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APPENDIX II

REPORT ON THE SITUATION OF WORKERS OF THE OCCUPIED ARAB TERRITORIES

INTRODUCTION

1. The present report is based on the findings of a mission sent by the Director-General to Israel and the occupied Arab territories to examine the situation of the workers of these territories and to determine, as far as possible, the extent to which effect has been given to the recommendations made by the Director-General in previous reports on the subject, in particular that submitted by him to the 79th Session of the International Labour Conference (1992).1

2. The Director-General appointed as his representatives for the purpose of carrying out the mission Mr. William R. Simpson, Director of the Industrial Relations and Labour Administration Department, Ms. Catherine Comtet, of the Equality of Rights Branch, and Mr. Fred Fluitman, of the Training Policy and Programme Development Branch. The mission was carried out between 18 and 31 March 1993.

3. The mission to Israel and the occupied Arab territories was, again this year, preceded by other missions to a number of Arab countries to gather information relevant to the subject of this report. These missions were carried out by Mr. Shukri Dajani, Assistant Director-General, responsible for the Arab States, and Ms. Hong-Trang Perret-Nguyễn, Chief of the Equality of Rights Branch. They visited Cairo, Amman, and Damascus from 19 to 29 January and Tunis from 3 to 5 February 1993. They had consultations with the government authorities and with workers' and employers' organizations in the Syrian Arab Republic, and with the International Confederation of Arab Trade Unions (ICATU) in Damascus. They also had consultations with the government authorities in Jordan and in Egypt. In addition, they had discussions with the employers' organization in Jordan and with the Ambassador of the Palestinian Embassy there. They also had discussions with representatives of the League of Arab States and the Arab Labour Organization in Cairo and, in Tunis, with representatives of the Palestine Liberation Organization and the Palestine Trade Union Federation.

4. The present report is based on the information gathered by the representatives of the Director-General as well as on an analysis of the voluminous documentation submitted by the parties in the course of the various missions mentioned above.

5. The conclusions and recommendations contained in the Report of the Director-General to the 79th Session of the International Labour Conference (1992) may be summarized as follows:

(i) The continuing state of occupation, which was in its 25th year, of the West Bank (including East Jerusalem), the Gaza Strip and the Golan Heights, rendered impossible a situation in which the standards and principles enunciated in ILO instruments could be fully respected. Tension and violence persisted and the security measures and other constraints imposed by the military authorities continued to have serious consequences for the workers of the territories.

(ii) The already precarious economic situation in the West Bank, and especially in the Gaza Strip, had become alarming following the Gulf War.

(iii) Certain measures taken by the Civil Administration to relieve the ailing economies of the territories were encouraging, although unlikely, at least in the short term, to have any major impact. It was to be hoped that further measures would be introduced to limit undue economic dependence of the territories on Israel and reduce tension in the region. It was also of the utmost importance that the Civil Administration vigorously pursue its efforts to assist in the creation of new enterprises and encourage the necessary investments that would make this possible.

(iv) Other positive measures that had been taken (e.g. the reopening of all the universities, the improvements in vocational training facilities and in the facilities available at labour exchanges), should be consolidated and additional efforts made to reinforce and adapt vocational training to meet the needs of the economy in the territories and facilitate the absorption of trained workers into the active workforce.

(v) Much remained to be done to eliminate the harassment and discrimination to which the workers of the occupied Arab territories working in Israel were subjected. The daily contract basis on which they were employed had negative consequences on the calculation of their wages and benefits. The conditions in which workers,
especially those from Gaza, were transported to their place of work in Israel were degrading.

(vi) Greater vigilance should be exercised, and deterrent measures taken, in order to eliminate the practice whereby employers register for workers a smaller number of days than those actually worked, thereby placing them in an illegal situation, and depriving them of certain benefits. Measures should also be taken to ensure that all Palestinian workers working in Israel are registered.

(vii) The Civil Administration should take steps to encourage the development of trade unions in the occupied territories and ensure that the free exercise of their legitimate trade union rights be guaranteed against interference. The trade unions, for their part, should limit their activities to the social, economic and trade union fields.

(viii) A genuine dialogue between the trade unions of the West Bank and the Gaza Strip and the Israeli General Federation, the Histadrut, could help to resolve the question of trade union representation of the workers of the occupied territories working in Israel, as well as contribute to creating a climate in which relations between the Arab population of the territories and the Israeli population could be improved.

(ix) The establishment and extension of Israeli settlements in the occupied Arab territories, and the disastrous consequences these had on the livelihood of the local population, were, for the ILO, matters of grave concern.

(x) As regards the population of the Golan, the Israeli authorities should refrain from undermining the cultural heritage of the population, and remove the constraints that impede the population from developing its economic activity.

(xi) The Israeli authorities should accept, and place no obstacles in the way of, increased technical programmes for the workers of the occupied Arab territories.

(xii) A dialogue between the parties, under the auspices of the ILO, should be established to seek solutions to the social and labour problems which the report had evoked. Finding solutions to the problems could make a vital contribution to the peace process in the region.
6. The above recommendations complemented previous recommendations made by the Director-General in the reports which he has presented to the International Labour Conference on the situation of workers of the occupied Arab territories. As stated above, it was an objective of the mission this year to examine the extent to which action had been taken by the Israeli authorities to give effect to these recommendations.

7. In examining all the issues involved, both during the mission and in the preparation of this report, the representatives of the Director-General bore in mind, as they have always done, the relevant standards of international law, and in particular the Hague Convention of 1907 and the IVth Geneva Convention of 1949 of which Israel is a co-signatory. More especially, as regards equality of opportunity and treatment of the workers of the occupied Arab territories, and the issue of trade union rights both in the territories and in Israel, the representatives of the Director-General were once again guided by the principles and objectives laid down in the Constitution of the International Labour Organization, including the Declaration of Philadelphia, the standards and resolutions adopted by the International Labour Conference, and by the principles enunciated by the supervisory bodies of the ILO in the fields of non-discrimination in employment and occupation and freedom of association.

8. Furthermore, as in previous years, this report is based not only on the relevant legislative texts in the field of competence of the ILO, but also on the information obtained concerning actual practice regarding equality of opportunity and treatment of the workers of the occupied Arab territories in respect of employment, conditions of work and social benefits, and trade union activities. Reference may be made to the previous reports of the Director-General submitted to the International Labour Conference for a description of the relevant legislation and practice, which remain substantially unchanged.

9. As has been emphasized in each previous report, the representatives of the Director-General, while being fully aware of the political situation in the region, its complex nature and its repercussions on the workers of the occupied territories and their families, have always taken the greatest care to remain within their terms of reference and to confine themselves to examining the rights and conditions of the workers of the occupied territories, the extent to which these rights can be freely exercised and any other circumstances which may have implications for workers and their living and working conditions. Any assessment that is made is in strict accordance with universally recognized principles and standards adopted by the international community which constitute the general framework of international law in force. Political matters as such do not fall within the competence of the ILO. In carrying
out its mandate, however, the ILO cannot ignore the consequences for the free exercise of workers' rights and the principle of non-discrimination in employment, of the prevailing political situation affecting the territories, or any other matters arising within the political context that have a direct or indirect effect on the situation of workers and the free and unimpeded exercise of their legitimate rights.

PROGRAMME OF THE VISIT TO ISRAEL AND THE OCCUPIED ARAB TERRITORIES

10. In the course of their mission the representatives of the Director-General had numerous meetings both in Israel and in the occupied Arab territories of the West Bank of the Jordan (including East Jerusalem), the Gaza Strip and the Golan.¹

11. The mission's task was at all times facilitated by the Israeli civil and military authorities who cooperated fully with the representatives of the Director-General in making appropriate arrangements for the meetings that were held in spite of the security measures, including intermittent curfews, that were in force in the occupied Arab territories or in parts of them during the course of the mission.

12. The programme of the visit organized by the Israeli authorities, and revised in the light of specific requests made by the representatives of the Director-General, included discussions in Jerusalem and Tel Aviv as well as in the occupied Arab territories themselves, with representatives of the Ministry of Foreign Affairs, the Ministry of Labour and Social Affairs, the Ministry of Defence and the Civil Administration of the occupied Arab territories. The Director-General's representatives also met and had discussions with senior officials of the Central Bureau of Statistics, the Bank of Israel and certain academic and political personalities including, in particular, Professor Ezra Sadan, Head of the Agricultural Research Organization, Israeli Ministry of Agriculture, and Mr. Ephraim Sneh, Chairman of the

¹ As in previous reports, the position of the Israeli Government regarding the Golan was stated in the following terms: "The ILO mission is meant to collect material for the Director-General's report on the administered areas. It is the position of the Government of Israel that the Golan, to which Israeli law, jurisdiction and administration have been applied, is not now such an area. In view of this consideration, approval for a visit of the ILO mission to the Golan was given as a gesture of goodwill and without prejudice. The decision to facilitate such an informal visit shall not serve as a precedent and does not contravene the Israeli Government's position."
Knesset Sub-Committee of the Administration of the territories. Discussions also took place with the Histadrut (the Israeli Trade Union Federation) and with the main employers' organization, the Israeli Manufacturers' Association.

13. Arrangements were also made by the Israeli authorities, and in particular by the Head of the Gaza District Civil Administration, for representatives of the Director-General to visit the Beit Hanun Industrial Area, the Eretz Industrial Area, a vocational training centre and the employment exchange in the Gaza Strip. In Ramallah, the mission visited a number of factories in the Ramallah area and, in Kalkilyah, the vocational training centre and the local labour exchange.

14. In addition, the representatives of the Director-General had numerous meetings with leading Palestinian personalities, including politicians, academics, lawyers, trade unionists, businessmen and economists. In particular, they met with Mrs. Hanan Ashrawi, a leading political figure in the occupied territories, Dr. Mahdi Abdul Hadi, President of the Palestinian Academic Society for the Study of International Affairs (PASSIA), Mr. Elias Freij, Mayor of Bethlehem, Mr. Abed Abu Diab, General Manager of the Jerusalem Electricity Company, Dr. Sari Nusseibeh, Coordinator of the Technical Committees that constitute the support teams for the negotiations in the current Middle East Peace talks, and Dr. G. Baramki, acting President of the University of Bir Zeit in Ramallah. Discussions were also held with representatives of various human rights organizations, both Palestinian and Israeli. The Director-General's representatives also had detailed discussions with the executive members of the major trade union organizations in the West Bank and the Gaza Strip, as well as with workers and employers in East Jerusalem, Bethlehem, Ramallah, Nablus, Hebron and Gaza. They also met with Mr. Mohamed S. Qudwa, Chairman of the Palestine Chamber of Commerce in the Gaza Strip and some members of the Executive Committee of that body. In the Golan they met with representatives of the town of Majdal Shams who had been authorized to speak also on behalf of the people of the other main villages of the Golan, viz. Mas'ada, Ein Qunya and Buq'ata.

15. The representatives of the Director-General also met with the Director of the Programme of Assistance to the Palestinian people of the United Nations Development Programme (UNDP) in East Jerusalem and, in the Gaza Strip, with the Director, Deputy Director and research officers of the United Nations Relief and Works Agency (UNRWA).
THE CONTEXT IN WHICH THE MISSION TOOK PLACE

16. This year's mission to examine the situation of workers of the occupied Arab territories took place during a particularly difficult and tense period in the region. Since the beginning of 1993 there had been a marked increase in violence, and attacks by Palestinians on Israelis, both civilian and military, either with knives or, increasingly, with firearms, had become almost daily events. Retaliation by the Israeli Defence Forces for these attacks had been rapid and energetic and had resulted in the death and injury of many Palestinians, including children. In addition, this upsurge of violence had led to the imposition of further curfews, the demolition of homes (often by anti-tank missiles), and the arrest and administrative detention without charge or trial of many hundreds of Palestinians.

17. The year 1992, although by no means free from violent incidents or tension, had none the less been one in which there had been a noticeable diminution in the number and intensity of violent acts, and in the measures of repression by the Israeli Defence Forces which these acts inevitably provoke. The Gaza Strip had been sealed off for two weeks in June 1992 following the killing of an Israeli settler, and thereafter new restrictions had been imposed on Palestinian workers coming into Israel. Generally, however, a relative calm prevailed in the region in 1992, undoubtedly due to the desire on the part of both Palestinians and Israelis that nothing should be done that might jeopardize the success of the peace process in which Palestinian and Israeli delegations had been closely involved since the inception of talks in Madrid in October 1991. Economically as well as psychologically, the Palestinian population was slowly beginning to recover from the catastrophic impact of the Gulf War and the immense hardship that had ensued as a result of long curfews and loss of income from abroad, and the numbers of workers from the West Bank and Gaza working in Israel was gradually returning to pre-Gulf War figures. Generally, this lull in the intifada, or uprising against Israeli military occupation of the territories, had its roots in the profound hope of Palestinians that the peace talks would soon result in an end to a military occupation that had lasted 26 years, and the creation of an independent State. Meantime, the free and more open atmosphere created by the peace talks, and the prospects to which they gave rise, had given new life to the political aspirations of the Palestinian people and its leadership, who were now able to engage more openly and visibly in debate about practical arrangements for self-determination. New headquarters were established for the Palestinian delegation at Orient House in East Jerusalem, which has also become the meeting place of technical and planning committees, the possible embryos of future ministries or government departments of a more autonomous political Palestinian entity.
18. There had also been, in June 1992, a change of Government in Israel, and the new Labour-led coalition was generally acknowledged by Palestinians as being one which was more likely than its predecessor to seek a genuine peace in the Middle East and an equitable settlement of the Palestinian issue. The new Government had already, in July 1992, announced a total freeze on the construction of any new settlements, and in August rescinded a deportation order imposed by the previous Government in January 1992 on 11 Palestinians, but which had not yet been implemented, substituting administrative detention for expulsion in their case. In addition, a fairly large number of prisoners in administrative detention were released and a number of roads that had previously been sealed off with barrels and cement in towns in Gaza and the West Bank were reopened. The number of curfews had diminished and some road blocks and checkpoints had disappeared. The Civil Administration responsible for the territories continued to pursue its new economic policy measures through efforts to encourage new investment in the territories, the more liberal grant of new licences to entrepreneurs who wished to start business in the territories and the application of certain temporary immunity from taxation on new businesses.

19. The relative calm was interrupted on 13 December 1992 when the Islamic organization, Hamas, which was celebrating the fifth year of its creation in the occupied Arab territories, kidnapped a sergeant-major in the Israeli army. His dead body was found on 16 December 1992, on the road between Jerusalem and Jericho, following the refusal of the Israeli authorities to negotiate an exchange involving the sergeant-major and a Hamas leader who had been arrested in 1989.

20. Within 24 hours of the discovery of the sergeant-major's death, more than 1,000 members of Hamas had been arrested. Following an expeditious court procedure, the Israeli authorities proceeded with the immediate deportation of 417 Palestinians, transporting them by bus towards Lebanon, which refused to accept them. Despite a unanimously adopted Security Council resolution (No. 799) of 18 December 1992, condemning the deportations and calling for the return from exile of all the deportees, as well as numerous political interventions and negotiations that took place concerning the deportations, the deportees remain camped in precarious conditions within the Israeli-declared security zone in southern Lebanon.

