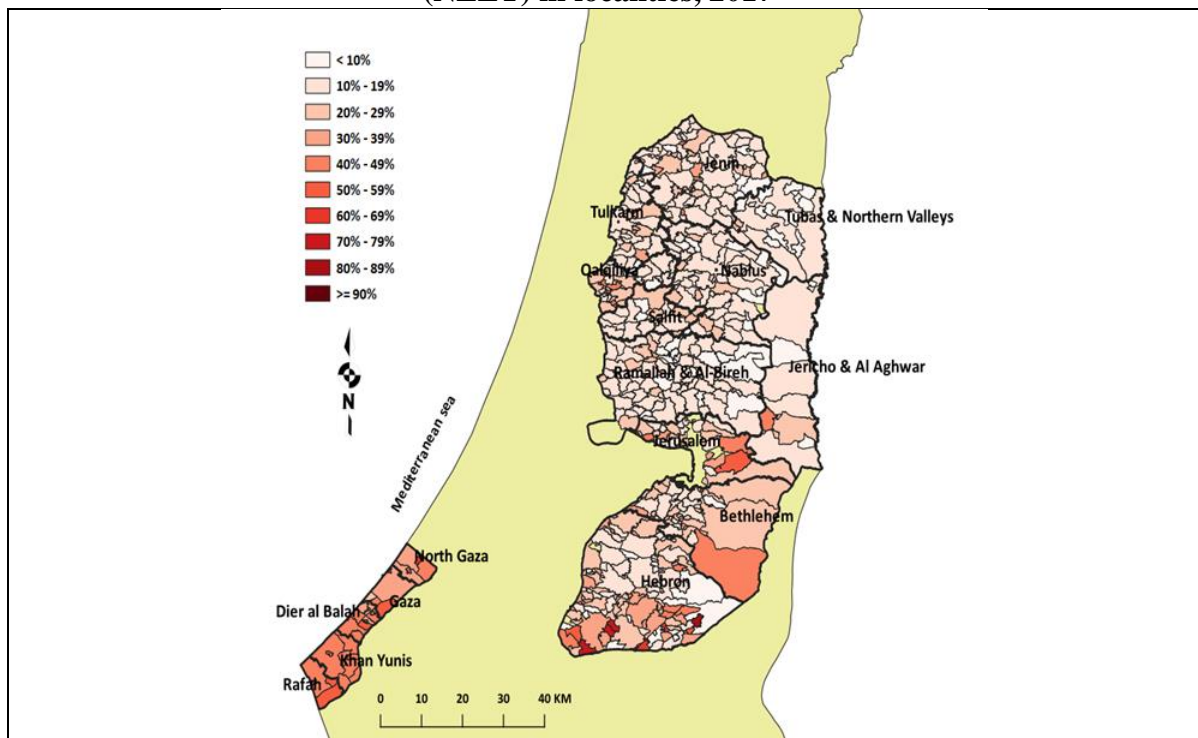


Another measure capturing the precarious situation of Palestine youth is the NEET-rate (percentage of 15-24 year old youth Not in Employment, Education, or Training). Such rates are high, notably of women. Although the aim is to considerably reduce levels of this UN Sustainable Development Indicator by 2020, the reverse is observed in the case of Palestine. The NEET-rate increased between 2007 and 2017 from 23 to 28% (men), and from 39 to 43% for women. NEET rates of women are higher than rates of men are and they vary across the territory, as shown below.

