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Decent Work in the West Bank: Assessing Youth and Women's Employment Under Fragility and Conflict

by

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ABSTRACT

This study examines the state of decent work in the West Bank, focusing on the intersection of labor market conditions, gender disparities, and the fragility of legal enforcement. Using a mixed-methods approach that combines labor force surveys, qualitative interviews, and institutional analysis, we document substantial gaps in labor rights, social protection, and equitable employment opportunities, particularly for women and youth. The findings reveal that informal work, weak regulatory frameworks, and limited access to social protection undermine progress toward Sustainable Development Goal 8 of the United Nations 2030 Sustainable Development Agenda, which aims to promote sustained, inclusive, and productive employment. Policy recommendations emphasize the need for comprehensive legal reform, targeted skills development, and social protection expansion to enhance labor market inclusion and economic resilience in fragile contexts.

KEYWORDS: Decent work; West Bank; Youth; Women; creative industries

JEL CODES: J21; J38; O15

1. INTRODUCTION

The concept of *Decent Work*, introduced by the International Labor Organization (ILO) in 1999, has gained widespread international recognition and is now a central pillar of the United Nations 2030 Sustainable Development Agenda specifically, Sustainable Development Goal 8, which promotes sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all (ILO 1999; UN 2015). Decent work is defined by the ILO as employment that is productive and delivers fair income, workplace security, social protection for families, opportunities for personal development, and freedom of expression and association (ILO 2019).

The ILO's Decent Work framework is built on four interrelated pillars: (1) employment creation, (2) rights at work, (3) social protection, and (4) social dialogue. Achieving decent work is particularly challenging in fragile and conflict-affected contexts, such as the occupied Palestinian territories. In the West Bank, structural constraints, including high unemployment, underemployment, informal labor practices, and gender-based labor market segmentation, continue to undermine progress toward decent employment, especially for youth and women (PCBS 2020). These challenges are compounded by a range of external and internal factors. Externally, Israeli-imposed restrictions on mobility, trade, access to land and natural resources, and Area C¹ governance severely limit economic activity. Internally, burdensome regulations, inadequate infrastructure, limited access to finance, and governance weaknesses further stifle labor market development (ILO 2018; World Bank 2019). The Palestinian Authority's fiscal fragility, exacerbated by the withholding of clearance revenues by Israel,² further constrains public employment capacity and service delivery.

¹ Area C includes areas in the West Bank that are still under full Israeli military and civil control based on the Oslo Accords of 1993. The Palestinian Authority has civil and security control in area A and civil autonomy, but no security control in area B (Blankespoor et al. 2014). For more details, see www.btselem.org/topic/Area_c.

² "Clearance revenues" are taxes Israel collects for the Palestinian Authority (PA) on imports, including tariffs, purchase taxes, and VAT. These funds are vital for the PA, but Israel's control over their collection and transfer, as outlined in the Paris Protocol, grants it considerable leverage over Palestinian finances (Quzmar 2025).

The situation has further deteriorated in the aftermath of the October 2023 military escalation in Gaza, which triggered widespread economic dislocation across the West Bank as well. The war has exacerbated labor market vulnerabilities, particularly for those reliant on employment in Israel and the settlements. In this context, the private sector has become increasingly unable to absorb new labor market entrants or offer secure, well-compensated jobs (World Bank 2024).

The Palestinian labor market is undergoing structural shifts that hinder the private sector's capacity for labor absorption and its contribution to development. Although the services sector dominates employment, the industrial sector retains growth potential for economic advancement (Morrar and Gallouj 2016). Current employment for youth and women is concentrated within services. Strategic investment in industry—even in less capital-intensive sub-sectors—could expand employment avenues for educated youth and women, leveraging their human capital to foster sectoral growth.

This analysis examines decent work conditions in the West Bank for women and youth across the ILO's four pillars: employment opportunities, rights at work, social protection, and social dialogue. Findings indicate a significant youth³ (15-29) unemployment crisis, particularly for women, with a high overall rate and a stark gender disparity. Despite high educational attainment, many women struggle to secure commensurate employment. "Rights at work" are significantly deficient due to weak enforcement and high informality; a low percentage of private sector workers hold formal contracts, and many earn below the minimum wage, disproportionately affecting women. Social protection is fragmented, lacking a comprehensive social insurance system for private-sector workers, with most not receiving pension contributions. Finally, social dialogue mechanisms exist but face limitations from weak union capacity and low private sector unionization. These deficits are exacerbated by economic instability and skill mismatches. The assessment further reveals prevalent decent work deficits within the West Bank's creative industries: handicrafts, furniture, and footwear/leather. These sectors are largely informal, especially handicrafts, where most businesses are unregistered

³ Youth are generally defined as persons aged 15–29, in line with ILO and PCBS. However, unemployment figures for individuals with a diploma or higher are reported for the 19–29 age group, following the classification used in the relevant statistical source. See ILOSTAT, “Youth,” <https://ilostat ilo.org/topics/youth/>

family operations, leading to unprotected labor rights, low wages, and absent social protection. The furniture sector, while more formal, still grapples with low pay, safety hazards, and limited social benefits. The declining footwear and leather sector also exhibits challenging, informal working conditions, widespread rights violations, and a lack of social security for its predominantly male workforce.