21. Since the beginning of 1993 the Israeli Supreme Court has declared invalid the collective temporary deportation order affecting the 417 Palestinians but has nevertheless allowed the deportation to stand, basing its view on British Mandate Emergency Order No. 112 of 1945, which permits the deportation of individuals. The individual deportees would, however, have a right of appeal. At the time of the mission by the representatives of the Director-General, attempts were being
made, at the political level, to find a compromise solution to the problem of the deportees but none had, at that time, been found. This was all the more important since the Palestinian delegation to the peace talks - which were scheduled to resume on 20 April 1993 - had decided not to renew its participation in the talks until a satisfactory solution had been found.

22. The deportation had taken place at a time when the Palestinian population was becoming somewhat disillusioned by what they saw as a total lack of progress in the peace talks. Moreover, their economic plight was scarcely improving, and the collective deportation of more than 400 Palestinians had greatly diminished their confidence in a Government whose act seemed to belie the intentions and guarantees it had expressed a few months earlier to do everything it could to find appropriate solutions to the problems that stood in the way of peace in the region. The resort to violence by certain groups of Palestinians following the deportations was undoubtedly an expression of the frustration they felt that no progress was being made, or was even likely, towards the alleviation of their situation.

23. The violence, which has intensified since the beginning of 1993, left many Israelis and Palestinians dead or injured. The killing or maiming of Israelis has generally been the outcome of attacks by knife-carrying Palestinians but, in some cases, military or police vehicles have been attacked by groups of Palestinians armed with firearms. Retaliation by the army has been fierce and has caused the death of a large number of Palestinians and serious injury to many more. Settlers, some of whom have also been killed, have also retaliated violently against Palestinians, causing death, injury and serious damage to property. The violence and deaths that have occurred almost daily since the beginning of 1993 have even caused the authorities actively to encourage Israelis to arm themselves against possible aggression.

24. It was in this tense and difficult atmosphere that, during the mission of the representatives of the Director-General, i.e. as from midnight on 30 March 1993, the Government officially closed the Gaza Strip and the West Bank for an indefinite period following the killing by Palestinians of two traffic policemen in the Nahal Iron area, north of Tel Aviv. This measure effectively made it impossible for all Palestinians, including the 100,000 or so who work daily in Israel, to enter Israel. Despite the very grave economic consequences of this measure, both for Palestinians as well as for the Israeli economy, the closure of the territories was still in force at the time of writing this report. Strong public opinion in favour of the use of military force to crush any form of violence had encouraged the Government to seal off the territories and immediately take active measures, in consultation with Israeli employers, the Ministry of Labour and Social Affairs and the military, to
replace Palestinian workers working in Israel by Israeli workers or by alternative immigrant labour.

25. The foregoing paragraphs illustrate the context in which the representatives of the Director-General this year carried out their mandate in examining the situation of workers of the territories. The chapters that follow contain a more detailed examination of the actual situation of the workers of the occupied Arab territories, and the implications for them and their families of measures that have been taken since the previous report was established, or of those which continued to be applied during the past year.

THE ECONOMY AND THE LABOUR MARKET

The economy of the occupied Arab territories

(i) The economic environment

26. The economy of the occupied Arab territories is as fragile as ever and continues to suffer from severe instability; unprotected and undirected, constrained in many ways and undersized, it cannot compete fairly with the Israeli economy. Over the years, the territories have become utterly dependent on Israel as a provider of wage employment and as a source of the products they buy. The reverse dependence of Israel on the territories as a source of cheap labour and a prime export market is far less significant in terms of the economy of that country.

27. Governance, including economic and financial management, is a key issue in implementing whatever option is favoured for the future of the territories. Unfortunately, the people of the territories have so far hardly been involved in taking decisions which impact on their economic and social development. Until today, these decisions have been taken by Israeli administrators whose motives need not always coincide with Palestinian interests.

28. By international standards the occupied territories are part of the developing world. Per capita national income (GNP) for 1991 is estimated to be US$2,040 for the West Bank and US$1,250 for the Gaza Strip compared to US$11,480 for Israel.\(^2\) In both the West Bank and Gaza per capita income was less in 1991 than in 1990 if measured in current dollars. The gross national

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1 This section deals with the situation in the West Bank (excluding East Jerusalem) and the Gaza Strip.

2 End-of-year population; average exchange rate for 1991: US$1.00 = NIS2.28.

29. The balance of payments between Israel and the occupied territories showed a record deficit of US$325 million for the territories in 1991. It is composed of a major deficit on account of almost US$1 billion worth of goods imported from Israel and a lesser surplus on account of services, mainly labour "exported" to Israel. It is not clear from the available statistics what the considerable amount of services imported from Israel consists of.

Balance of payments between Israel and the occupied territories,1 1985-91
(millions of current US$)

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<tbody>
<tr>
<td>Merchandise exports to Israel</td>
<td>181</td>
<td>275</td>
<td>304</td>
<td>148</td>
<td>107</td>
<td>177</td>
<td>190</td>
</tr>
<tr>
<td>Merchandise imports from Israel</td>
<td>600</td>
<td>798</td>
<td>928</td>
<td>596</td>
<td>516</td>
<td>709</td>
<td>976</td>
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<td>Goods balance</td>
<td>-419</td>
<td>-523</td>
<td>-624</td>
<td>-448</td>
<td>-409</td>
<td>-532</td>
<td>-786</td>
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<td>Service exports to Israel2</td>
<td>301</td>
<td>453</td>
<td>669</td>
<td>657</td>
<td>668</td>
<td>784</td>
<td>711</td>
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<tr>
<td>Service imports from Israel</td>
<td>133</td>
<td>172</td>
<td>220</td>
<td>230</td>
<td>228</td>
<td>257</td>
<td>250</td>
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<tr>
<td>Services balance</td>
<td>168</td>
<td>281</td>
<td>449</td>
<td>427</td>
<td>440</td>
<td>527</td>
<td>461</td>
</tr>
<tr>
<td>Surplus/Deficit</td>
<td>-251</td>
<td>-242</td>
<td>-175</td>
<td>-21</td>
<td>+31</td>
<td>-5</td>
<td>-325</td>
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1 West Bank (excluding East Jerusalem) and Gaza.
2 Mainly labour.


30. A structural deficit on the balance of goods and a surplus on account of wages earned in Israel are vivid evidence of the dependence of the territories on the Israeli economy. Trade with Israel suffered enormously at the start of intifada but now seems to have returned to 1987 levels.
31. As illustrated in data below, foreign trade with Jordan and other countries is limited when compared to trade with Israel. Since 1987 there is a deficit on account of increased imports from countries other than Israel or Jordan and lagging exports owing to trade barriers which are much resented by producers in the territories.

**Gaza and West Bank: Foreign trade,¹ 1985-87 and 1989-91**
(millions of current US$)

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<td>Gaza:</td>
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<tr>
<td>Imports</td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>From Israel</td>
<td>281.4</td>
<td>378.0</td>
<td>412.1</td>
<td>200.0</td>
<td>268.6</td>
<td>360.2</td>
</tr>
<tr>
<td>From Jordan</td>
<td>258.5</td>
<td>346.8</td>
<td>380.5</td>
<td>165.7</td>
<td>228.6</td>
<td>314.1</td>
</tr>
<tr>
<td>From other countries</td>
<td>22.9</td>
<td>31.2</td>
<td>31.6</td>
<td>34.3</td>
<td>40.0</td>
<td>46.1</td>
</tr>
<tr>
<td>Exports</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>To Israel</td>
<td>106.0</td>
<td>139.7</td>
<td>157.1</td>
<td>31.4</td>
<td>47.6</td>
<td>71.4</td>
</tr>
<tr>
<td>To Jordan</td>
<td>85.2</td>
<td>118.7</td>
<td>143.2</td>
<td>21.8</td>
<td>35.2</td>
<td>58.9</td>
</tr>
<tr>
<td>To other countries</td>
<td>4.7</td>
<td>2.2</td>
<td>2.1</td>
<td>2.7</td>
<td>4.7</td>
<td>4.2</td>
</tr>
<tr>
<td>Gaza balance</td>
<td>-175.4</td>
<td>-238.3</td>
<td>-255.0</td>
<td>-168.6</td>
<td>-221.0</td>
<td>-288.8</td>
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<td>West Bank:</td>
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<td></td>
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<tr>
<td>Trade with Israel</td>
<td>-243.4</td>
<td>-295.1</td>
<td>-420.2</td>
<td>**</td>
<td>**</td>
<td>**</td>
</tr>
<tr>
<td>Trade with Jordan</td>
<td>60.6</td>
<td>72.4</td>
<td>57.0</td>
<td>25.0</td>
<td>15.2</td>
<td>20.9</td>
</tr>
<tr>
<td>Trade with other countries</td>
<td>-37.3</td>
<td>-49.2</td>
<td>-47.7</td>
<td>-66.9</td>
<td>-74.8</td>
<td>-83.3</td>
</tr>
<tr>
<td>West Bank balance</td>
<td>-220.1</td>
<td>-271.9</td>
<td>-410.9</td>
<td>**</td>
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</tbody>
</table>

¹ Goods only.

** Data for 1988 and the 1989-91 data for the West Bank are unavailable.

(ii) Recent developments

32. The overall economic situation in the territories, according to the Israeli Central Bureau of Statistics, has improved considerably after a rather disastrous year in 1991. West Bank olive crops, which come in two-year cycles, were exceptionally high and rainfall was above normal, boosting other agricultural crops as well. The estimated number of hours worked by Palestinians from the territories in Israel increased dramatically and employment in the territories was up as well. Improvements were much more evident, however, in the West Bank than in Gaza, where conditions appeared to be as desperate as ever with millions of dollars in incomes lost again as a consequence of extended border closures and curfews in June and December 1992, and with UNRWA forced in December to distribute flour and food parcels to tens of thousands of families.

33. Meanwhile, since the Gulf War, new policies are being pursued by the Civil Administration, inter alia, with a view to stimulate investment and hence employment creation within the territories. Measures include tax facilities for investors, the establishment of investment centres and industrial parks, the lowering of certain fees such as those paid to cross the Jordan bridges, and steps taken to allow the strengthening of the local banking system. These measures, however welcome, have had no major impact so far nor can they be expected overnight to make up for years of neglect.

34. According to data received from the Civil Administration for the territories, its 1993 budget adds up to NIS827 million, or US$306 million,¹ composed of US$181 million in West Bank revenues (taxes, customs duties, tariffs, etc.), US$86 million in Gaza revenues, and a US$39 million "Israeli Government participation", presumably from the much debated "Equalization Fund" containing deductions for social benefits under National Insurance which workers from the territories cannot legally obtain or from taxes withheld at the source of income earned by Palestinians working in Israel. The resources are to be used as follows:

¹ US$1 = NIS2.7.
1993 budget of the Civil Administration for the West Bank and Gaza (millions of US$)

West Bank 196

<table>
<thead>
<tr>
<th>Budget Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular budget</td>
<td>168m</td>
</tr>
<tr>
<td>- Wages</td>
<td>104m</td>
</tr>
<tr>
<td>- Acquisitions</td>
<td>64m</td>
</tr>
<tr>
<td>Development budget</td>
<td>28m</td>
</tr>
</tbody>
</table>

Gaza 110

<table>
<thead>
<tr>
<th>Budget Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular budget</td>
<td>86m</td>
</tr>
<tr>
<td>- Wages</td>
<td>57m</td>
</tr>
<tr>
<td>- Acquisitions</td>
<td>29m</td>
</tr>
<tr>
<td>Development budget</td>
<td>24m</td>
</tr>
</tbody>
</table>

Source: Data provided by the Civil Administration.

Population and labour force

35. The most recent estimates of the Israeli Central Bureau of Statistics (CBS),¹ suggest an end-of-1991 population of 1,005,600 for the West Bank and 676,100 for Gaza. The number of Israeli settlers in these territories was reported to be 94,000, compared to 82,000 at the end of 1990. An estimate of the Moslem population of Jerusalem district (141,100 at the end of 1991), concerns no doubt the Arab population of East Jerusalem; no estimates are provided of the number of Israeli settlers in East Jerusalem. The 1991 population of the Golan was estimated to be 27,200, including 14,200 autochthonous Druze.

36. The population of both the West Bank, excluding East Jerusalem, and Gaza continued to increase at an exceptionally rapid rate: over 5 per cent during 1991. The natural increase, i.e. the rate which does not incorporate the migration balance, was estimated to be 4.1 per cent in the West Bank and 5.1 per cent in Gaza. As a result of such rapid growth, half of the population of the occupied Arab territories is now under 15 years of age; the fact foreshadows major challenges, notably in respect of education and employment. At the current rate of growth the population of Gaza's already overcrowded 363 km² will exceed 1 million in the year 2000.

37. The labour force of the occupied Arab territories, that is, the number of those who are 15 years of age or older and either working or unemployed but actively seeking work, is estimated on the basis of quarterly household surveys conducted by the Israeli CBS.

West Bank (excluding East Jerusalem) and Gaza: Population aged 15 and over, labour force and labour participation rates (LFPR), by sex, 1991

<table>
<thead>
<tr>
<th>Population (15+)</th>
<th>West Bank</th>
<th></th>
<th>Gaza</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number</td>
<td>508 000</td>
<td>Number</td>
<td>325 900</td>
<td></td>
</tr>
<tr>
<td>LFPR (%)</td>
<td>39.4</td>
<td>LFPR (%)</td>
<td>34.3</td>
<td></td>
</tr>
<tr>
<td>Labour force</td>
<td>200 300</td>
<td>Labour force</td>
<td>111 800</td>
<td>34.3</td>
</tr>
<tr>
<td>LFPR (%)</td>
<td>71.3</td>
<td>LFPR (%)</td>
<td>68.5</td>
<td></td>
</tr>
<tr>
<td>Labour force, male</td>
<td>177 500</td>
<td>Labour force, male</td>
<td>109 000</td>
<td>68.5</td>
</tr>
<tr>
<td>LFPR (%)</td>
<td>8.8</td>
<td>LFPR (%)</td>
<td>1.7</td>
<td></td>
</tr>
<tr>
<td>Labour force, female</td>
<td>22 800</td>
<td>Labour force, female</td>
<td>2 800</td>
<td>1.7</td>
</tr>
</tbody>
</table>

Source: Central Bureau of Statistics, op.cit., table 27.18.

38. The labour force of the territories - 312,000 in total - is estimated to have grown, on average, at over 3 per cent per year in recent years. If the numbers are correct and if current trends continue, the labour force of the territories can be expected to increase by well over 10,000 per year (net) for the rest of the decade, i.e. by over 6,000 in the West Bank and over 4,000 in Gaza. One should not rule out, however, the possibility that the labour force of the occupied Arab territories is considerably underestimated. In addition to normal sampling errors and the difficulties which enumerators have been confronted with since the start of the intifada, respondents may have underreported their employment or unemployment for one reason or another. Underreporting is suspected especially in view of what would otherwise be among the lowest female labour force participation rates anywhere. The participation of women in the West Bank is reported to have declined from 12.4 per cent in 1980 to 8.8 per cent in 1991. In Gaza participation is now estimated at only 1.7 per cent of the female population aged 15 and over, compared to 4.3 per cent in 1980.