**Percentages of female youth (15-24 years old) not in employment, education, or training (NEET) in localities, 2017**



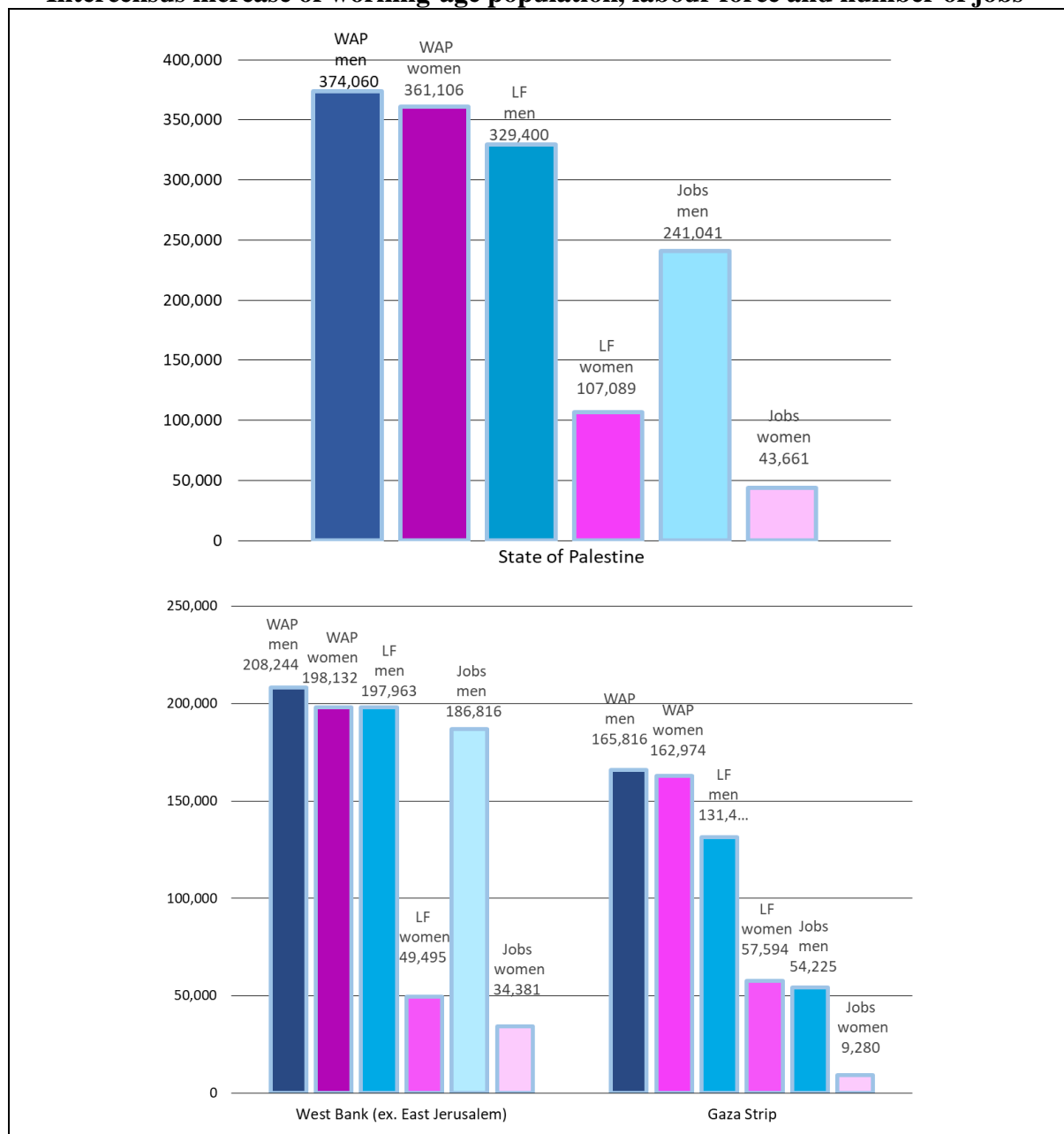
### Percentages of male youth (15-24 years old) not in employment, education, or training (NEET) in localities, 2017



NEET males are often found among the higher educated and they are more often found in Gaza Strip, while NEET females are found among all educational attainment levels and in all regions, governorates and localities. NEET rates of men have decreased somewhat only in Nablus, Ramallah & Al-Bireh and Jenin governorates, while those of women have decreased only in Jerusalem governorate.

The worsening situation in the labour market, as sketched above by the rising unemployment rates, especially among starters, can be put into perspective by looking at imbalances between labour supply and demand. Due to demographic change the labour force increased with 436 thousand between 2007 and 2017. The number of employed persons (a proxy of the number of jobs, disregarding the number of vacancies) increased with only 285 thousand, leaving a total number of 151 thousand additionally unemployed in these 10 years.

### Intercensus increase of working-age population, labour force and number of jobs\*



\*Note: (excl. Jerusalem Governorate JI area)

Interestingly, these 151 thousand are composed of a net reduction of 20 thousand ever-workers, and 171 thousand unemployed starters. Moreover, the decrease in ever-working unemployed pertains only to men, whereas for women this category has increased. Again, this is a very strong indicator of the disadvantaged and worsening position of the generation of young starters in the labour market, and even more so for young women. Strikingly, Gaza Strip has taken most of the increasing burden, with 126 of the 151 thousand additional unemployed. The only governorates where unemployment (exclusively among men) has decreased are Ramallah & Al-Bireh and Salfit governorates.