This paper contributes by thoroughly detailing the multifaceted decent work deficits faced by women and youth in the West Bank. It disaggregates challenges across legal enforcement, social protection, and skills alignment, specifically within vulnerable sectors. The analysis underscores how policy and institutional shortcomings exacerbate these issues, providing a granular understanding of the structural barriers impeding inclusive labor market participation.

The findings critically inform policy by revealing systemic decent work deficits. Reforms must prioritize comprehensive legal amendments, social protection expansion, market-aligned skill development, and strengthened social dialogue to formalize employment and enhance labor market inclusivity for women and youth.

The structure of the paper is as follows. After this introduction, we present the contextual setting of the Palestinian labor market, which includes two parts: policies and legal environment, and the Palestinian Labor Market Dynamics amid escalating restrictions and conflict-driven shocks. In Section 3, we provide a detailed description of decent work pillars in this study in the West Bank, with an emphasis on youth and women. Section 4 offers a more in-depth analysis of the decent work conditions in creative industries, based on both quantitative and qualitative analyses. Finally, the paper concludes with some policy implications in Section 5.

2. CONTEXTUAL SETTINGS

2.1 Policies, Strategies, Laws, and Legislative Frameworks

Palestinian Labor Law No. 7 of 2000 governs employment in the West Bank, encompassing contracts, working hours, occupational safety, and benefits. It includes a non-discrimination

clause prohibiting sex-based discrimination in work conditions. Over 30 bylaws have operationalized this law, including a minimum wage regulation established in 2012 at NIS 1450, subsequently raised to NIS 1880 in 2022 (ETF 2024; Maqam An-Najah, n.d.). The Palestinian Authority (PA) has also implemented strategies to enhance employment, notably the National Employment Strategy (NES) 2021–25, which aims to generate "more and better jobs" for Palestinians, especially youth (MoL, n.d.).⁴ However, significant implementation gaps undermine these legal frameworks. The Labor Inspectorate's capacity constraints limit enforcement, with only about 105 labor inspectors for the entire West Bank and Gaza (ILO 2025). Moreover, certain worker categories, such as public sector civil servants (governed by a separate law), domestic workers, and unpaid family workers, are excluded from the Labor Law's scope, leaving them without legal safeguards. Parental leave protections, while beneficial for female workers, have unintended consequences, as private sector employers may exhibit reluctance to hire or promote women of childbearing age due to perceived maternity benefit costs.⁵

The absence of a Social Security Law for private sector employees means most Palestinian workers lack formal pensions or unemployment insurance. While the Labor Law mandates severance pay, this lump-sum, employer-paid benefit offers limited social protection, contrasting with public sector workers' access to government pension and health insurance schemes. Recognizing this disparity, the PA has sought to establish a contributory social security system; an initial 2016 law was suspended due to public opposition concerning transparency (ILO, n.d.). Parallel social assistance programs, managed by the Ministry of Social Development (MoSD), provide cash transfers to vulnerable households. In September 2023, the PA Cabinet approved individual, rights-based social allowances for persons with severe disabilities and uninsured older individuals.

⁴ Complementing this, the Labor Sector Strategy 2021–23 prioritizes employment and skills development. Furthermore, a new National Technical and Vocational Education and Training (TVET) Commission (NTC) was established in 2021 to coordinate TVET policy and align training with labor market needs (ETF 2024).

⁵ Labor market policies, including Active Labor Market Policies (ALMPs), are crucial for youth employment prospects. However, insufficient resources hinder their scalability, particularly for NEET youth disengaged from education and employment (Kluve et al. 2019). Restrictions on Palestinian employment may lead to youth disengagement from education due to perceived skill-job mismatch (Chaaban et al. 2016).

Enhancing quality skills training is crucial for youth employment. While the TVET framework is evolving, past fragmented governance limited effectiveness (ETF 2024). The 2021 National TVET Commission aims to align training with market demands, yet a significant skills mismatch persists, as evidenced by limited practical training in sectors like the creative industry (MAS 2023). Rigid TVET structures and high informality impede relevant skill development and youth employment transitions.