1 As pointed out by the Central Bureau of Statistics, op. cit., p. 109.
39. An estimated female labour force in Gaza of a mere 2,800 women in 1991 (of whom 200 are stated to be unemployed) is contradicted, for example, by the fact that the Israeli Civil Administration and UNRWA in Gaza each currently employ more than 1,500 Palestinian women.

Employment and unemployment

40. The labour force consists of the employed, defined essentially as those who worked at least one hour for pay, profit or other remuneration during the survey week, and the unemployed who did not work at all during that week but who were actively seeking work. As has been suggested in earlier reports, the quality of one's employment may vary considerably. In circumstances such as those prevailing in the occupied territories and in developing countries in general, very few people can afford to be without work for any length of time and many are therefore underemployed or otherwise in a precarious position.

41. The employment problem in the occupied Arab territories represents a key variable in plans for the future. The problem is characterized in particular by a serious shortage of wage jobs in the territories and by the uncertainty of continued employment opportunities in Israel. The territories, under the most optimistic of assumptions, cannot be expected to absorb more than a fraction of jobseekers for many years to come. Without access to employment abroad, poverty in the territories is bound to increase, with corresponding risks for peace and stability in the region.

(i) Total employment

42. The Israeli Central Bureau of Statistics estimates that 287,400 Palestinians were employed in 1991, one-third of them in Israel. Less than 9 per cent of all workers were women. Total employment in 1991 was 3 per cent less than in 1990 as a consequence of the Gulf crisis and the 45-day curfew imposed on the territories early in 1991. Preliminary data for 1992 suggest a recovery of 11 per cent; the 1992 total of 319,000 would represent a 7.6 per cent increase over 1990.
Employment of Palestinian workers by place of work, 1991

<table>
<thead>
<tr>
<th>Origin</th>
<th>Work in territories</th>
<th>Work in Israel</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>%</td>
<td>Number</td>
</tr>
<tr>
<td>West Bank</td>
<td>123 800</td>
<td>69</td>
<td>55 900</td>
</tr>
<tr>
<td>Gaza Strip</td>
<td>65 900</td>
<td>61</td>
<td>41 800</td>
</tr>
<tr>
<td>Total</td>
<td>189 700</td>
<td>66</td>
<td>97 800</td>
</tr>
</tbody>
</table>


43. Most of the employed (83 per cent in 1991) were working full time, meaning at least 35 hours per week. The proportion of full-time workers declined from 92 per cent in 1987, when the intifada started, to 68 per cent in 1988; preliminary data suggest a further increase to 88 per cent in 1992. A gradual increase in labour input after a major drop in 1988 is also seen in the total weekly hours worked in recent years. The impact of the Gulf crisis is none the less evident in the 1991 data:

**Total weekly work-hours of Palestinians employed in the occupied Arab territories and in Israel, 1987 and 1990–92**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Workers from the West Bank</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>In the West Bank</td>
<td>5 267</td>
<td>5 062</td>
<td>4 710</td>
<td>5 587</td>
</tr>
<tr>
<td>In Israel</td>
<td>2 899</td>
<td>2 513</td>
<td>2 051</td>
<td>2 992</td>
</tr>
<tr>
<td>Total</td>
<td>8 166</td>
<td>7 575</td>
<td>6 761</td>
<td>8 579</td>
</tr>
<tr>
<td><strong>Workers from Gaza</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>In Gaza</td>
<td>2 474</td>
<td>2 099</td>
<td>2 257</td>
<td>2 822</td>
</tr>
<tr>
<td>In Israel</td>
<td>1 955</td>
<td>1 467</td>
<td>1 436</td>
<td>1 593</td>
</tr>
<tr>
<td>Total</td>
<td>4 429</td>
<td>3 566</td>
<td>3 693</td>
<td>4 415</td>
</tr>
<tr>
<td><strong>All workers</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>In the territories</td>
<td>7 741</td>
<td>7 161</td>
<td>6 967</td>
<td>8 409</td>
</tr>
<tr>
<td>In Israel</td>
<td>4 854</td>
<td>3 980</td>
<td>3 487</td>
<td>4 585</td>
</tr>
<tr>
<td>Total</td>
<td>12 595</td>
<td>11 141</td>
<td>10 454</td>
<td>12 994</td>
</tr>
</tbody>
</table>

Source: Data provided by the Central Bureau of Statistics.
44. Only one in four Palestinians employed has a wage job in the occupied territories. There are now roughly 50,000 wage-earners in the West Bank and 25,000 in Gaza. At the same time there are around 100,000 Palestinians working for wages in Israel. Self-employment and unpaid family work are relatively important both in the West Bank and in Gaza. The distribution of the employed by their employment status has not changed much since the late 1970s. It is worth noting, however, that the proportion and the number of employers has declined steadily over the years to reach new lows in 1991 both in the West Bank and Gaza:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Wage employment in the territory</td>
<td>29</td>
<td>27</td>
<td>28</td>
<td>32</td>
<td>23</td>
<td>25</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wage employment in Israel</td>
<td>29</td>
<td>32</td>
<td>30</td>
<td>35</td>
<td>40</td>
<td>38</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employers</td>
<td>4</td>
<td>2</td>
<td>2</td>
<td>5</td>
<td>2</td>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self-employed</td>
<td>27</td>
<td>27</td>
<td>29</td>
<td>22</td>
<td>30</td>
<td>30</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unpaid family workers</td>
<td>11</td>
<td>12</td>
<td>11</td>
<td>6</td>
<td>5</td>
<td>6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total employed</td>
<td>132,000</td>
<td>192,600</td>
<td>179,700</td>
<td>72,600</td>
<td>103,900</td>
<td>107,700</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: Totals may not add up due to rounding.

Source: Central Bureau of Statistics.

Palestinian workers by sector, West Bank and Gaza, 1991

<table>
<thead>
<tr>
<th>Major sector</th>
<th>West Bank</th>
<th>Gaza</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employed</td>
<td>Wage employees</td>
<td>Employed</td>
</tr>
<tr>
<td>Number</td>
<td>%</td>
<td>Number</td>
</tr>
<tr>
<td>Agriculture</td>
<td>34 800</td>
<td>28</td>
</tr>
<tr>
<td>Industry</td>
<td>20 900</td>
<td>17</td>
</tr>
<tr>
<td>Construction</td>
<td>13 000</td>
<td>11</td>
</tr>
<tr>
<td>Services</td>
<td>54 900</td>
<td>44</td>
</tr>
<tr>
<td>TOTAL</td>
<td>123 800</td>
<td>100</td>
</tr>
</tbody>
</table>

Note: Totals may not add up due to rounding.

Source: Based on Central Bureau of Statistics, op.cit., tables 27.23-24-25.
(ii) Employment in the occupied Arab territories

45. In 1991 some 190,000 Palestinian workers, or two out of three Palestinians employed, were reported to be working within the occupied territories, not counting those who worked in Israeli settlements. The increase in such employment over 1990 was negligible; preliminary data for 1992, however, suggest an upsurge of 8 per cent, or around 15,000 jobs, in "domestic" employment, i.e. 7,000 in Gaza and 8,000 in the West Bank.

46. A majority of workers in the territories are self-employed or unpaid family helpers in agriculture or commerce. Only 40 per cent of employment in the territories consists of wage jobs, most of these in services provided by the Civil Administration, UNRWA or municipalities. For example, in Gaza UNRWA currently employs some 4,800 staff including 1,560 women; around 3,000 of these employees are teachers and instructors. The Civil Administration informed the mission that it employs 6,200 Palestinians in Gaza, 30 per cent of whom are women, and 14,600 in the West Bank, 40 per cent of whom are women.

47. There is relatively little industrial employment in the territories and most industrial establishments are very small. In the West Bank, according to the Israeli Central Bureau of Statistics, in the third quarter of 1991 there were 1,978 establishments providing work for 11,337 persons, of whom 8,033 worked for wages; 28 per cent of the establishments were single-person operations and another 34 per cent employed two persons; 25 establishments employed 50 persons or more. In the Gaza Strip, at the same time, 1,710 establishments employed 7,039 persons, 4,363 of them for wages; 23 per cent of the establishments were single-person operations and 42 per cent employed two persons; only eight establishments employed 50 or more workers.

(iii) Employment in Israel

48. Palestinians in relatively large numbers come to work in Israel if they can. They would find no jobs in the territories even if they tried and Israeli employers continue to recruit them, in spite of certain risks, because they work hard and cost less. Palestinian workers appreciate that wages in Israel are decidedly higher than earnings in the territories; this compensates for the fact that their jobs are particularly precarious and for the ordeal most of them go through merely to come to work.

49. The precise number of Palestinians who cross the border every day and of those who, against the law, stay overnight in Israel, is subject to debate and some speculation. Part of the problem is that there is hardly a normal day. Numbers may vary
enormously depending on such factors as punitive border closures, local curfews, intifada-dictated strikes and the degree to which these are effective, religious and other holidays, agricultural seasons and the ups and downs in the Israeli construction sector.

50. A key issue in different estimates of Palestinians working in Israel concerns the amount of income lost by these workers when, for one reason or another, they cannot come to Israel. If it is 30,000 Gazans who earn an average of US$25 per day, the loss is US$750,000; if it is 40,000 Gazans, the loss is US$1,000,000 per day.

51. In response to the killing of a girl in Israel by a Palestinian from Gaza on 24 May 1992, and the killing of a settler on 27 May, the military sealed off the Gaza Strip on 29 May until 8 June when a few hundred workers and some merchants were allowed to cross. It was at that time, at the Eretz checkpoint, that Palestinian workers and Israeli employers demonstrated together for a reopening of the border. The number of workers entering Israel did not return to previous levels until early July. Following the killing of three Israeli soldiers on 6 December the Strip was again closed from 7 to 21 December inclusive. An around-the-clock curfew was imposed throughout the area from 14 to 24 December and again on 30 and 31 December 1992. On these occasions therefore, by way of punishment, tens of thousands of Gaza workers were deprived of millions of dollars of income.

52. The Israeli Central Bureau of Statistics estimates that an average of 98,000 Palestinians worked in Israel in 1991, that is 10,000 less than in 1990 as a consequence of their absence during the Gulf War. Preliminary data for 1992 suggest a massive recovery, however, with numbers from the West Bank reaching an all-time high of 71,000; the number of workers coming from Gaza, in spite of the measures mentioned above, was reported to be back at 43,000, still below a 1987 peak of 46,000.

53. The 1991 CBS labour force survey finds that Palestinian workers in Israel, typically, are young men: 73 per cent are in the 18-34 age bracket; they are usually married (77 per cent) and most of them (61 per cent) are the sole earners in a large household (56 per cent are from households with seven or more persons); more than half of all workers (54 per cent) have had nine years of schooling or more.

54. A breakdown of Palestinian employment in Israel in 1991 shows that almost 70 per cent of all Palestinian workers there were working in the construction sector, compared to 46 per cent in 1987. The unmistakable trend is the outcome mainly of a growing demand for Palestinian construction workers and the fact that more stable jobs in industry, in hotels and in public
services are rapidly taken over by unemployed Israelis, and in particular by recent Jewish immigrants.

Percentage breakdown of Palestinian employment in Israel, by major sector, 1987-91

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>15.0</td>
<td>15.0</td>
<td>14.0</td>
<td>12.0</td>
<td>12.0</td>
</tr>
<tr>
<td>Industry</td>
<td>18.0</td>
<td>15.0</td>
<td>13.0</td>
<td>10.0</td>
<td>8.0</td>
</tr>
<tr>
<td>Construction</td>
<td>46.0</td>
<td>50.0</td>
<td>54.0</td>
<td>64.0</td>
<td>69.0</td>
</tr>
<tr>
<td>Services</td>
<td>22.0</td>
<td>20.0</td>
<td>20.0</td>
<td>18.0</td>
<td>12.0</td>
</tr>
</tbody>
</table>

Source: Central Bureau of Statistics, op. cit., table 27.22.

55. The Israeli construction sector experienced a major building boom in 1991 and 1992 associated with the arrival of large numbers of immigrants from the former Soviet Union. Total employment in the sector increased from 140,000 in 1990 to 163,200 in 1991; most of the new jobs, however, went to Jewish workers whose share in total employment increased to 35 per cent in 1991 from 31 per cent in 1990, and to other, non-Jewish Israeli workers whose share remained stable at 24 per cent. The share of workers from the territories dropped from 46 per cent in 1990 to 41 per cent in 1991; their numbers, none the less, increased from 64,000 to 67,000. Preliminary data for 1992 suggest a further increase as Palestinian labour input in Israeli construction reportedly jumped by 42 per cent, from 2.4 million hours per week in 1991 to 3.4 million hours per week in 1992.

56. In spite of the fact that unemployment in Israel reached 11.2 per cent (206,000 persons) in the first nine months of 1992, a large proportion of job offers, particularly in construction, continued to be taken up by Palestinians. For example, in November 1992 employers in Israel registered 31,900 vacancies, of which 8,300 were filled by Israelis and 15,200 by Palestinians; 8,400 were not filled.¹ Israelis seemed neither interested in these jobs at prevailing wage levels nor trained for the purpose, and Israeli contractors never fail to acknowledge that Palestinian workers are more productive.

57. Many more Palestinians would come to work in Israel if they could. Besides those who are not allowed to enter Israel,

notably "green card" holders in the West Bank and those without a "magnetic card" in Gaza, there are tens of thousands who have registered with the Employment Service but who are not asked for by Israeli employers. For example, in 1992 an average of 82,767 persons, more than 70 per cent of the local labour force, was on the registers each month in Gaza as seeking jobs in Israel; of those, an average of 47,134 held work permits (not all permit-holders need actually be working, but it is believed by the authorities that a large majority of the Gazans who do come to work in Israel possess the necessary documents; the proportion of unregistered workers is much higher in the case of the West Bank, which has a more porous border with Israel).

(iv) Unemployment and underemployment

58. In 1991, according to Israeli statistics, unemployment in the occupied territories which until then had always been very low increased to almost 25,000 from 11,000 one year earlier; it more than doubled in the West Bank to reach 10.3 per cent of the local labour force; it stabilized at around 4,000, or 3.7 per cent of the labour force, in Gaza. In 1992, however, unemployment was estimated to have returned to "normal" levels: 4 per cent in the West Bank and 3 per cent in Gaza.