#### Economic sector characteristics and employment conditions

During the intercensus period, the service sector has become even more important to employment, in particular in Gaza Strip. In 2017, more than 80% of working-men and more than 95% of working-women currently have a job or had a job in that sector. The secondary



sector (manufacturing) is also important in the West Bank but much less so in Gaza Strip. The diversity of economic activities and occupations in which men are involved is much greater than among women. In both regions, but most pronounced in Gaza Strip, working women mostly work as regular wage workers in public administration-, education-, or health and social work jobs. As many working-women in both regions are well-educated, the majority of these women occupy higher status job positions (Professionals, Technicians). This is most notable in Gaza Strip. Conversely, and probably associated with their generally much lower-level educational attainment, working men are occupied more often in lower service & sales, crafts, and elementary types of jobs (e.g. plant-operator, repair-man, driver, etc.).

The national government and national private institutions are major providers of jobs in both regions. Interestingly, during the intercensus period, UNRWA in Gaza Strip has become important as an employer to working-women. In both regions most of the employed work within their own governorate or locality, but to the West Bank (male) workers Israel-based employment has become more important. In 2017, about one in five of them worked or works in Israel. Virtually no resident of Gaza Strip works in Israel in 2017, down from 8% of the working-men in 2007. Palestinian women in both regions rarely work or seek work in Israel.

While in both regions unemployment rates declined among men who worked before or are seeking work, rates increased among job-seeking women, irrespective of their educational attainment and the occupational status of their last job. Despite the declines in both regions, unemployment rates in Gaza Strip are (still) at a much higher than those in the West Bank.

The majority of workers in both regions work as wage-workers, and more specifically as regular wage workers. Men more frequently work as irregular wage workers and women more frequently as regular wage worker. Irregular work appears to be more often based on a verbal contracts or no contract at all, while regular wage work more often based on a formal and written contract. Persons with higher educational attainment and higher status jobs mostly work based on a written contract. As working-women are much better educated than men are, and because they most often work for national government or international institutions, women do their work most often based on a formal contract. Hire and fire practices by such institutions are most often based on written contracts. Still, about 18% of regular wage-workers in such institutions are employed based on a verbal agreements or no contract. Contract-practices of national and international private institutions, including Israel-based firms providing work to Palestinian guest-workers, hire and fire mostly based on verbal agreements or no contract.

Accessibility to secondary employment benefits (employer-paid pension, annual-, sick- and maternity leave) depends on by whom a person is hired, the status of the job, the contract type and employment status (i.e. regular versus irregular wage worker). People working for the national government or international organisation in a high status job, as a regular wage-worker based on a written contract have the best chance of having access to such benefits. Those working for a private institution as an irregular wage worker in a low status job based on a verbal contract (or no contract) have the least chance of access to such benefits. As working-women are overrepresented in the former group, working-women have more access to secondary employment benefits than working-men have.