Trade unions are vital for workers' rights and collective bargaining under the Decent Work Agenda, affirmed by the 2000 Labor Law. However, no modern Trade Union Law exists, and a large informal sector limits union reach, particularly for youth and women. Public sector unions, despite challenges, have demonstrated influence (IMF 2023).

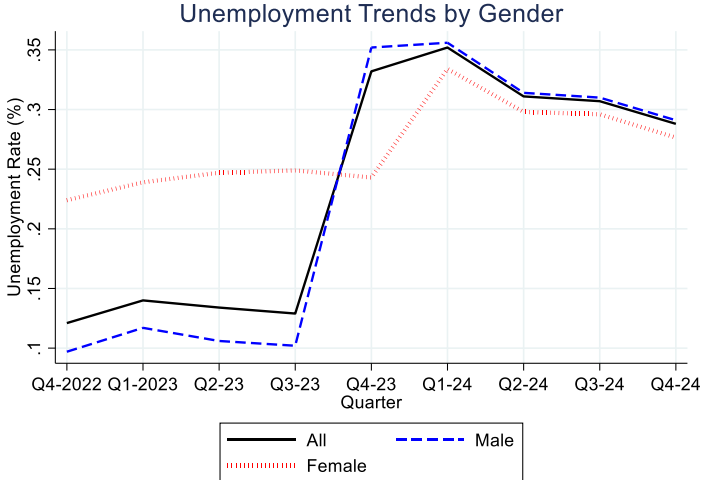
2.3 Palestinian Labor Market Dynamics Under Conflict

The West Bank labor market experienced a significant deterioration in performance indicators between late 2023 and early 2024, driven by both geopolitical shocks and structural rigidities. According to official estimates by the Palestinian Central Bureau of Statistics (PCBS 2025), the unemployment rate among the active labor force surged to 31 percent in 2024, marking a stark increase from 18 percent in the previous year. This rise was observed across gender lines, with unemployment reaching 29.1 percent for males and 27.7 percent for females—both representing substantial jumps compared to prior trends.

Figure 1 shows that employment in the West Bank experienced a significant contraction, declining by 5.1 percent from approximately 685,000 employed individuals in 2023 to 650,000 in 2024. This reduction was most pronounced in the construction sector, followed by services, wholesale/retail trade, and light manufacturing, correlating with post-conflict economic disruptions, reduced investment, and mobility constraints due to new Israeli checkpoints (PCBS, 2025). Labor market volatility peaked in Q4 2023, with total employment falling 23.4 percent (from 868,000 to 665,000) quarter-on-quarter. This severe contraction stemmed primarily from the suspension of permits for Palestinian workers in Israel and settlements, eliminating a key external employment source. Joint ILO and PCBS estimates (2024) indicate approximately

306,000 jobs were lost in the West Bank alone, representing over one-third of total employment. The West Bank's labor market exhibits a structural dependence on the Israeli economy; prior to the conflict, around 193,000 Palestinians worked in Israel or settlements, often in low-skill sectors, facing wage discrimination and limited labor protections despite higher nominal wages.

Figure 1: Employment in the West Bank by Gender



Source: Authors’ illustration based on PCBS data

Data from the International Trade Union Confederation (2021) underscore the magnitude of wage disparities across worker categories. As shown in Table 1, the average monthly wage of a Palestinian employed in the West Bank was \$860.74 in 2019, compared to \$1,787.78 for those working in Israel or settlements and \$3,198.02 for Israeli workers across all sectors. Notably, Palestinian workers employed in Israel continue to receive inferior non-wage benefits. According to ILO (2019), only 15.8 percent of these workers reported access to paid sick leave, and 21.3 percent to paid annual leave. Furthermore, the absence of formal written contracts for the majority—combined with widespread cash payments—has led to systematic under-reporting of wages and working hours. These practices severely limit workers’ eligibility for social insurance and retirement contributions, undermining long-term social protection goals.

Collectively, these dynamics point to a labor market suffering from structural informality, external dependency, and heightened exposure to political risk. The repercussions of the October 2023 conflict have merely intensified pre-existing vulnerabilities, illustrating the fragility of employment in a context marked by chronic instability and policy constraints beyond the control of domestic institutions.