59. Low unemployment figures are regularly challenged by people who are familiar with the sometimes desperate situation of large numbers of households without a reliable and adequate source of income. Alternative estimates of unemployment which vary between 25 and 50 per cent tend to include a measurement of underemployment. For example, Prime Minister Rabin told the Knesset in January 1993 that unemployment in Gaza was more than 40 per cent and described the situation as an "economic and occupational time bomb developing."¹

60. It is important to agree on what is being measured. The unemployed referred to in the CBS statistics, in accordance with an internationally recognized definition, are people who did not work even one hour per week but who were active in seeking work. Not included, therefore, are people who involuntarily work less than what is considered a normal duration and who are available for additional work: the underemployed. Also not included are the unemployed who have given up being active jobseekers, as well as women interested in wage work but all too easily classified as housewives outside the labour force. Not included either are over 12,500 Palestinian prisoners and more than 200 administrative detainees who remained inside Israeli

detention facilities. Not included are some 26,000 unpaid family workers (more than 8 per cent of the labour force) and 17,000 people who are considered temporarily absent from work. Not included, of course, are people who work in Israel but who are time and again prevented from going there for reasons beyond their control. None of these people are unemployed but they surely represent an employment problem of major proportions.

The sorry state of employment in Gaza is vividly illustrated by a recent experience of UNRWA, which advertised vacancies for eight sanitation labourer positions and received 11,655 applications, that is from 10 per cent of the Strip's estimated labour force; 200 persons applied for one position of driver; 430 applied for 25 preparatory teaching jobs; and the Agency's waiting list for elementary teachers was 400 persons.

(v) Employment prospects

The employment situation in the occupied Arab territories will, at least for the next ten years and assuming that peace and stability prevail, be largely determined by three variables: the extent to which Palestinian workers continue to find work in Israel or in other countries, the amount of money invested in the local economy, and the nature of such investments.

It is perhaps encouraging that measures recently adopted by the Civil Administration to promote private investment and hence employment in the territories already appear to have had some effect. For example, 23 projects that will employ 320 workers with an overall investment of US$7.5 million have so far been approved in Gaza and five projects have been approved in the West Bank. Moreover, numerous licences were granted for new factories. A less than constructive attitude in the past towards development "from within" may thus have been reversed; more is needed quickly, however, to prevent the employment problem of the occupied territories from growing worse.

At least 10,000 new and permanent jobs must be created each year in this decade merely to absorb new entrants to the labour force of the territories. This is estimated to involve an average investment of US$25,000 per job, which adds up to US$250 million or more per year from this year onwards. This order of magnitude (thousands of millions of dollars) is staggering and


such figures are probably unrealistic if one considers the size and current state of the economy of the territories and the continued reluctance of investors in view of political uncertainty, instability and other problems, including access to external markets.

65. It will be difficult, even under the most optimistic of reasonable investment scenarios, year after year to absorb all who come new to the labour market of the territories. It will be more difficult, of course, to absorb more than 10,000 people per year if it is intended also to tackle current unemployment and underemployment. And it would be impossible for anyone to create the number of jobs required in case of a permanent ban on the employment of Palestinians in Israel or a major reduction in the number of workers there.

66. As Palestinians are preparing to assume responsibility for the economic and social development of the territories, it is suggested that priority be given to the formulation of employment policy options. Meanwhile, and as suggested in last year's Report, special measures such as labour-intensive public work schemes are urgently needed to constitute a social safety net for Palestinians who are unable to make ends meet otherwise. Because a large proportion of workers will have to be self-employed, it is essential that they find the business environment conducive and have access to key inputs such as the necessary technical and management skills and credit, and to markets for what they produce.

Education and training

67. School enrolments in the territories have increased over the years in spite of severe problems such as repeated school closures and other disruptions due to the state of occupation. It is a positive development that during the year under review all institutions of learning had reopened and functioned as well as could be expected in the circumstances.

68. There are now more than 550,000 pupils in the educational institutions of the territories, including 320,000 in primary schools, 113,000 in post-primary "preparatory" schools, 70,000 in secondary schools and an estimated 12,000 in six universities. It is worth noting that UNRWA assumes responsibility for some 140,000 mostly primary and preparatory school pupils, 100,000 of them in Gaza.

69. In July 1992, at Bir Zeit University, the last educational institution to reopen, 750 students graduated for the four years during which the university was officially closed; some 2,500 students are now enrolled, 60 per cent of them in their first year. As external sources of funding dried up after
the Gulf War, the university, among many other Palestinian institutions, currently faces severe financial difficulties, exacerbated by rigid attitudes on the part of Israeli authorities who, for example, refuse tax exemptions on building contracts.

70. The training system of the occupied territories is relatively small and of the rudimentary kind typical of developing countries. A few thousand young Palestinians, far fewer than those enrolled in universities, are involved in vocational training programmes, i.e. in assorted courses for drivers, car mechanics, metal workers, masons and so on and so forth. There are some sewing and knitting classes for women, as well as commercial courses including, as of late, computer training. Although these courses are said to be in demand among the population, it is not evident that graduates end up in employment as a result of their training and, if they do, why such programmes are not drastically expanded.

71. The authorities concerned continued to make improvements in facilities and marginal changes in training programmes, but their efforts appear to be somewhat haphazard and to have little impact in terms of solving the sort of problems which training should seek to address. There is no evidence of any systematic assessment of training needs or of any involvement of employers in taking training decisions.

72. The moment may have come for a major overhaul of the training system of the territories so as to make it a truly useful instrument in implementing the social and economic policies which are being debated. It is time now to develop broad training policies and to consider appropriate institutional arrangements to ensure that limited resources respond first and effectively to real training needs associated with real jobs and real opportunities for social and economic change, including improvements in conditions of particularly disadvantaged segments of the population such as the disabled. In doing so, however, training should be mistaken neither as an employment creation device nor as an instrument to attract foreign investment.

CONDITIONS OF WORK

73. The conditions of work of Palestinian workers vary according to the location. In an enterprise in the West Bank of the Jordan, either with a Palestinian or with an Israeli employer, the workers come under the 1965 Jordanian Labour Law, as supplemented by military orders. In both cases they are covered by a social insurance scheme affording protection in the event of sickness, invalidity and occupational injury. Workers employed in an enterprise in the Gaza Strip come under Egyptian legislation of 1957 and are not yet covered by any social insurance system which, as emphasized in previous reports, is a
matter of great concern to the General Federation of Trade Unions of Palestinian Workers in the Gaza Strip. Palestinian labour inspectors are responsible for ensuring compliance with labour regulations and advising workers on the exercise of their social rights. The activities of these inspectors also concern collective labour agreements and relations. During the discussions which the mission had with the unions, emphasis was placed on the need to bring the labour legislation in the occupied territories up to date and ensure that it is uniformly applied.

74. Israeli laws and regulations determine the working conditions of Palestinian workers from the West Bank (excluding East Jerusalem) and the Gaza Strip who are employed in Israel. Under the Employment Service Act of 13 January 1959, all manual workers must be recruited through an employment office. Moreover, in 1967 military ordinances declared the occupied territories to be "closed areas" and required all residents to have a permit in order to leave and/or return there. For example, persons living in Bethlehem, to the south of Jerusalem, who go north to work in Ramallah, must have a permit, since they must go via Jerusalem (the eastern part of which has been annexed and therefore comes under Israeli jurisdiction), which entails leaving the southern area and entering the northern one. The division of the West Bank into areas was organized at the beginning of the intifada by Mr. Arens, the Minister of Defence, and is seen by the Palestinians as a gradual "ghettoization" of the territory. This complicates the lives of the people, who are obliged to go through a number of military checkpoints.

75. In order to work in Israel, Palestinians living in the occupied territories must hold identity documents and a work permit. If they live in the West Bank, they must not have green identity cards, for these prevent their holders from entering Israel and East Jerusalem. Green cards are issued to persons who have been detained for at least six months on security grounds, generally without being charged or tried; the cards are valid for six months and are renewable. On 11 May 1992, the Israeli Minister of Defence, replying to a direct question from a member of the Knesset, announced that 17,977 green cards had been issued (since the practice was introduced in 1989). He also stated that 10,947 were still valid. This means that approximately 5 per cent of the active population are thus confined to their place of residence for security reasons and cannot obtain permits to work in Israel.

76. Workers in the Gaza Strip are required to have valid magnetic cards as well as identity cards, which are also issued according to security criteria. The military authorities were able to introduce this system in Gaza (in June 1989) because the territory is small (363 km²) and easy to close off. Military roadblocks have been set up at the two crossing points into
Israel. This means that the 30,000 or so Gaza workers who go to work in Israel each morning have to wait for some two hours. The Israeli authorities stressed that they had multiplied the number of queue lines at the Eretz checkpoint to speed up the crossing. Magnetic cards are controlled electronically and work permits must be shown. The Palestinian trade unions in the Gaza Strip stated that, for instance, Gaza workers who begin work at 7 a.m. in Israel generally have to leave home at 3 a.m. since they have to allow between an hour and an hour-and-a-half to reach the Israeli checkpoint, not because of the distance, which is 45 km at the most, but because of the numerous military roadblocks en route. Once they reach the checkpoint, private cars have to be parked as they have not been allowed to enter Israel since the Gulf War. After the formalities and sometimes body searches, the workers are taken in to their workplace in vans or buses sent by their Israeli employers or in Palestinian collective taxis. They are left near to their workplace but before they actually get there, a number of them are arrested by the Israeli police. The Palestinian trade unions of Gaza thus reported between 60 and 70 daily arrests on the grounds that the work permit granted to a Palestinian did not authorize him to be anywhere but at his exact workplace. Other reasons for arrest are that the workers do not have work permits or have falsified or out-of-date permits. An arrested worker is required to pay approximately NIS500 (US$200), which represents half the minimum wage in Israel; otherwise his papers are confiscated. Furthermore, the unions allege that valid magnetic cards are confiscated at the checkpoints each day, without any justification, and destroyed.

77. All Palestinian adults between the ages of 18 and 60 have to register with the nearest employment service to their homes in order to obtain a work permit. The requisite application forms are obtained only after a considerable amount of red tape entailing visits to various offices (seven or eight) of the Civil Administration and the securing of tax clearance certifying that all the taxes required by the authorities have been paid. According to Israeli statistics given to the Director-General's representatives by the Gaza Strip Employment Service, out of a monthly average of 82,767 persons registered in 1992 as applying for work in Israel, 47,134 (still as a monthly average) held a work permit. This means that these persons have found jobs in Israel but not that they go to work there every day. It is estimated on average that between 30,000 and 35,000 Gaza workers are employed in Israel each day. The Director of the Employment Service gave the figure of 130,000 permits issued in a year.

78. A certain number of Palestinian workers spend the night in Israel during the week. Some are specifically authorized to do so (450 according to the Israeli Ministry of Labour); the rest do so despite the general ban prohibiting all Palestinians from the occupied territories from spending the night in Israel.
Special permission is granted in the case of shift workers. According to the Ministry of Labour, 5,600 permits for shift work were valid at the end of 1992. The excessively long time spent getting to work, the cost of transport, the risks incurred - as mentioned in paragraph 76 - and the other unforeseen problems (curfews, strikes, demonstrations by settlers, etc.) that may arise prompt many workers to spend the night at their place of work. As stated in the previous reports, this only seems possible - in the majority of cases at least - if the employer is willing, for he is held responsible for them. In view of the security measures that are now enforced by the police in Israel in respect of Palestinians found away from their workplace, there is little likelihood of their being given any form of lodging. The Israeli authorities of the Gaza Employment Service nevertheless estimate that between 5,000 and 7,000 Palestinian workers from Gaza spend the night in Israel. In a document dated November 1992 that was handed to the mission, the Histadrut considers that the stricter checks carried out following the Gulf War and the total ban on workers spending the night in Israel have put an end to "housing conditions that in the majority of cases were disgracefully inadequate". Since, in the view of the authorities of the Civil Administration and the employment services, many workers are nevertheless for various reasons still spending the night in Israel, the Histadrut should give the matter serious consideration to ensure that decent housing conditions are provided.

79. Work permits are granted to Palestinians after the military authorities have ascertained that there are no objections from the security angle and that the applicants have paid their taxes. In addition, other conditions may be imposed temporarily following serious incidents as, for example, the requirement that Israeli employers submit applications for work permits in groups of at least ten, or the fixing of minimum ages for workers. After an Arab from Gaza killed a girl at Bat-Yam near Tel Aviv, on 24 May 1992, Arab workers on Israeli building sites were beaten and injured and the Gaza' Strip was closed. On 9 June further measures were taken by the Government concerning the employment of Palestinians from Gaza. In particular, these measures prohibited any Palestinian under 28 from working in Israel. In view of the statement on 2 June by the then Minister of Defence, that "the economy of the Gaza Strip depends on jobs in Israel" and of the fact that the majority of these workers are under 35, this type of measure is in the nature of a collective punishment. The age below which work in Israel was prohibited was subsequently lowered to 25 and then to 20, on instructions from the Ministry of Defence on 6 July 1992. At the time the

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1 See Annex 2 to this report, Part III, "Employment in Israel".

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mission took place, Palestinians between 18 and 20 could obtain work permits but subject to the following three conditions (apart from the usual ones described above): they had to be married, their father had to be sick or deceased, and they had to be the only breadwinner in the family. Only one worker per family could receive a permit. Some workers make direct contact with an employer who makes the application to the employment service. A work permit is valid for two months, at the end of which it is usually converted into a one-year, renewable permit. The latter is only given, or renewed, if it has been stamped each month by the employer, certifying that the social insurance contributions have been paid.

80. Arab women and adolescents under 17 do not need work permits. Seasonal workers may obtain a special three-month permit from the military authorities, as may casual workers. It is, however, increasingly rare for the latter to be employed; according to the Director of the Employment Service in Israel, they are being replaced by foreign workers for security reasons. As regards work in the Jewish settlements established in the territories, Military Order No. 967 of 3 March 1982, as amended, requires Palestinians to be in possession of a special three-month permit issued by the nearest employment service. Any infringement of this provision carries a penalty of one year's imprisonment or a fine of NIS15,000 (US$6,000). These workers, like seasonal and casual workers, are paid directly by the employer who has to apply a lower minimum wage than that applicable in Israel, plus a cost-of-living allowance. There is no social protection.

81. However long the work permits are valid for, the employment of Palestinians in Israel remains precarious since the permits can be withdrawn at any time by the military authorities and contracts of employment are nearly always on a daily basis. The system remains as described in previous reports despite the speeding up of formalities with the computerization of the employment offices. The workers' freedom of choice is very limited. For example, following a Military Ordinance of 8 February 1991, Palestinians from Gaza may work only within a limited area around the Gaza Strip. Moreover, in view of the severity of the security measures adopted by the military authorities, these workers are in a vulnerable and dependent situation in which they can easily be subjected to discrimination and arbitrary decisions. The only advantage of employment in Israel for Palestinians from the occupied territories is that it is a source of income - generally the only source. Endemic underdevelopment, the abandonment of traditional farming that has resulted from the confiscation of land and the restrictions

1 ILO: Report of the Director-General, op. cit., para. 69.
imposed on the use of water, added to the loss of job opportunities in countries of the Gulf region, have considerably reduced the number of potential sources of income. Even though section 42(a) of the Employment Service Law of 1959 provides that there shall be no discrimination in recruitment, subsection (b) nevertheless limits this prohibition in the sense that "no discrimination shall be seen where ... considerations of state security prevent a person's being referred to or engaged for some particular work".