### **Characteristics of the employed in the primary sector**

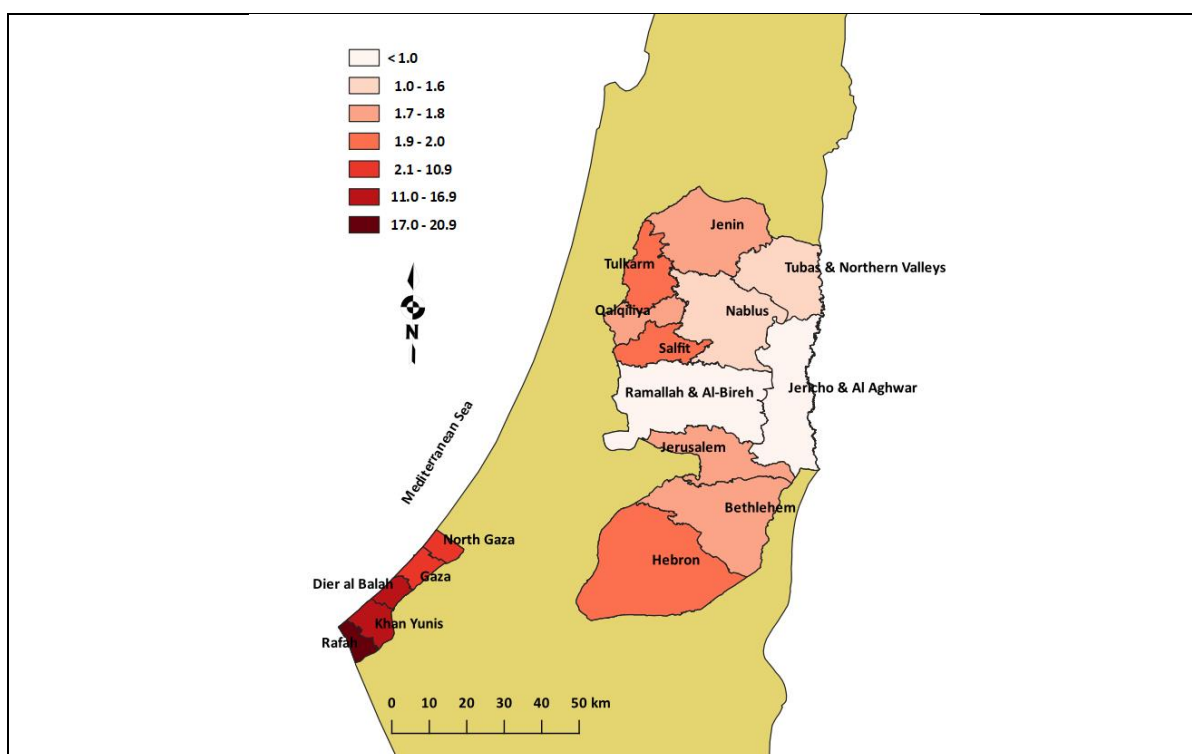
A relatively small part of the labour force works in primary sector activities, such as agriculture and fishing. It's mostly men working in that sector. For instance, in Gaza Strip only little over 100 women work in that sector compared to 16 thousand men. Contrary to secondary and tertiary sector workers, those in the primary sector have low levels of formal educational attainment. However, we note that this distinction is only relevant to the extent that low formal educational attainment prevents people to become efficient and effective farmers or fishermen, as main job-requirements are resourcefulness, dedicated skills and experiences, good health, strength and endurance. Compared to the West Bank, refugees in Gaza Strip are underrepresented in agriculture or fishing jobs. This may relate to them having less access to land or fishing equipment and –experience. The typical employment status of workers in this sectors is self-employed or irregular wage worker (e.g. seasonal worker).

### **Demographic, socioeconomic, and spatial correlates of unemployment**

A comprehensive analysis about factors explaining employment-risk in the Palestine population reveals that a considerable part (40%) is due to differences in person-characteristics (age, sex, educational attainment, marital status), differences in place of residence, such as region and governorate of residence, and differences in the type of area where persons reside, such as an urban-, rural or camp area. More specifically, the results show that the profile of a person with a very high unemployment-risk is a person below age 25, in particular a woman, who has a below secondary level of education, who has a refugee-status and is residing in a camp in Gaza Strip region, in particular in the southern governorates of Dier al Balah, Khan Yunis, and Rafah. This profile has not changed between 2007 and 2017.

Spatial variation in unemployment risk is considerable, notably between Gaza Strip and the West Bank governorates. For instance, if the average unemployment-risk of persons residing in Ramallah & Al-Bireh governorate in 2017 is taken as a reference and set to 1, then the average unemployment risk of persons residing in Gaza Strip governorates is between 11 and 21 times higher. These spatial differences in unemployment risks already take account of the fact that persons across the territory differ in terms of age, sex, educational attainment, etc. Differences between regions and governorates have increased during the intercensus period.

**Risk of unemployment in the labour force of persons age 15+ years old in governorates compared to the risk of unemployment in Ramallah & Al Bireh governorate (=1.0), 2017**



## Recommendations

Analysis of the census data of 2007 and 2017 regarding characteristics of the supply-side of the labour market revealed a number of salient features that need to be addressed by policy makers with adequate measures. However, the current precarious policy-context of the Palestinian population severely restricts the implementation of such measures. More specifically, while Palestinians are in control within Gaza Strip-borders, social and economic development is hampered by the fact that Israel built the annexation wall around the region and decides when, who, and what goes in or out. Regarding the West Bank, the Palestinian Government only controls about 40% of the West Bank, whereas about 60% (i.e. Area C) is under administrative and military control of Israel. Meanwhile, several hundreds of thousands of Israeli immigrants have settled in Area C in the past decades, while ‘migration’ of Israeli’s beyond the Green Line is illegal under international law (e.g. OCHOA, 2019).