Table (1): Comparison Between Wages of Palestinian Workers in the West Bank, in Israel, and Settlements with Valid Work Permits and Israeli Workers (in US Dollars, for 2019)

	(1)	(2)	(3)	(4)	(5)	(6)
	Average Monthly Across Sectors					
Worker Category	Min. Wage	Avg. Wage/m	Construction	Agricultural	Manufacturing	Commerce and Hotels
West Bank	\$428.79	\$860.74	\$952.19	\$542.95	\$732.04	\$762.43
Israel and settlements	\$1,567.31	\$1,787.78	\$1,872.09	\$928.60	\$1,332.12	\$928.60
Israeli workers	\$1,567.31	\$3,198.02	\$2,962.56	\$2,242.42	\$4,396.92	\$1,540.62

Source: (International Trade Union Confederation, 2021)⁶

The West Bank’s high dependency on external employment—particularly in the Israeli labor market—has amplified labor market fragility and deepened employment insecurity, especially for workers without formal permits (Mansour, 2010; Miaari and Sauer, 2011 and Miaari et al, 2014). This external reliance has undermined long-term employment sustainability and limited domestic labor absorption. Internally, the Palestinian economy remains constrained by a narrow sectoral base, with employment growth concentrated in low-productivity, low-wage services, while industrial development remains stagnant (Ridao-Cano et al. 2019; World Bank 2019; IMF 2023). As a result, the labor market continues to suffer from chronic structural deficiencies exacerbated by protracted political and economic instability (Fallah 2014).

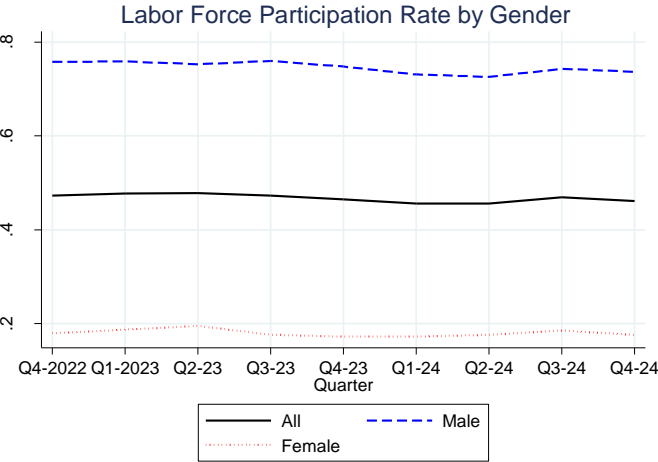
Gender disparities significantly exacerbate these systemic challenges. Prior to October 2023, female unemployment in the West Bank reached 40 percent, nearly double the male rate of 20 percent (PCBS, 2022). Paradoxically, the gender unemployment gap narrowed post-conflict, not due to improved female

⁶ International Trade Union Confederation. (2021). The erosion of workers’ protection in Palestine: COVID-19, the informal economy and the blockade. https://www.ituc-csi.org/IMG/pdf/ituc_palestinereport_en.pdf

labor outcomes, but largely from disproportionate job losses among males previously employed in Israel. Both supply-side factors (e.g., social norms) and demand-side factors (e.g., economic shifts, public sector employment, and the added worker effect) influence female employment (Hallaq and Daas 2024). By 2024, male unemployment surged to 29.1 percent, while female unemployment slightly decreased to 27.7 percent (PCBS 2025), a shift reflecting a collapse in external employment rather than structural gender parity improvements.

Persistent gender disparities in labor force participation and job quality derive from entrenched structural constraints, including high overall unemployment, limited job creation in female-conducive sectors, and restrictive cultural norms (see Figure 2). The October 2023 conflict exacerbated these barriers, inducing a labor supply shock that diminished the private sector's capacity to invest in decent work conditions for marginalized groups. Youth unemployment poses an equally critical policy challenge. Young graduates, particularly those aged 19–29 with post-secondary qualifications, encounter severe entry barriers. By 2024, West Bank youth unemployment reached 36.1 percent, with significant gender differentials: 44.4 percent for young women versus 33.8 percent for young men (PCBS, 2025). These statistics highlight the mismatch between educational attainment and labor market demand, compounded by the economy's limited absorptive capacity for skilled youth, weak active labor market programs, inadequate career guidance, and insufficient vocational training linkages with the private sector.

Figure 2: Labor Force Participation, by Gender



Source: Authors' illustration based on PCBS data

Together, these patterns reflect a labor market in crisis—marked by deep gender and generational inequalities, low job quality, and a constrained macroeconomic environment unable to facilitate structural transformation or inclusive employment growth.

3. THE DECENT WORK FOR WOMEN AND YOUTH IN THE WEST BANK: SITUATION ANALYSIS

“Decent work” is a comprehensive concept adopted by the ILO, summarizing the aspirations of people in their working lives. It consists of four mutually reinforcing objectives: full employment (or productive work opportunities), rights at work, social protection, and social dialogue. The global community, through the 2030 UN Agenda, stresses that promoting jobs and enterprise, guaranteeing rights at work, extending social protection, and promoting social dialogue are the four pillars of the ILO Decent Work Agenda in shaping labor policy and workplace conditions (ILO 2017).⁷ In this section, we will explore the current state of decent work for women and youth in the West Bank concerning the ILO’s four pillars. The analysis draws on the latest available data, including labor force surveys, institutional reports, and national policies. Particular attention will be paid to the structural and socio-economic challenges that hinder young people and women from accessing decent employment opportunities.