82. The Israeli authorities have always recognized that Palestinian workers were recruited in Israel only to meet the country's economic needs and to fill jobs that for one reason or another were not taken by nationals. Attempts were already made in the past, especially at the time of the Gulf War when the occupied territories were under curfew for 45 days, by Israeli employers and the Government to replace this labour, which the market is deprived of whenever there is an incident which arouses Israeli public opinion against the Palestinians and to which the army reacts by sealing off the territories. So far, no solutions have been found, mainly for reasons of cost, quality of work, flexibility (the workers do not reside in Israel and are strongly attracted by the jobs) and productivity. A considerable number of the workers have no work permits, but still manage to be taken on in Israel despite checks. This state of affairs has always existed and meets the employers' desire to have cheaper labour (since they pay neither social security contributions nor taxes) and that of the workers to receive their full wages without any deductions. Israeli employers are accustomed to the advantages of this labour force, especially to meet sudden and urgent needs. The Palestinian spokesmen told the Director-General's representatives that work permits were issued by one employer for one workplace. Since, however, the permits do not have to be returned - which was confirmed by the Employment Service authorities - when workers change jobs or apply for a new permit, a permit that is out of date or belongs to another worker could be used for another job in the event of a check. The Palestinian unions also mentioned that falsified or forged permits were "sold" by Employment Service officials.

83. The point of view of the Histadrut on this matter is reflected in the document that was handed to the mission, in the following two paragraphs concerning workers who do not register with the Israeli Employment Service to find work in Israel and obtain permits:

As regards Palestinian workers, there are several reasons: first, owing to the severe unemployment situation in the territories, many of them are ready to accept any work in Israel, even at terms below the prevailing rate, and without the accompanying benefits which work registered in the Employment Service ensures. Second, many avoid
registration for nationalist reasons (either because they are not ready to "collaborate" with one of the branches of the Israeli Civil Administration or because they are afraid of the revenge of the "shock committees"). Third, in spite of the fact that 25 years have passed since the 1967 war and the opening of the Israeli labour market to the workers from the territories, the custom of receiving wages in cash at the end of the day or week is still more strongly rooted than the knowledge that they have accumulated rights to their credit in various social funds.

On the Israeli side, there are a considerable number of employers who are looking for ways of reducing their production costs by employing cheap labour and avoiding the payment of fringe benefits. There are also some who are prepared to pay higher wages in cash rather than employ registered workers, thus saving the payment of fringe benefits, which in the Israeli reality can amount to an addition ranging from one-third to half of the wage. Clearly, unregistered workers help these employers to evade payment of taxes.

The Histadrut emphasizes that the proportion of non-registered workers dropped from 60 per cent in 1988 to 38 per cent in 1991 (after reaching nearly 70 per cent in 1990) and settled at around 40 per cent in 1992, which the Federation sees as a definite improvement.

84. Workers who are not registered with the Employment Office - and who average some 35,000 - can find work in one of two ways: either through a (Palestinian) subcontractor for work (generally on a building site) in respect of which the Israeli employer has a contract solely with the said subcontractor; or through recruitment on a "market", that is to say, a place where jobseekers await potential employers or agents (there are "markets" of this kind near the Eretz checkpoint on the Gaza Strip border, in East Jerusalem near the walls of the old city and in other places near the 1967 frontier, such as Tulkarem). Workers in this situation are exposed to all the hazards and uncertainty surrounding this extremely precarious type of employment: the lack of any legal or social safeguards, sudden or unjustified dismissal, non-payment of wages or overtime, denunciation to the police, checks by the authorities and penalties for unauthorized presence in Israel. Israeli and Palestinian human rights associations and the Palestinian trade unions regularly report cases of workers being subjected to exploitation, blackmail, discrimination and other abuses in their employment in Israel and it is indeed most disturbing that a large number of workers should be employed in this manner, on an hourly, daily or seasonal basis, without any protection or safeguards.
85. Palestinian workers who have registered with the Employment Service and have permits to work in Israel are covered by a twofold social insurance system: first, there is the social protection established by collective agreements negotiated and concluded by the Histadrut in most sectors and for which, theoretically, no condition of residence in Israel is imposed; and then the supplementary (compulsory) national insurance run by the National Insurance Institute of Israel. Residence requirements apply in respect of some of the benefits, which vary according to the sector.

86. The national insurance scheme covers all workers for benefits in the event of occupational accidents, maternity (provided the child is born in Israel) or bankruptcy on the part of the employer. The National Insurance Law makes provision for other benefits (old age, family allowances, invalidity, unemployment, survivors, occupational disease and nursing) but entitlement to them is subject to residence in Israel or in an Israeli settlement. Consequently, Arab residents in the occupied territories are not eligible for them. Nevertheless, the law requires these workers and their employer to make the corresponding contributions, just like other workers (7.75 per cent, representing the employer's plus the worker's share for invalidity, accident, etc. benefits, plus 4.95 per cent representing the employer's additional contribution), for a total of 12.70 per cent, although they are not fully entitled to all benefits. For the Israelis, the principle is to respect the equalization of the cost of labour in order to prevent cheap labour and the possible consequent disputes (see below). Moreover, according to representatives from the Ministry of Labour and Social Affairs, the Palestinian workers enjoy tax allowances just like Israeli workers living in Israel. They maintain that these allowances are worth more than the benefits the workers might receive if they lived in Israel.

87. The total of the three above-mentioned categories from which Palestinian workers may benefit (0.89 per cent) is transferred to the National Insurance Institute. The rest, known as equalization of the cost of labour, i.e. 6.86 per cent, is paid to the Civil Administration which must use it to finance various projects in the occupied territories. The additional 4.95 per cent contribution paid by the employer is used, according to the Israeli authorities, to finance the occupational health services (periodical medical check-ups, first aid) and hospitalization. The equivalent amount is likewise paid to the Civil Administration.

88. The previous reports have always recommended that the work permit system should be developed since it seems that, even in the general context where the Palestinians are in a dependent position (since their only possibility of employment is in Israel), they are better protected if they have a work permit.
Nevertheless, the problem of entitlement to the benefits corresponding to the deductions made from their wages remains a major problem in the pursuit of fairness and social justice in respect of these workers. The fact—and this is a point on which the Palestinian trade unions of the occupied territories make one of their demands—that the criterion of residence in Israel applies to entitlement to national insurance benefits means that Palestinian workers can qualify for only three categories, which represent a small share of their payments (0.89 per cent of their wages), whereas entitlement corresponding to a much larger share (11.81 per cent) is denied to them. The Israeli authorities have always stated that this money is paid to the Civil Administration and used partly for the development of the territories and partly to finance the occupational health services. This situation, which has caused a deep sense of injustice among the Palestinians but is justified by the Israelis as strict application of their social system, is obviously not equitable in the light of ILO standards. An individual right provided for in a specific social system, and for which the requisite payments are made by workers and employers, should not be unilaterally transformed into a collective benefit which, moreover, is the subject of controversy since it is not at all clear how the money is used. What is more, since there is no national authority in the occupied territories, no reciprocal agreement can be negotiated on behalf of the Palestinians; nor does the situation of military occupation enable them to negotiate a satisfactory arrangement.

89. The principle of equality of remuneration and rights of Palestinian and Israeli workers before the law and under collective agreements is based on a decision by the Israeli Government of 8 October 1970. The aim was equalization of the cost of labour. By virtue of this decision, the Payments Division of the Employment Service is responsible for making tax deductions from the wages of Palestinian workers, as well as deductions in respect of national insurance, Histadrut dues and any other deductions relating to social benefits. As already stated, equality of deductions does not mean equality of entitlement. The previous report referred to a case brought before the Israeli High Court in July 1991 by the Israeli Flower Growers' Association alleging that the above-mentioned contributions deducted from Palestinian wages were unlawful since they did not qualify the workers for the corresponding social benefits and that the National Insurance Fund only received a minute percentage (0.89 per cent). The legal argument in this case was that the major share of the contributions (11.81 per cent) was in fact transferred to the Ministry of Finance (for repayment to the Civil Administration) which amounted, according

1 ILO: Report of the Director-General, op. cit., para. 77.
to the flower growers, to the payment of a further tax which was illegal since not provided for by law. After temporarily suspending the payment of the disputed contributions which the employer normally has to make, the High Court decided to set up a ministerial committee to discuss the case and the legality of the social contributions. In its conclusions, this committee proposed a law that would provide the legal foundation the system had hitherto lacked. The proposed law aims to maintain the same system and has already been approved by the Legislative Committee. The Israeli association for the defence of Arab workers from the occupied territories, known as "Workers' Hotline" (or Kav La'oved in Hebrew) had proposed that the ministerial committee should change the use to which the money was put and grant Palestinian workers the same rights as residents in Israel. Following the proposed law, the Workers' Hotline wrote to Mrs. Ora Namir, the Minister of Labour, with a view to changing the unfair system which had been in force for 23 years and which, it maintained, was contrary to the principle that all deductions from individual wages should be returned to the workers personally, in the form of benefits or in cash, as is the custom in Israel and everywhere else in the world.

90. When taxes are included, the deductions made from Palestinian workers' wages come to around 40 per cent. The previous reports have emphasized the importance of the amount and the purpose to which it is actually put being made clearly known. The Israeli authorities have always maintained that the sums collected are paid to the Civil Administration, which uses them for the benefit of the Palestinian population. In view of the wide disparity between the sums collected on various accounts by the Israeli authorities (deductions from wages, VAT, fines, taxes of various kinds) and expenditure on the development of infrastructure and maintenance of the existing infrastructure, the Palestinian representatives have always expressed serious doubts about all the money collected being spent for their benefit. The ILO has always pointed out that this serious matter gave rise to a deep sense of injustice and frustration, which the Israeli authorities could assuage by adopting a more open attitude and publishing proper accounts showing the amount of these resources and the manner in which they are used.

91. Furthermore, the decision of the High Court - which has led to the drafting of legislation on the social insurance deductions - should afford the Government an opportunity to modify the present system which gives the Palestinian workers only limited social protection and does not correspond to the deductions made. Contrary to what is maintained by the Israeli authorities, there is not a country in the world that excludes such a high number of workers living outside its territory from full social protection - which is paid for by workers and employers - solely on the grounds that their place of residence is outside the national territory. These workers would be known
as "frontier workers" or "foreign workers" if the occupied Arab territories had their own national sovereignty. The proposed law will legalize a system set up in 1970 which treats the Palestinian workers from the occupied territories as "foreign workers" with a different status from that of Israeli workers, despite the fact that Ministry of Labour representatives have always maintained that Palestinian workers enjoy the protection of Israeli laws and regulations without any discrimination. The proposed law takes account neither of the recommendations made in previous ILO reports nor of the repeated requests made by the Israeli and Palestinian associations which defend these workers' interests. Consequently, the system should be re-examined in the light of the principles of equity and non-discrimination as regards the workers and of respect for the right of individuals to receive the benefits that correspond to individual contributions, in accordance with international practice.

92. Allegations of fraud by Israeli employers concerning the number of days worked, as indicated on the pay slip, have been reported. This is not disputed by the Israeli employment services, which state that they have adopted an anti-fraud policy which requires employers to declare a minimum of 15 days per month as days actually worked unless there is evidence that the workers have been unable to work at least this number (in the event of prolonged curfews or strikes, for example). A unit of the Israeli Employment Service was set up in October 1992 to make investigations in Israeli enterprises employing Palestinian workers from the occupied territories. This unit, which is now made up of 12 inspectors, has dissuasive powers. Another practice, followed by certain employers, is to indicate on the pay slips a lower daily wage than that agreed with the workers. Part of the wages are handed over to the workers without any social or tax deductions. The practice seems to have spread further when, following the Gulf War, the obligation to register workers in Israel was enforced more strictly and the number of work permits increased, resulting in an increase in the overall cost of Palestinian labour for the Israeli employers. This method is used by certain employers to get around the higher taxation resulting from the increase in the number of workers recruited by the Employment Service. The workers go along with the practice, which enables them to receive "advances" on their wages since payments by the Employment Service are always made some 15 or 30 days in arrears. The fact that these workers have no real trade union representation, their vulnerable situation - created by the overall political and economic context - and the unfair discrepancy of the payment of high social contributions without the corresponding individual benefits, combine to encourage such practices to the detriment of the Palestinians' legitimate interests.

93. Whether they are resident in the West Bank of the Jordan, the Gaza Strip or East Jerusalem, Palestinian workers
registered with the Employment Service must make a 1 per cent contribution from their wages to the Histadrut, the General Federation of Labour in Israel. This compulsory contribution guarantees that workers are covered by the collective agreements negotiated by the Histadrut as the sole bargaining agent (according to the clause of trade union representativity). This contribution also means that Palestinian workers are represented by the Histadrut vis-à-vis their employers to ensure that Israeli labour law is applied to them within the enterprise in which they work. The 1 per cent contribution paid by Palestinian workers who are not resident in Israel or in East Jerusalem does not entitle them to membership of the trade union organization. To be a fully-fledged member, a supplementary contribution of approximately 4.5 per cent must be paid. However, Palestinian workers from the territories of the West Bank and Gaza are prevented by government order from being members in this manner and the Histadrut has always considered that incorporation of the workers from the occupied territories would amount to recognition of the annexation of these territories, to which it is opposed.

94. Whether or not they have work permits, and whatever the validity of the permits, workers from the occupied Arab territories are employed in Israel on a daily basis. According to the Israeli employers, this is because these workers are absent more often than Israeli workers. This absenteeism is rarely the fault of the Palestinian workers, who are more likely to suffer from it. Whatever the case, the Israeli employers insist on this system being maintained since it is the only one that enables them to pay the workers only for the days actually worked. Moreover, Ministry of Labour authorities have stated that this system is convenient for paying the daily wages due. According to information received by the mission from both Israeli and Palestinian spokesmen, no Palestinian worker from the occupied territories is employed on a monthly basis in Israel. Histadrut representatives stated that there were a certain number but could never give figures. A minority of Israeli workers are also employed on a daily basis, but the general norm in Israel is monthly-based employment.

THE TRADE UNION SITUATION

95. The principal trade union organization in the West Bank - the General Federation of Trade Unions (GFTU) - has constantly been beset by structural difficulties caused mainly by the ideological or political leanings of its component unions. In March 1990 the Federation had been reunited, bringing together its two principal factions headed by Mr. Shaheer Sa'ad, leader of the GFTU with its headquarters in Nablus, and politically linked with the Fatah faction of the PLO, and Mr. George Hazboun, of the Progressive Workers' Block of Bethlehem, having at that time links with the Communist Party. The Workers' Unity Block (WUB),
with political links to the Democratic Front for the Liberation of Palestine, had itself split into two rival factions, but, in June 1991 the leader of one of these factions, Mr. Mahmoud Ziadeh, had joined the GFTU and taken up one of the two vacant seats on the executive committee. The other faction of the WUB, headed by Mr. Adnan al Kilani, had remained outside the Federation, claiming that the leadership of the Federation had not been democratically elected and that it did not, accordingly, represent the workers. The representatives of the Director-General were this year told that Mr. Kilani had since been replaced as head of this faction of the WUB.