Below, we focus on relevant recommendations. Whether they are realistic depends on developments in solving the Israel-Palestine conflict.

1. Unemployment of youth in youngest age brackets (15-24 years old) who want to take up a first job (Starters) has increased significantly, in particular among (well-educated) female youth. We recommend:
  - a. Further research among young adults in schools and at workplaces about factors affecting the transition of school to work.
  - b. Researching whether the curricula in schools and training institutions are adequate in terms of preparing students and trainees for job-requirements.
  - c. Introducing/expanding on-the-job training opportunities for youth in particular companies and government institutions learning about what it takes to meet job-requirements. Teachers in schools should be involved to monitor student experiences so that they can adapt curricula.
  - d. Expansion of the economic sector, by removing barriers and bureaucracy for entrepreneurship and self-employment

- e. Research and develop programmes that identify and overcome barriers to integration of women in workplaces. For instance, views about women working away from the home, about women combining child rearing and working away from the home, access to part-time work, overcoming harassment of women travelling between home and work, and at the workplace, and, last but not least whether shifts in occupational structure, including changes in public sector employment vis-à-vis private sector employment, affect job-seeking women in different ways than job-seeking men (e.g. Assaad, Hendy, Lassassi, & Yassin, 2018).
  - f. Special programmes to reach out to youth not in employment, education or training (NEET), to prevent waste of talent and future rise of poverty and social unrest.
2. As unemployment in camp populations is highest, particular measures should be developed for youth in refugee camps.

## References

- Assaad, R., Hendy, R., Lassassi, M., & Yassin, S. (2018). Explaining the MENA Paradox: Rising Educational, Yet Stagnant Female Labor Force participation. <https://ssrn.com/abstract=3153349> Hillis, S. A., Alaref, J. J. S., & Takkenberg, W. M. (2018). Enhancing job opportunities for skilled women in the Palestinian territories (pp. 84). Washington, D.C World Bank Group.
- ILO. (2019). Key Indicators of the Labour Market (KILM). Retrieved 18 June 2019, from International Labour Organisation (ILO) [https://www.ilo.org/ilostat/faces/ilostat-home/home?\\_afrcLoop=1747442645409966#](https://www.ilo.org/ilostat/faces/ilostat-home/home?_afrcLoop=1747442645409966#)
- OCHOA. (2019). Occupied Palestinian Territory. The West Bank, Area C and Gaza Strip. From <https://www.ochaopt.org/location/area-c>, and, <https://www.ochaopt.org/location/gaza-strip>
- PCBS. (2017). Main Findings of Living Standard in Palestine (Expenditure, Consumption and Poverty). Palestine, Ramallah: Palestine Central Bureau of Statistics.
- PCBS. (2018). On the occasion of the International Population Day 11/7/2018. Retrieved from <http://www.pcbs.gov.ps/post.aspx?lang=en&ItemID=3183>
- PMO-Palestine, & UNFPA. (2016). Palestine 2030. Demographic Change: Opportunities for Development. Palestine. Retrieved from <https://palestine.unfpa.org/sites/default/files/pubpdf/Palestine%202030%20Full%20Report%20English.pdf>
- Richter-Devroe, S. (2011). Gender Equality and Women's Rights In Palestinian territories. Brussels: European Parliament Retrieved from <https://www.google.nl/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&ved=2ahUKEwjtUNTC4OHiAhXBJIAKHdKnAWcQFjAAegQIABAC&url=https%3A%2F%2Fwww.ilo.org%2Fwcm%2Fgroups%2Fpublic%2F---arabstates%2F---ro-beirut%2Fdocuments%2Fpublication%2Fwcm%2F218024.pdf&usq=AOvVaw2eWPnJgXRBvMFwQjPVnUSv>.
- UNDESA. (2019a). SDG Indicators, Metadata repository. Indicator 8.6.1: Proportion of youth (aged 15-24 years) not in education, employment or training. Retrieved 5 August 2019 <https://unstats.un.org/sdgs/metadata/files/Metadata-08-06-01.pdf>
- UNDESA. (2019b). World Population Prospects 2019. United Nations. New York. Retrieved from <https://population.un.org/wpp/>
- UNRWA. (2019). Palestine Refugees. Retrieved 25 June 2019, from <https://www.unrwa.org/who-we-are>