3.1 Employment Opportunities

In the West Bank, the landscape of youth unemployment presents a stark challenge, particularly for young women. In 2024, the overall youth unemployment rate stood at approximately 47 percent, disaggregated into 34 percent for males and a significantly higher 61 percent for females (PCBS, 2024). This pronounced gender disparity underscores a systemic issue within the Palestinian labor market. The disadvantage faced by young women in Palestine is not a recent phenomenon but an intensifying crisis. Between 2000 and 2021, the female unemployment rate more than tripled, soaring from 12.4 percent to 43 percent. Concurrently, female labor force

⁷ International Labour Organization. 2017. Decent work and the 2030 agenda for sustainable development. International Labour Office. https://www.ilo.org/sites/default/files/wcmsp5/groups/public/@europe/@ro-geneva/@ilo-lisbon/documents/event/wcms_667247.pdf

participation has remained among the lowest globally, averaging a mere 15.5 percent over the past two decades, implying that only 1 in 10 women aged 15 and over is employed. In stark contrast, male unemployment, while increasing, did so at a much slower pace, rising by half from 14.6 percent in 2000 to 22.4 percent in 2021 (IMF 2023). This gender gap in unemployment is one of the widest observed worldwide. Contributing factors include entrenched social norms, a scarcity of suitable employment opportunities, and legitimate safety concerns, particularly regarding commuting to work (IMF 2023). Further exacerbating this predicament, recent estimations from PCBS (2024) reveal that nearly half of all West Bank youth (18–29) are classified as NEET (Not in Employment, Education, or Training), with young women disproportionately represented within this idle demographic.

Paradoxically, many women who do attempt to enter the labor force are highly educated, with approximately 93 percent of unemployed women possessing at least 13 years of schooling. Despite their academic achievements, they frequently struggle to secure positions commensurate with their qualifications. The persistently low female labor force participation is attributed to a confluence of factors: prevailing social norms, a dearth of appropriate job opportunities, inadequate childcare facilities, safety concerns related to travel, and the burden of household responsibilities (IMF 2023). Furthermore, the employment of working women is largely concentrated within the health and education sectors, professions that typically mandate a bachelor's degree. These fields are favored for their perceived stability, regular hours, and societal acceptance. Conversely, women with lower educational attainment often find employment under precarious conditions, primarily in low-wage and low-value-added sectors (UNWOMEN 2019; IMF 2023; UNCTAD 2023). While women comprised a commendable 48 percent of all public-sector employees by February 2023, a notable achievement in gender inclusion, they hold a mere 14 percent of top civil service positions (Director General or higher) (PCBS 2023). This disparity at senior levels highlights persistent barriers to career progression. Moreover, in an effort to offset declining household incomes, women are often compelled into informal economic activities, frequently as unpaid family workers (ILO 2018).

The overarching issue of insufficient job creation in the West Bank has failed to keep pace with the burgeoning labor force, particularly for young people. Data from PCBS (2020; 2021; 2024)

illustrates the fragility of the economy, marked by a sharp 12 percent GDP contraction in 2020 due to the COVID-19 pandemic, followed by a 7 percent growth in 2021, and a recent 19 percent decline in 2024 attributable to the aggression on the Gaza Strip. This level of economic growth is patently inadequate to absorb the thousands of new entrants, especially recent graduates, into the labor market each year (ILO 2024). Compounding these challenges is a significant skills mismatch for youth of both sexes. The education system is producing a large number of university graduates whose qualifications do not align with the demands of the labor market. Consequently, many graduates are forced to accept jobs below their qualifications or face protracted periods of unemployment. On average, women endure unemployment for approximately 20 months, twice the duration for men (10 months) (IMF 2023).

The economic and social repercussions of the war in Gaza following October 2023 have been dire. A recent survey by the ILO (2024) and the Federation of Palestinian Chambers of Commerce, Industry, and Agriculture revealed that 98.8 percent of businesses in the West Bank were adversely affected by the ongoing conflict, leading to widespread operational disruptions and diminished profits. Workforce reductions were reported by 65.3 percent of enterprises, with 73.3 percent decreasing employee working hours. Among current employees, 51.0 percent experienced reduced hours, and 62.8 percent faced wage cuts. Disturbingly, only 31.4 percent of dismissed workers received end-of-service benefits. At the household level, 87.2 percent reported income losses, prompting the adoption of severe coping strategies, including cutting essential spending and, in some cases, sending children to work. These alarming figures collectively underscore the profound and far-reaching destabilization of business continuity, erosion of labor standards, and deepening household vulnerability across the West Bank economy due to the conflict.