96. At a lengthy meeting with the General Secretary and several executive members of the GFTU, the representatives of the Director-General learned that, a few weeks previously, discussions had taken place between representatives of all the various trade union blocks on the question of a possible reunification of the entire trade union movement of the West Bank under one single constitution. These talks, it appears, were successful and a formal constituent document (of which the mission was given a copy) was drawn up, and was due to be signed in the very near future by all four parties to it, viz. the Shabiba Workers' Block (headed by Shaher Sa'ad), the Workers' Unity Block (DFLP), the Progressive Workers' Block (former Communist Party) and the Progressive Labour Front (PFLP). The constituent document provided for an interim general executive committee consisting of the present General Secretary, Mr. Shaher Sa'ad, Mr. George Hazboun, as independent member, and two members from each of the four blocks which formed the new organization. Their main tasks would be to constitute trade union bureaux and committees on a regional basis and prepare for elections in the coming six months. The Federation now claimed to include 121 unions in all sectors of the economy, covering 63,000 workers, but of whom only 19,000 were paid-up members. The general practice seems previously to have been for each worker to pay an average of US$5 per year to his or her union, but a new plan envisages to fix the union contribution at US$3–4 per month, a sum which would include a contribution to a health insurance system to be set up by the Federation.

97. This renewed search for unity and increased strength within the trade union movement reflected the somewhat confused and depleted state of trade unionism in the West Bank, particularly following the Gulf War. As was pointed out in the previous Report of the Director-General, after the Gulf War most of the trade unions found themselves in an impoverished state as a result of the loss of income from external sources and the inability of their members to pay their dues because of unemployment or poor economic conditions. The unions had been gravely handicapped as a result, and their capacity to defend and promote the interests of their members had decreased. Membership of unions had accordingly dropped largely as a result of the lack
of confidence by workers in the ability of the unions to improve working conditions and living standards. There was also, over the past year, evidence of increasing pressure for new leadership to emerge through democratic elections within the trade union movement, in contrast with the practice whereby many trade union leaders were nominated by the political factions they represented.

98. The General Federation of Trade Unions of the Gaza Strip appears to be a more compact and coherent organization than its West Bank counterpart. The Federation continues to comprise six registered unions, all of which held elections in late 1991. Mr. Rassem Mahmoud Bayari, elected as chairman in January 1992, and his executive committee informed the representatives of the Director-General that the Federation had branches in all the various districts in the Gaza Strip, and that they were involved in assisting the poor and the unemployed and their families. Much of their time was also spent in assisting workers who had difficulties with the authorities, or in trying to monitor conditions and procedures at the Eretz checkpoint through which up to 40,000 workers who had found work in Israel passed each morning. For example, on the day of the mission's visit, Mr. Bayari had been to the Eretz checkpoint to investigate claims that hundreds of magnetic cards belonging to workers (essential for entry into Israel) had been confiscated by the military without any reason being given. Mr. Bayari said that he had received no satisfactory explanation. Confiscation of magnetic cards from workers, he said, was a fairly common practice. It was often accompanied by heavy fines, in addition to which the workers concerned had to wait for almost one month before the cards were returned. Harassment and intimidation of workers and trade unionists continued as before and the Federation was still without a telephone line despite the intervention which had been made one year ago by the ILO mission. Mr. Bayari informed the representatives of the Director-General that, shortly before their arrival, the Civil Administration had invited him to renew his application for a telephone, and at the same time asked him what he intended to discuss with the ILO representatives (Mr. Shaher Sa'ad had a similar experience in the West Bank just prior to the arrival there of the ILO mission).

99. The Gaza Federation had, however, been able in 1992 to hold its first May Day celebrations since 1967 and the event had taken place without incident or interference. In addition, fraternal contacts with European and Arab trade unions had further developed and a number of delegates from the Federation had travelled, for example, to Egypt, Jordan and Turkey, to attend seminars and courses. Not all members, however, had been allowed to travel and sometimes no reply had been received when applications to travel were presented. Relations with employers in the Gaza Strip were good and agreements had been signed for some enterprises.
100. On the question of trade unions the Israeli government authorities reiterated that workers of the occupied Arab territories have the same rights as Israeli workers to affiliate with trade unions or to set up their own trade unions. Trade unions in the West Bank and in the Gaza Strip are governed by the relevant existing laws and regulations for these territories and their observance is strictly monitored by the Israeli authorities. The Government added that these local laws guarantee the right to organize, to bargain collectively with employers and to offer protection to their members in labour matters. The scope of this trade union activity was a matter to be determined by the workers themselves and the Government did not interfere in the organization of trade union activities. The unions in the territories, however, although forbidden by law to engage in political activity, were exploited as fronts for such activity. They in fact devoted little time to labour and social affairs and were deeply involved in terrorist activities.

101. These remarks were supplemented by information provided by the Civil Administration responsible for the occupied Arab territories, according to which the current political peace process was having a strong effect on political and trade union structures in the territories. The Civil Administration claimed that its information showed that political infighting and internal dissension had intensified within the various political factions and trade unions. The fundamentalist movement was attempting to infiltrate existing unions through the election process or trying itself to build trade union structures that would compete with the existing trade unions which were mainly affiliated with the mainstream Fatah group of the Palestine Liberation Organization. In some cases the fundamentalists had been successful in penetrating the bigger unions; in another case, in Ramallah, the military had prevented them from establishing what they considered to be a trade union front for fundamentalist activities and terrorism. In addition, new political parties were being formed mainly out of what remained of the former Communist and other left-wing parties, and splits in other factions were likely. The main causes of this phenomenon were the lack of funding, as well as political underpinning from abroad, and differences of view as to whether the peace process should be supported or opposed. According to the Civil Administration the seriousness of these differences was also reflected in the number and nature of killings of Palestinians by Palestinians that had occurred over the past year. They contended that two-thirds of these killings were the result of inter-factional violence and had no connection with collaboration with Israel. The Civil Administration also explained that these political developments had affected the trade unions, especially those in the West Bank, which were now seeking ways of adjusting their structures so as to bring them more closely into line with emerging political patterns.
102. Government authorities also referred to the facilities and assistance provided by the General Federation of Labour, the Histadrut, to which registered Palestinian workers working in Israel had access. In addition to the services rendered to such workers by the employment services, the Histadrut gave advice and assistance on questions of workers' rights and social benefits to which Palestinian workers from the occupied Arab territories are entitled. The Government once again emphasized that these workers are also covered by all the collective agreements negotiated by the Histadrut for their respective sectors, and in recent years the Government had cooperated with the Histadrut in setting up seminars, study visits to the territories and training courses for Palestinian workers.

103. In meetings with executive members of the Histadrut itself, the representatives of the Director-General were informed about the work of a Histadrut committee for workers from the occupied territories, which is headed by a member of the Histadrut executive bureau. Referring to the system of registration, the Histadrut explained that many Palestinian workers still avoided registration, since they were often willing to accept any kind of work in Israel, even on terms below the prevailing rate and without the benefits which registration guaranteed. Secondly, many avoided registration because they saw it as a form of "collaboration" with the Israeli Civil Administration. And thirdly, the custom of receiving cash wages at the end of the day or week was still more deeply rooted than the importance of social benefits or rights. The Histadrut also referred to the practice by a number of Israeli employers of reducing their production costs by employing cheap labour and avoiding the payment of fringe benefits. It was to protect workers of the territories against these unfair practices that the Histadrut committee was established. The first objective was to reduce the number of Palestinian workers who were working in Israel without being registered with the Labour Exchange. To this end, joint labour inspection teams were set up with the Ministry of Labour and Social Affairs and the Israeli Manufacturers' Association. These teams also supervised working conditions, payment of minimum wages and social benefits to workers and the correct reporting by employers of the number of days actually worked.

104. According to the Histadrut the most important achievement of the committee for workers from the occupied territories had, however, been the establishment of two legal bureaux staffed by Israeli Arab lawyers who provide free legal advice and assistance to workers from the territories. Such was the incidence of exploitation and unfair treatment of these workers by Israeli employers that the Histadrut executive bureau had recently decided to increase the number of lawyers dealing with these matters. For the West Bank, more than 400 files had been opened, with each file concerning several workers. Applications for legal advice numbered 250. In the Gaza Strip
3,157 complaints were being dealt with, of which 650 had been settled, and cases involving 85 employers were now pending before the courts.

105. The Palestinian unions of the West Bank and the Gaza Strip continue to express considerable concern about the conditions in which workers of the occupied Arab territories are employed in Israel. Their main concern resides in the fact that these workers do not belong to, nor are they adequately represented by a trade union. The fact that all Palestinian workers who are registered and working in Israel pay almost 1 per cent of their wage to the Histadrut does not entitle them to be members of that organization or participate actively in the trade union life of the organization. While, legally, there is nothing to prevent those workers forming their own union, this possibility has not been seriously considered. They are thus denied effective trade union representation in the more important areas of the employment relationship and worker protection. It seems clear that the scale of the problems faced by these workers is of such magnitude that full trade union rights and representation would appear essential to provide a greater measure of protection for them against the exploitation to which they are in many cases subjected by Israeli employers. The very extent of the legal services provided by the Histadrut (as well as by other organizations) to those workers is evidence of the extent of that exploitation and of the need for appropriate action to be taken to counteract it. It is mainly for this reason that, in previous reports, the question of trade union representation for Palestinian workers of the occupied Arab territories working in Israel has been raised in the context of a possible dialogue between the trade unions of the West Bank and the Gaza Strip and the Histadrut. The ILO has previously pointed out that these workers can belong neither to the West Bank or Gaza Strip unions nor to the Histadrut and that this seriously brings into question the right of workers to join organizations of their own choosing (Article 2 of the Freedom of Association and Protection of the Right to Organize Convention, 1948 (No. 87), ratified by Israel). On the other hand, the ILO has recommended that the problem of trade union representation for these workers could be resolved through a process of discussion and dialogue on this important issue between the Palestinian unions and the Histadrut.

106. In addition, the ILO has always felt that a dialogue between the Palestinian unions and the Histadrut would be a demonstration of mutual recognition and contribute to a climate that was conducive to improved relations between the Arab population of the territories and the Israeli population. Discussions this year on the subject between the representatives of the Director-General and executive members of the Israeli and Palestinian federations showed that both sides understood the advantages that might be gained from such a dialogue and that each was even prepared to contemplate direct discussions with the
other, provided no prior conditions were set. The ILO can only repeat the offer it has made previously to both parties to provide any assistance and facilities it can in order to encourage and promote such a dialogue.

107. As regards employers' organizations it has been observed that, until 1991, the Chambers of Commerce and Industry were purely formal institutions with little or no authority or influence. Since 1991, however, elections have been held in most Chambers and it would now appear that they are beginning to emerge as institutions which truly intend to represent the interests of commerce, industry and agriculture in their respective areas. ILO contacts with the Chambers of Commerce indicate a renewed vigour on the part of these organizations to play a more effective role in the economy and in campaigning against what they see as arbitrary practices by Israel such as excessive taxes, the need to market products through Israeli middlemen, and discriminatory practices compounded by bureaucratic hurdles and harassment. The Chamber of Commerce in Gaza, for example, told the mission that Palestinian merchants were obliged to import materials through Israeli merchants because, if they did so directly, the materials would take much longer to pass inspection by the Israeli customs, in addition to which storage would be charged.

108. Apart from the Chambers of Commerce and Industry, the representatives of the Director-General observed that less formal associations of employers were being formed, for example, in the Hebron and Nablus areas, for the purpose of discussing business practices and perspectives, and questions of wages and other conditions of work. The mission was, however, unable to determine whether similar associations were being formed elsewhere in the occupied Arab territories. The ILO can only express the hope that such developments are now widespread, considering, as it does, that strong and independent employers' as well as workers' organizations are indispensable for effective industrial relations and for economic growth and development.

109. In any society, there is a fundamental role for workers' and employers' organizations to play in establishing and maintaining the kind of dialogue that will reduce social tension and enhance prospects for economic growth and development. This principle is all the more relevant in a situation like that of the occupied Arab territories, where so much remains to be done to reduce tensions and stimulate the ailing economy of the territories. Although the degree of harassment of trade unions and trade unionists is, perhaps, less than in previous years, there is nevertheless ample evidence to show – and the Government itself continues to state – that trade unions are still considered as fronts for terrorist activity and are treated as such by the occupying military administration in the territories. This attitude on the part of the military is in contradiction
with the fact that many unions are carrying out legitimate trade union and social welfare activities, and that in no case have the authorities shown, with evidence that can be corroborated, that the trade unions have been involved in the planning or carrying out of violent or terrorist activities. It is indeed characteristic of Israeli practices in the territories that the collectivity often suffers as a result of the illegal acts of individuals. The efforts that the Civil Administration has recently been making to stimulate the economy in the occupied territories should be accompanied by measures to encourage and promote the legitimate activities of genuine workers' and employers' organizations and by a keener perception of the potential of these organizations to contribute to the development process. It is only, however, through a radical change of attitude on the part of the military towards these organizations that any progress will be made in this connection.

THE SITUATION IN THE GOLAN

110. As each year, examination of the situation in the Golan is part of the mission of the Director-General's representatives, but none of the information gathered there could be discussed with the Israeli authorities because of the position they have adopted in this respect (see footnote, paragraph 10, above). The Director-General's representatives went to the village of Majdal Shams, on the Golan Heights, where they met representatives of the Arab population who spoke on behalf of the inhabitants of Majdal Shams and of those of three other villages in the Golan (Masa'ada, Ein Qunya and Buq'ata).

111. Before being occupied by Israel in 1967, the Golan Heights was part of the Syrian Arab Republic and was inhabited by around 130,000 persons living in some 200 villages, towns and farms. The 1973 Yom Kippur War resulted in the continuation of this occupation and a cease-fire line was established in 1974 to the north-east of the plateau, where United Nations observers and peace-keeping forces maintain a constant watch. The Golan has a significant strategic importance because of its dominant geographical situation and its water resources. This is why Israel established its first settlement in this region after the Six Day War, on 14 July 1967. The failure of Israeli efforts to subdue the Arab population and the numerous acts of resistance by the latter, and in particular their refusal to accept Israeli citizenship, led the Israeli Parliament (the Knesset) to adopt a law annexing the Golan on 14 December 1981, whereby Israel extended its administration, jurisdiction and legislation to this region. This unilateral annexation has not been recognized by the United Nations or by the autochthonous Arab population which continues to declare itself Syrian. The United Nations Security Council adopted on 17 December 1981 a resolution (No. 497) requesting Israel to annul its decision.
112. Following Israel's unilateral decision to annex the Golan, the Arab inhabitants of the region protested in various ways and arrests became increasingly frequent. A general strike was launched on 14 February 1982 which lasted more than five months, to which the authorities reacted by imposing a curfew followed by a total blockade which was lifted on 5 April of the same year. As a result of these events, the compulsory Israeli identity cards and laissez-passer issued to inhabitants do not mention Israeli citizenship. Each year the Arab population of the Golan organizes demonstrations on 14 February to commemorate its refusal to accept Israeli annexation, and on 17 April to celebrate the independence of the Syrian Arab Republic. According to inhabitants interviewed, any expression of their sense of Syrian Arab identity, in particular during these annual demonstrations, leads to an increase in the number of arrests for political reasons; the persons arrested are released only after a period of time which varies between ten and 40 days and the payment of a heavy fine.