3.2 Rights at Work

Significant deficits in "rights at work" persist across the West Bank, particularly affecting women and young workers who frequently find themselves in jobs lacking basic labor standards. While Palestinian labor law enshrines rights like minimum wage, limited hours, paid leave (including maternity), and social benefits, private sector enforcement is notably weak. Only 33.7 percent of private sector workers hold formal contracts, with 38.8 percent operating without any

contract and 29.2 percent relying on verbal agreements (PCBS, 2025). This informalization contributes to exploitation; for instance, only 38.5 percent of employees receive contributions to a pension or end-of-service fund (PCBS 2025). The situation is more precarious for women, with approximately 40 percent of female private sector employees lacking contracts entirely, often engaged informally or seasonally (PCBS 2023).

The right to a fair wage is often violated despite a National Wage Committee (ILO 2023) and a recent minimum wage increase to NIS 1,880 per month (effective January 2022). Still, 16 percent of private sector wage employees in the West Bank earn below this minimum (PCBS 2025). Women are disproportionately affected, with 50 percent earning less than the minimum wage compared to 38 percent of male wage earners (PCBS, 2023), reflecting a substantial gender pay gap where Palestinian women earn approximately one-third less than men with comparable education across most sectors (IMF 2023).

Beyond wages, other labor rights and standards, such as paid sick leave, overtime compensation, and safe working conditions, are routinely unmet, especially in the dominant informal sector, where even formal firms engage in informal hiring (World Bank, 2019). The ILO (2024) estimates that 72 percent of private sector workers receive no paid sick leave, paid holidays, or pension contributions. Young workers in informal jobs often fall outside the reach of labor inspectors, whose numbers remain low (with 82 inspectors in 2019, increasing to 105 in 2025) (MAS 2019; ILO 2025). Occupational safety and health (OSH) is a concern, with poor practices and limited enforcement capacity (ILO 2018). The Ministry of Labour (MoL) struggles with insufficient human capital for inspections and inadequate penalties, hindering comprehensive social protection access (MAS 2023).

Specific rights for women, such as paid maternity leave guaranteed by law, primarily benefit those in the formal sector. Only 44.7 percent of female private-sector employees reported receiving paid maternity leave (PCBS 2025), leaving over half of pregnant working women without income security during childbirth. This, coupled with childcare scarcity, often pressures young mothers to exit the labor force.

Child labor remains a critical issue, despite Palestinian law prohibiting employment under 15. Economic hardship drives families to send children to work, with approximately 5 percent of children aged 10–17 in the West Bank engaged in labor as of 2022, primarily in family enterprises (PCBS, 2023). This exposes children to exploitation and educational disruption, even as school enrollment remains high at 94.6 percent (PCBS, 2017). Research highlights a direct link between economic hardship, climate shock, conflict, and reduced parental decent work opportunities, correlating with increased child labor and decreased school attendance (Di Maio and Nandi 2013; Di Maio and Nisticò 2019; Hallaq and Khalifah 2024; Daas et al. 2026), underscoring the crucial role of decent work in safeguarding children's rights and education.

In essence, while the Palestinian Labor Law (2000) provides a legal framework for worker protections, implementation is severely lagging. Labor inspectors face resource constraints, and workers, especially women and youth, often lack awareness of their rights or fear reprisal. Institutional reforms, such as the Labour Sector Strategy 2021–23, aim to align laws with international standards and strengthen compliance mechanisms to address these pervasive gaps.

3.3 Social Protection

Social protection for workers and vulnerable groups in the West Bank is fragmented and limited, leaving many, particularly women and young people, without adequate safety nets. A significant deficiency lies in the absence of a comprehensive social insurance system for private-sector employees. Unlike public sector workers, who benefit from a government-managed pension scheme, private-sector employees lack operational pension or unemployment insurance. A 2016 social security law aimed at establishing a private worker pension fund was enacted but suspended in 2018 due to public opposition (Woollacott, 2018). Consequently, contributory social insurance coverage for private workers remained extremely limited in 2022–23, with only a small minority possessing formal retirement or insurance plans (ILO n.d.). Most rely on a mandated end-of-service gratuity, a lump-sum payment often at risk of non-receipt if employers do not escrow funds or face business closure. In 2024, only 38.5 percent of private sector wage employees received pension or end-of-service contributions (PCBS 2025), indicating that nearly two-thirds lack contributory social protection. This disproportionately affects young workers, who often experience short-term, benefit-void employment, and women, concentrated in sectors like agriculture or small-scale services with scarce formal benefits.

Despite these gaps, recent initiatives have aimed to expand social protection floors. In late 2023, the Palestinian Authority's Cabinet approved new individual, rights-based social allowances for vulnerable groups, specifically persons with severe disabilities and the elderly. This shift toward a rights-based approach, entitling individuals based on age or certified disability, marks a pivotal step. In August 2024, the Ministry of Social Development launched these old-age pensions and disability allowances in the West Bank, benefiting thousands of initial recipients (ILO, n.d.). This progression is vital for building a more comprehensive social protection system, moving beyond strict poverty-based targeting.

Health insurance remains another aspect of fragmented social protection. While the PA offers government health insurance and UNRWA provides services to registered refugees, out-of-pocket costs are substantial, and not all youth or women are insured. Informal employment typically offers no medical coverage, exposing young families to significant health expenditures and highlighting protection gaps. A study by MAS (2023) identified inefficiencies in Ministry of Labour (MoL) inspection activities and insufficient penalties to compel employer compliance with social protection benefits, as employers perceive these as a heavy burden. Furthermore, the judicial system's lack of specialized labor courts hinders workers' access to legal and social protection (MAS 2023).

In conclusion, social protection for women and youth in the West Bank is inadequate. The current system primarily relies on social assistance for the poorest and public pensions for government employees, excluding most private sector workers from formal schemes. While institutional strategies like the Social Development Sector Strategy (2021–23) emphasize expanding coverage, and the 2023–24 progress on disability and old-age allowances is a notable improvement, a fully functional social security law for all workers remains absent. Consequently, the majority of women and young employees continue to lack critical elements of decent work under the ILO framework, including unemployment protection, maternity support, and retirement pensions.

3.4 Social Dialogue

Social dialogue mechanisms involving the government (MoL), workers (PGFTU), and employers (PFCCIA) exist in the West Bank to address labor issues, but their effectiveness and inclusivity are limited. These tripartite structures engage in labor legislation, policy formulation, and dispute resolution. For instance, the 2021 minimum wage adjustment resulted from such negotiations, involving union advocacy, employer consultation, and cabinet endorsement (ILO, 2023). Similarly, the National Employment Strategy 2021–25 was developed through tripartite consensus on job creation priorities, including youth and women's employment. A National Wage Committee also convenes periodically for policy review.

Despite these frameworks, institutional social dialogue faces several challenges. Labor organizations exhibit weak capacity within the prevailing political and economic context. The PGFTU, while advocating for workers' rights in the West Bank, has limited reach among young and informal sector workers. Private sector union membership is low, marginalizing workers' voices. PCBS (2025) estimates indicate only 14 percent of West Bank wage employees are union-affiliated, with female affiliation (23.8 percent) exceeding male (11.7 percent). However, overall union representation remains weak due to insufficient enforcement of women's participation quotas, lack of tailored programs, fear of employer retaliation, and a shortage of female volunteers, hindering engagement and leadership development (Palestine Economy Portal 2025). Furthermore, many trade unions suffer from structural and human resource deficiencies, including a scarcity of qualified staff, leading to weak internal communication and member disengagement (Palestine Economy Portal, 2025).

Collective bargaining at the enterprise or sector levels is not widespread. While some larger employers engage in collective agreements, most private businesses are small and lack union presence, confining social dialogue primarily to national policy rather than on-the-ground negotiations for improved conditions. In 2022, the Ministry of Labour, with social partners, facilitated 14 collective agreements, mainly wage-related, benefiting approximately 3,700 workers (ILO, 2023). Although the PGFTU's affiliation with the International Trade Union Confederation signals a commitment to international labor standards, the legal framework for unionization is outdated. A draft Union Organizations Law, intended to modernize union

formation and collective bargaining regulation, has been stalled since 2019 (ILO 2025). Its enactment, with stakeholder input, would signify progress in social dialogue.

Overall, the effectiveness of these dialogues is constrained by political fragmentation, weak enforcement of agreements, and inadequate representation of women and youth in decision-making processes. Strengthening social dialogue necessitates capacity building for unions and employer groups, ensuring the inclusion of all voices, including marginalized young workers, and fostering trust to ensure the practical implementation of negotiated policies, such as wage standards and social security reforms.

4. DECENT WORK CONDITIONS IN WEST BANK'S CREATIVE INDUSTRIES

The West Bank's creative industries, encompassing handicrafts, furniture, and footwear/leather, exhibit significant decent work deficits, primarily due to prevailing informality and weak enforcement of labor standards.