113. The Arab population of the Golan is now estimated at around 16,000, half of whom live in Majdal Shams. In each village the authorities appoint an Israeli citizen to administer local affairs; during the visit of the mission, a new mayor of Majdal Shams had just been appointed. These mayors are not recognized by the population which has not chosen them. The spirit of resistance to the occupation remains strong and is evident in all spheres and at all times. Documents handed over to the mission on behalf of the Syrian Arab population of the occupied Golan bear witness to this resistance, including a statement dated 10 December 1992 concerning the policy of confiscating Arab land and diverting water resources to the Israeli settlements; a petition of the same date signed by 160 persons addressed to the Israeli Prime Minister and Minister of Defence, referring to the same problems and requesting intervention by the Ministers to put an end to the policy of land confiscation and harassment; a communiqué claiming that the local authorities appointed by the Israeli authorities, some of whom are not inhabitants of the Golan, do not in any case represent the population which has not elected them and claiming that any transfer or sale of public or private rights and property, any political or social statements or any requests made by these authorities have no legal basis and should be declared null and void. The inhabitants emphasized their refusal to accept the occupation, their rejection of attempts to assimilate them as well as the administrative and economic pressure brought to bear by the authorities which they consider an affront to human dignity.

114. The population of the Golan is now made up of Arabs inhabiting the above-mentioned villages and Jewish Israelis living in the 36 settlements established and developed by the Israeli Government since 1967, when the occupation began.
31 December 1991, according to Israeli statistics, the total population of the Golan was 27,200 persons, of whom there were 11,600 Jews and 15,600 non-Jews, including 14,200 Druze. The number of Jewish settlers in the Golan at the beginning of 1993 was estimated at 15,000, equal to that of the Arab population where there has been scarcely any increase, whereas in June 1983, the non-Jewish population was 12,900 compared with 6,800 Jews, according to Israeli statistics.

115. By tradition, the Arab population of the Golan lives essentially from agriculture, and in particular, the growing of apples; non-arable land is used for grazing pasture. Common land has been confiscated by Israel and turned into "state land" and individually owned land, whether cultivated or not, has also been confiscated and continues to be confiscated. Examples were given of recent confiscations even within the villages, the inhabitants are under increasing pressure and threat from the authorities to abandon some of their land to the Israeli State. Inhabitants who have been deprived of their land have initiated lawsuits some of which have been pending in the courts for years or achieved no results; other cases have been abandoned. The Israeli policy of confiscating land deprives the farmers of sources of income (in the case of land which is cultivated or suitable for cultivation) and entails encircling the Golan villages in order both to prevent their normal expansion and to isolate their inhabitants. When land is confiscated by the authorities, it is demarcated for the establishment of a military camp; in most cases this is only the first step towards the establishment of a Jewish settlement, in the form of a kibbutz or moshav. The inhabitants state that this method is merely an attempt to keep up appearances since, under international law which regulates the occupation, private land can be confiscated only for military purposes and the authorities always justify their actions on the grounds of military security. For various reasons the Arab inhabitants of the Golan continue to refuse to sell their land to Israelis when the latter make them offers.

116. As in the other occupied territories, the presence of Jewish settlements in the Golan is a subject of deep concern to the Arab inhabitants of the Golan and a source of controversy. The number of settlements and settlers is increasing constantly, in line with a deliberate policy by the Israeli Government to this effect. A campaign was launched in June 1992 to attract 350 additional families and entrepreneurs for commercial or industrial projects. The establishment of settlements has been seen to be detrimental to the autochthonous population which is deprived of resources that might otherwise be used now or in

1 Jerusalem Post, 18 June 1992, "Golan Heights council to launch settlement drive".
the future and which is subject to a discriminatory system, in particular as regards the distribution of water and the issuing of building permits, thereby increasing their difficulties and disrupting their economic and social structures. Many farmers and villagers are employed in the settlements when they are not busy on their own farms, or work in enterprises in Israel, which they can do freely, that is without the need for work permits. Even so, relations between the Arab population and the Jewish settlers remain tense and there have been reports of recent violent incidents.

117. In addition to the problems of land, the question of water supply remains of fundamental importance to the economic life of the Arab villages of the Golan. Since the annexation of the Golan plateau, the application of the Israeli Water Act (1959) has placed all water resources under state control, including the natural lake of Masa'ada which supplied and irrigated the entire region. Water is distributed exclusively by the Israeli water company, Mekorot, whether for domestic or agricultural use, and the water from Lake Masa'ada has been diverted to the Jewish settlements. Mention has been made in previous reports that the Arab inhabitants had reacted to these restrictions and to the application of quotas which were too low by building open water reservoirs near their crops to collect rainwater and use it as required. The Israeli authorities had informed the inhabitants that these large capacity reservoirs were diverting rainwater from its natural course and were thus causing a drop in the level of lakes and the water-table. A system of prior authorization for the construction of reservoirs was then introduced by the authorities. The process for obtaining these permits is a long and costly one and to a large extent arbitrary; some applications were refused without any reasons being given and reservoirs which had already been built were demolished either by the farmers themselves (rarely) on the injunction of the authorities, or by the army. Today, the number of reservoirs has stabilized and no further permits are granted. An annual fee is charged by the Mekorot company, and reservoir owners must in addition pay for each cubic metre used. The company hitherto estimated consumption on the basis of the agricultural production of the owner and his estimated domestic needs. The mission was told that the authorities recently decided to require owners to install water metres as a prior condition to the granting of permission to irrigate crops.

118. Education is a matter of much concern to the Arab inhabitants of the Golan. Education is under the control of the Israeli authorities who, according to the Arab inhabitants, use it as a means of denying the Arab identity of this population by imposing curricula which do not reflect history and facts. The measures to impose Israeli nationality on Arabs of the Druze community and to give school programmes a Jewish slant continue to be strongly opposed. Furthermore, many teachers have in the
past been dismissed for political reasons, and have thus been deprived of compensation in respect of unjust dismissal. Previous reports of the Director-General have called for their reinstatement, so far without success. These teachers have been replaced by others, who are often underqualified, and whose situation remains precarious given their one-year renewable contracts with the Israeli Ministry of Education. The authorities regularly inform the teachers that their participation in the annual strike of 14 February will jeopardize the renewal of their contracts. Each year, some 15 to 20 per cent of teachers are allegedly threatened with the non-renewal of their contracts for political reasons.

119. In 1982 the Government of Israel had banned all contacts between the Arab inhabitants of the Golan and the Syrian Arab Republic, following demonstrations and a strike against Israeli annexation. Thanks to the good offices of the International Red Cross, restrictions have been eased and each year a certain number of persons, who, the mission was told, are selected on a discriminatory basis, are authorized to go to Syria where almost every inhabitant has family members (these visits are generally made by groups of between ten and 20 persons who cross the cease-fire line under the auspices of the Red Cross, for visits lasting one day or several days). In humanitarian terms, the separation of families is one of the most painful features of the life of the Arab inhabitants of the Golan. Most contacts between families living on each side of the cease-fire line, which consists of a large space of mines and barbed wire, are by way of binoculars and megaphones; this is how family and social news is exchanged. The Director-General's representatives were able to see how the Arab inhabitants of the Golan participated with the help of megaphones in a funeral service being held in Syria on the other side of the cease-fire line. The celebrations of 14 February and 17 April are carried out in the same manner, from a place which is called the "hill of shouts".

120. Since 1989, young Arabs from the Golan are authorized to go and study in Syrian universities; between ten and 15 do so each year, out of a 100 or so candidates. Authorization is granted after a selection is made by the Israeli authorities according to criteria which, according to the inhabitants, are discriminatory. Others (some 200) study abroad. Since job opportunities in the Golan are few and far between for university graduates, they are forced either to leave or remain unemployed. Although in general the diplomas are now recognized in Israel, persons having earned medical diplomas are required to adapt their training to national requirements. Mention was also made of the fact that the identity card delivered to these inhabitants states "undefined" against the heading "nationality", which makes it difficult to obtain visas for certain foreign countries and thus considerably restricts the travel possibilities of the
holders of these cards. The inhabitants insisted on their needs to intensify their contacts with the Syrian Arab Republic and to send more young people to study at Damascus University.

121. The only markets open to the production of apples are Israel and the occupied territories of the West Bank and the Gaza Strip. A cooperative of Arab inhabitants of the Golan owns two cold storage rooms for their fruit and would like to build a third. The authorities have asked them to sign a lease for 99 years on a piece of state land, which they have refused to do. Furthermore, their production is facing competition from the Jewish settlements which have also begun to produce apples. Farmers have expressed their desire to diversify their production and to see an end put to the system of arbitrary taxation based on estimates of their agricultural production and to be able to develop economically. For example, they would like to open a packing firm for the production of apples, which would ensure their independence from their current Israeli supplier. They pointed out that if they obtained the necessary authorization, this enterprise could be created with local investment.

122. On the whole, the situation of the Arab inhabitants of the Golan has not improved. It was emphasized to the mission that the numerous and varied restrictions are one of the direct consequences of the state of occupation. In the inhabitants' view, the fact that they have no future prospects, that they are discriminated against and humiliated makes the situation oppressive. Although any change in this state of affairs is a political matter, it would be desirable in the immediate future for the authorities to endeavour to respect a number of internationally recognized principles regarding, for example, the exercise of freedom and the elimination of discrimination in whatever form.

THE EFFECTS OF THE ESTABLISHMENT OF ISRAELI SETTLEMENTS ON THE LIVES OF ARAB WORKERS IN THE OCCUPIED ARAB TERRITORIES

123. From the beginning of the occupation of the West Bank of the Jordan, including East Jerusalem, the Gaza Strip and the Golan Heights, in June 1967, the Israeli Government has sought to establish Jewish settlements in these territories. Successive governments have pursued this policy with greater or lesser determination, but always with the same objective. Following his appointment to the post of Prime Minister, Mr. Rabin, announced in July 1992 a change in the national policy on settlements and made a distinction between political settlements and security settlements. The new Minister of Housing, Mr. Ben-Eliezer, said that no special effort would be made to develop the former beyond their "natural growth", while the latter, such as those situated along the Jordan and in the Golan Heights, would be helped,
expanded and multiplied as necessary.\(^1\) The Minister defined
the "security" settlements as those along the border, which are
specifically meant to stop the advance of attacking forces, and
whose residents are organized in a manner to defend the sector.
A report of the United States Department of State covering the
first quarter of 1992 estimates the number of Israeli settlers at
254,000, equal to 13 per cent of the population of the occupied
territories, distributed among 250 settlements, including East
Jerusalem and the Golan.

124. The question of the establishment of Israeli
settlements in the occupied territories is at the heart of the
current tension and the violence to which it gives rise. The
Israelis who are attacked by Palestinians are often settlers, who
some Palestinians refer to as the "second army" because of their
interference in the life of the Palestinian population
(roadblocks to prevent Palestinians from going to work in Israel,
vigilant demonstrations). To establish a settlement in the
occupied territory means to use its land and water resources, to
build expensive infrastructure (in particular access roads) and
thus to modify the environment. Furthermore, these settlements
are considered by the Government as Israeli pockets and, as such,
the settlers benefit from the application of Israeli legislation
and jurisdiction, as well as tax benefits.

125. In the occupied territories the autochthonous Arab
community is governed by a civil administration placed under the
authority of the Israeli Ministry of Defence, and is subject to
specific legislation; it thus develops separately from the newly
established Jewish Israeli community. This dual legal and
administrative system was emphasized in the country report on
human rights practices for 1992 of the United States Department
of State (p. 1028), in the chapter on discrimination. The report
emphasizes that "Palestinians are treated less favourably than
Israelis settlers on a broad range of issues, including
applicability of the right to due process; residency rights;
freedom of movement; sale of crops and goods; water use; land
tenure, ownership and seizure issues; and access to health and
social services. Offences against Israelis are investigated and
prosecuted more vigorously than offences against Palestinians."
This discriminatory situation is compounded by the expansion of
the settlements and the growth of the Israeli population in the
occupied territories.

126. The term "settlement" applies to any civil or military
installation of Jewish people in the occupied Arab territories.
The unilateral decision of the State of Israel to annex certain
territories does not alter the fact that the status of the

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\(^1\) Jerusalem Post, 15 July 1992.
settlements under international law is debatable. As is well known, Israel has extended its jurisdiction, legislation and administration to East Jerusalem and the Golan. It should nevertheless be noted that in several respects Israeli legislation applies to the settlers, regardless of the fact that they reside outside the recognized territory of the State of Israel, for all Jewish settlers living in the occupied Arab territories are considered to be resident in Israel. Although since 1969 settlers have had the legal right to take part in elections to Parliament (the Knesset), it is only since 1984 that they have come under Israeli legislation following an amendment to the Order respecting emergency regulations applicable in the West Bank and the Gaza Strip (Order No. 5738 of 1977). According to section 6B of the Order, "the term 'Israeli resident' or any other terms used to denote domicile, residence or the fact of living in Israel, is considered to include any person whose place of residence is the territory, who is an Israeli citizen or who is entitled to emigrate to Israel under the Law of Return (No. 5710 of 1950), it being understood that this person would be considered an Israeli resident if he or she were living in Israel". This specific status accorded to Jewish settlers ensures that even in the case of a dispute with a non-Jewish inhabitant of the occupied Arab territories, they come under Israeli legislation and jurisdiction. Similarly, in 1987, an Order issued under the National Insurance Law extended to all Israeli citizens (or any person with the right to emigrate to Israel under the Law of Return, which applies only to the Jews of the Diaspora) living in the occupied Arab territories entitlement to the 11 benefits provided for by the legislation on the said national insurance. It was emphasized in previous reports that the fact of not residing in Israel as such constitutes grounds for refusing Arab workers from the occupied territories and their families payment of the social benefits to which the deductions made from their wages would normally entitle them.

127. A number of Palestinians who spoke with the mission emphasized that there has been no change in the settlement policies; they said that the settlements continued to grow and increase in number as in the past. In July 1992 the new Government declared a de facto freeze on all new public housing starts and a reduction of budgetary resources for the settlements, which cast doubt over the future of the 14,000 housing units under construction (including 4,000 completed but not linked to utilities) in the occupied territories (which will house approximately 100,000 additional settlers). It was announced that 12,500 units already started would be finished and that the 5,364 units which had been scheduled but on which work had not yet begun were cancelled. A plan was then drawn up by the Ministry of Housing granting subsidies on a priority basis for the development of settlements along the Jordan valley and in the Golan Heights; furthermore, the Government decided in August 1992 to stop subsidizing the very controversial purchase and
renovation of more than 200 housing units for Jews in the Arab districts of East Jerusalem. These measures have provoked a critical and sometimes violent reaction from Israeli settlers and been greeted with circumspection by the Palestinian population.