The **handicrafts sector**, characterized by traditional crafts such as embroidery, olive-wood carving, and ceramics, is dominated by micro-enterprises and informal, often home-based, family businesses. A 2023 MAS study identified 447 establishments in ceramic, embroidery, olive wood, and glass blowing, representing 34 percent of the total 1295 handicraft establishments, with 80 percent operating informally (MAS 2023). Due to this informality, labor rights—including minimum wage, working hours, and paid leave—are largely unprotected and unenforced. Artisans, often self-employed or unpaid family workers, fall outside standard labor law coverage. Trade unions are absent, and social dialogue at the national level is minimal, with worker issues sometimes represented by NGOs (ILO 2017; MAS 2023). Workers in this sector typically lack social protection, such as pensions or unemployment insurance, relying on other household members for coverage (MAS 2023). Working conditions involve long hours for modest earnings with wages often piece-rate and significantly below minimum wage on an hourly basis, particularly for embroiderers (ITC, n.d.).

The **furniture sector** presents a more formal manufacturing presence, with small-to-medium factories concentrated in areas like Salfit, Nablus, and Hebron. In 2019, the sector comprised 4,254 firms, a 44 percent increase from 2011, largely driven by shifts following the Second Intifada and Gaza blockade (PCBS 2019; Palestine Trade Center 2013). Most firms are small-to-medium family-owned businesses, employing 13,123 individuals, predominantly men, with women primarily in managerial, sewing, and upholstery roles (OXFAM, 2021). Decent work deficits mirror broader West Bank labor issues: low wages, informal employment, safety hazards, long hours, and weak social protections. Low pay and slow wage growth contribute to in-work poverty, compelling workers to extend hours or seek additional employment (MAS, 2023). Occupational safety and health are significant concerns, with hazards from machinery, dust, and chemical exposure. Many workshops lack robust safety measures, protective gear, and formal training, leading to a high incidence of accidents. Labor insurance regulations are vague, often protecting employers more than workers, offering only basic medical care for injuries without addressing serious disabilities (OXFAM 2021). While the sector falls under Palestinian labor law, enforcement is limited. Employer representation exists through the Palestine Federation of Industries, but unionization rates in the private sector are low, and collective bargaining agreements are rare (OXFAM 2021). Overall, the sector exhibits skilled craftsmanship under strain, with low wages failing to keep pace with living costs, prompting workers to seek opportunities elsewhere.

The **footwear and leather sector**, predominantly footwear factories (80 percent), is concentrated in Hebron. In 2019, 299 factories employed approximately 1,700 workers (PCBS 2019). The sector has experienced a sharp decline, with active shoemaking firms in Hebron plummeting from around 1,000 in 2000 to roughly 230 today, and employment falling from an estimated 30,000 to under 2,500 across the West Bank (UNIDO 2017). Working conditions are challenging, characterized by labor-intensive production in small, often informal workshops lacking written contracts or formal hours (OXFAM 2021). The trade is male-dominated, with limited female involvement. Youth are less inclined to enter due to instability and low pay. Informality means most workers lack formal recognition and fundamental rights. Minimum wage violations are common, and legal standards are weakly enforced. Union representation and grievance mechanisms are largely absent. Child labor is a risk in family workshops, blurring

lines with apprenticeships and bypassing regulations. Footwear workers typically lack pensions or insurance, leaving them vulnerable to illness, injury, or old-age poverty due to the absence of an effective social security system for private workers.

5. CONCLUSION AND POLICY IMPLICATIONS

This assessment reveals persistent structural gaps in decent work conditions for women and youth in the West Bank, particularly within the creative industries. These challenges are not marginal but systemic, reflecting weak enforcement of labor regulations, limited access to social protection, and a clear mismatch between skills supply and labor market demand. Addressing these constraints requires a coherent policy framework that goes beyond fragmented interventions, starting with revising labor legislation to include informal and vulnerable workers, strengthening enforcement mechanisms, and expanding targeted Active Labor Market Programs that combine job creation with market-relevant skills, particularly in digital and emerging sectors.

At a deeper level, the absence of an inclusive and credible social security system remains a binding constraint on labor market resilience and equity. This must be addressed through a transparent and sustainable reform that restores trust and extends protection to all workers. In parallel, improving female labor force participation requires not only formal protections but also practical enablers, including childcare access and enforcement of anti-discrimination measures. Equally important is aligning education and vocational training systems with market needs, alongside revitalizing social dialogue to ensure that women, youth, and informal workers are effectively represented. Ultimately, advancing decent work in this context is not a technical exercise, but a structural transformation that links regulation, protection, and productivity.

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