128. The "Settling the heartland" campaign which was launched in April 1992 by the Israeli Council of Jewish Communities and financed by the Ministries of Housing and Labour has not achieved the anticipated results. Despite television commercials and financial incentives to encourage Israelis to come and live in the occupied territories, the campaign failed to meet its target of 70,000 new settlers in a year. In November 1992 this campaign was already slowing down: of the 6,400 apartments offered for sale, only 2,700 had been sold. This would seem to indicate a slowdown in the rate of growth of the Israeli presence in the territories, which was 18.2 per cent in 1990, 16.6 per cent in 1991 and around 7.5 per cent in 1992.¹

129. The real number of Jewish settlers living in the occupied territories is difficult to establish and the figures cited vary considerably and are subject to controversy. According to estimates by the Peace Now movement, based on a comprehensive demographic and statistical study, there were some 110,000 settlers living in the West Bank (excluding East Jerusalem) and in the Gaza Strip at the end of 1992, whereas the Yesha Council (Council of Jewish Communities in Judea, Samaria and Gaza) put the figure at 127,000 on the basis of statistics provided by tax collection authorities. This population, according to the Peace Now report, is distributed amongst 144 settlements, 107 of which have less than 500 inhabitants; 60 per cent of the settlers have opted to live in the occupied territories to take advantage of government financial and tax incentives.² To these must be added the Jewish population living in the settlements in East Jerusalem annexed by Israel, i.e. the occupied part of the city, where there were already some 120,000 persons in March 1990, i.e. almost as many as the Arab population, estimated at that time as 150,000; the boundaries of the city have been redrawn by the Israeli municipal authorities according to strategic lines, the effect of which has been to triple the Israeli pre-1967 portion of the city's area.³ By pushing back these boundaries, and thus increasing the surface of the annexed territory, a large amount of rural land has been incorporated, including 28 Palestinian villages, most of which have been split by the new boundaries. In addition to the 12 main

settlements in which this Jewish population lives (according to estimates in a report by the United States Department of State, published in March 1992) in the very controversial boundaries of Jerusalem, there are also the districts around the old town, which, according to a detailed map handed to the mission by the Palestinian delegation to the peace talks, account for 2,730 housing units in 21 sites. It is estimated that two-thirds of the Jewish settlers live in East Jerusalem, in its suburbs and in the agglomeration which has spread over parts of the territory of the West Bank. Under a municipal reorganization plan for East Jerusalem, the Israeli authorities have announced the construction of 6,000 housing units in the north-western area of Jerusalem to absorb some 70,000 settlers and, according to the Palestinian cartographer Khalil Tufakji, to reduce the size of the Arab majority in East Jerusalem and thus achieve the Israeli goal of having an Arab minority of no more than 22 per cent of the total population of the occupied part of the city. Their ultimate aim of moving the "green line" (1967 frontier) eastward, thus extending the Israeli national territory and creating zones in which the Jewish population will be in the majority, will also be achieved.1

130. The Director-General's representatives were not given any up-to-date information on the total area of land seized. It will be recalled that it is generally reckoned that at least 52 per cent of the land of the West Bank and over 40 per cent of that of the Gaza Strip have been seized since 1967, not only for settlements but also for military security areas. The process consists in transferring to the Israeli State land abandoned by ex-patriate population groups, land formerly registered in the name of the Government of Jordan (in the case of the West Bank), and land whose usual Arab owner has never been able to prove ownership. Areas declared to be state land because they are uncultivated or unregistered are also seized, as well as land which the army may at any time declare to be necessary for military security or in the public interest. Despite the Government's statements that it complies with international customary law and that it does not confiscate private land in the occupied Arab territories, when the army puts forward security considerations to justify confiscations, these considerations are not contested by the courts.2 Apart from seizure, under Order 393 of 1970, there are restrictions on the use of the land. The military commander has the right to ban, stop or limit any construction on these lands if he considers such a step necessary.

1 Al-Fajr, 22 Mar. 1993.

for the security of the army or the maintenance of public order. Generally this concerns lands surrounding settlements, military camps and installations or access roads to the settlements.

131. Previous reports have emphasized that the development of road infrastructures created for the benefit of the settlers regardless of the interests of the Palestinians, and the dual legal system in force indicated a marked tendency towards a separate development of the populations, one of which remains totally dependent on the other. This issue of deep concern would appear to be accentuated with the major north-south highway announced in December 1992 by the Israeli Government, extending over more than 200 kilometres, of which 15 kilometres may be built in the territory of the West Bank, in the region of Tulkarm. According to a group of Arab-Israeli researchers, the highway will "facilitate the construction of new settlements and the annexation of parts of the West Bank". Furthermore, the project will result in the confiscation of Arab land, as will another planned east-west highway linking the Israeli coast with settlements in the West Bank. The local councils of the Arab villages concerned have said that the loss of this agricultural land will result in a decrease of the daily agricultural produce by 1,000 tonnes and will damage a local project to build a new industrial zone. Since the Tulkarm region is an agricultural area, it would seem obvious that such a project, which the local Arab residents plan to oppose in an organized manner, will jeopardize the local Palestinian economy. The planning and construction of settlements and the road network which links them are being supervised, according to a legal adviser of the Palestinian delegation in the peace talks, by a road infrastructure committee set up by a Military Order of 5 September 1991, which has never been published. Palestinian experts say that they are deeply concerned by the roads being constructed or planned which will cut off certain Palestinian towns and villages and result in the confiscation of Arab land, and by the alarming increase in the intensification of settlements in the occupied territories, in particular the so-called political settlements, which the new Government had pledged to halt.

132. The Palestinian population considers that the general settlement policy, by confiscating land and imposing restrictions

2 Al-Fajr, 22 Mar. 1993
3 ibid.
on water resources, has meant that a large proportion of the population who would normally earn their living by traditional agricultural work have gradually begun to seek employment elsewhere, in particular in Israel as unskilled workers because of the lack of jobs in the territories. This would appear in part to have resulted in the economic dependency of the occupied Arab territories on Israel, particularly as regards agricultural produce. The Jewish inhabitants of the occupied territories consume two to three times more water than the Arab inhabitants; no quota is imposed on them for their domestic consumption or for watering crops. On the other hand, the Palestinian localities are restricted to the amounts which they drew in 1967 and do not have the right to bore new artesian wells. Military Order No. 158, amending the Water Law of 1 October 1967, has amended the customary rights of water use granted to landowners and to all those who need water for their basic needs (drinking and watering crops). Under section 4(A) of this Order, no one is permitted to establish, assemble, possess or operate a water installation unless a permit has previously been obtained from the regional commander. The population must receive their supplies from the Mekorot Israeli company, which has a monopoly. The problem is particularly acute in the Gaza Strip where the Arab inhabitants complain of the mediocre quality of the water and its salinity.

133. Electricity is supplied to the settlements by the Israeli Electric Corporation, which also took over the Jewish customers of East Jerusalem on 31 December 1987. This transfer was the first stage in the changes made to the contract with the Palestinian Electricity Company of East Jerusalem. Since 31 December 1988, when the concession came to an end, this company is no longer allowed to produce the electricity which it formerly supplied to the whole of the West Bank, including East Jerusalem. The only possibility left to it of continuing in business is to become a resale agency for the electricity produced by Israel. The dispute between the management of the company and the authorities is now before the courts because the company has been forbidden to repair its old generators, to maintain or replace them, and has retaliated by refusing to pay its taxes. Owing to the company's financial difficulties, the situation of its 450 employees has become very precarious; once again the Director-General's representatives deplore the worsening of the financial situation of this Palestinian company, which is not alone in this respect.

134. Apart from the actual occupation, it is the establishment of Israeli settlements in the occupied territories that characterizes the latter's specific situation. As far back as 1979, the Director-General's representatives stated that they found it difficult to imagine that the settlements policy of the Israeli authorities could be pursued without conflicting with the objective of development by and for the local population and, therefore, without it jeopardizing their chances of employment.
It was recommended at that time that measures should be taken in respect of the development problems resulting from the Israeli settlements. One cannot but note that the situation has not evolved in this direction. Today it must be emphasized that the pursuit of this policy also conflicts with the outlook for peace since it is a source of tension and violence.

135. The United Nations Security Council had considered in 1979 (in resolution 446, adopted unanimously) that Israeli policy and practices in establishing settlements in these territories had no legal validity and constituted a serious obstruction to achieving a comprehensive, just and lasting peace in the Middle East. In 1980 the International Labour Conference also expressed its concern in this respect and not only called for an end to be put to the establishment of settlements but also for existing settlements to be dismantled. The settlements policy instituted by the Israeli authorities is indeed making profound physical and demographic changes in these territories to the detriment of the Arab population living there. It should be stopped to allow the way to be opened towards peace to which everyone aspires.

TECHNICAL COOPERATION

136. The technical cooperation activities of the International Labour Office have continued in the occupied Arab territories since the last report. The programme of these activities is drawn up and updated by the Director-General's representatives on the basis of the needs expressed by the parties concerned and identified during visits to Israel and the occupied Arab territories and during consultations with the Arab governments and organizations concerned. Thus all the parties concerned are consulted, as is the Palestinian Liberation Organization (PLO), in accordance with the resolutions of the United Nations General Assembly concerning assistance to the Palestinian people. Account is also taken of the discussions held at inter-agency and other meetings on economic and social assistance to the Palestinian people which are regularly convened by the United Nations.

137. This activity is in response to a request from the International Labour Conference to the Governing Body and the Director-General of the Office "to provide all types of assistance and support to Arab citizens in Palestine and the other occupied Arab territories to strengthen their economic and technical capabilities and to counteract the effects of the Israeli occupation and settlement policy". However, even before this request was formulated in the resolution adopted by the Conference in 1980, the ILO had already initiated a number of measures concerning, in particular, the activities undertaken by the UNDP in response to the resolutions of the United Nations General Assembly and the Economic and Social Council concerning
assistance to the Palestinian people. Funds from the Organization's regular budget for technical cooperation are thus allocated to projects in the occupied territories. For the 1992-93 biennium, the amount is approximately US$200,000.

138. Under inter-agency agreements, the ILO implements its programme in collaboration with the UNDP in East Jerusalem, carrying out its "programme of assistance to the Palestinian people". This collaboration takes two forms: the ILO may provide the UNDP with experts for UNDP projects being carried out on the spot or, in the case of an ILO project, the UNDP takes on the practical coordination and provides its good offices vis-à-vis the Israeli authorities and its knowledge of the area. So far, and since 1980, this collaboration has always been efficient and productive, and it meets with the satisfaction of both agencies. The current ILO projects cover trade union training, the training of employers and the vocational rehabilitation of the handicapped.

139. In the trade union sphere, the many difficulties with which the Office has been confronted for several years in its attempts to organize training courses for trade union instructors outside the occupied territories have been described in previous reports. These difficulties have been overcome only through a decision taken in consultation with the parties concerned to hold such courses in the occupied territories themselves. Thus, a first course was given in Nablus in April 1992, followed by a second in Bethlehem and a third in Gaza. These courses were warmly welcomed and attended by a large number of participants. As regards the trade union situation, previous reports have always emphasized the need to provide assistance to Palestinian trade unions in their attempts to defend and promote the interests of their members within an independent and efficient structure. The Office has committed itself to pursuing its action in the form of other courses and seminars so that this technical assistance may bear fruit. To provide greater material support for this action, an ILO document entitled "ILO principles, standards and procedures concerning freedom of association" has been translated into Arabic. The Arabic language texts of the Freedom of Association and Protection of the Right to Organize Convention, 1948 (No. 87) and the Right to Organize and Collective Bargaining Convention, 1949 (No. 98) are annexed to that document.

140. On-the-spot consultations have already been held to secure the ILO's participation for one week in two workers' education seminars to be organized in the next three months for Palestinian trade unions. One will deal with occupational safety and health and be held in the West Bank and the other will study the legal aspects of labour legislation and work practices as well as international labour standards and will be held in the West Bank and in the Gaza Strip.
141. A preparatory mission was carried out in February 1993 in the occupied territories to assess the nature and scope of the needs of employers' organizations with a view to providing them with assistance to help stimulate the economy and improve their situation. Following this mission and the contacts which were established, an action plan was drawn up to help employers in the occupied Arab territories. The plan calls for holding three seminars in September 1993, in Gaza, Nablus and Hebron, to examine the role of the chambers of commerce and industry.

142. On numerous occasions in the past, Palestinian university staff have emphasized the difficulty posed by the lack of adequate and accurate statistics, in particular on the Palestinian labour force in the occupied territories. The Office therefore plans to organize a seminar to help Palestinian economists and researchers develop methodology for the establishment and analysis of such statistics. This seminar is expected to be held in the West Bank in the coming months.

143. Previous reports have referred to the joint ILO-UNRWA project for the vocational reintegration of handicapped persons. This project began in October 1991 with the dispatch of three consultants to hold specialized vocational training seminars for personnel responsible locally for vocational rehabilitation and training, as well as placement of the handicapped. Further consultations have been held between UNRWA and the ILO for the continuation of this project. Other consultants will shortly be sent by the ILO to the occupied territories to provide training under a job creation programme for handicapped workers and to provide assistance in the planning of special installations and their technical adaptation with a view to meeting the specific needs of these persons and ensuring their vocational reintegration. Recently, the ILO signed an agreement with the State of Sharjah (United Arab Emirates) for the installation of a wheelchair production unit, following this Emirate's donation of US$1 million gift for this purpose. Production will begin in late 1993.

144. Furthermore, the ILO plans to send shortly two consultants on an exploratory mission to examine the development needs of small enterprises and the promotion of self-employment.

145. The concern of the international community to respond to the urgent needs of the Palestinian people is reflected in the European and international meetings in which the Office participates. For example, the Brussels conference organized in September 1992 by the European Coordination Committee of NGOs on the question of Palestine and by the network of European NGOs in the occupied territories, and the United Nations seminar organized at the UNESCO headquarters in Paris in April 1993 both examined the subject of assistance to the Palestinian people and ways of defining future programmes and development strategies.
which take account of present data. The areas identified as the most urgent are the economy and employment, where investments have been planned.

146. The Office attaches considerable importance to the development of its projects and, as promised, will strengthen its presence in the occupied Arab territories through its technical cooperation programme if circumstances permit. It is to be hoped that the peace talks will create a favourable climate for the development of a coherent global aid programme by the international community in which the Office will participate within its sphere of competence.

CONCLUSIONS AND RECOMMENDATIONS

147. Having established this report, which is the 16th to be submitted to the International Labour Conference on the situation of workers of the occupied Arab territories, it is appropriate to draw a certain number of conclusions from the analysis that has been made and to propose certain recommendations for future action. In so doing, it may first be noted that the mission to Israel and the occupied Arab territories, on the findings of which this report is largely based, was again carried out with the full cooperation and participation of all the parties concerned, both Israeli and Palestinian. For this cooperation the ILO is both appreciative and gratified in that it is an acknowledgement by both parties of the efforts that continue to be made by the ILO to assist them in finding solutions to the problems that are evoked in this report. This cooperation also demonstrates a certain confidence in the ability and the willingness of the ILO to be of assistance in this task, with all the objectivity and impartiality that is required in carrying it out. In formulating the following conclusions and recommendations, therefore, it is to be hoped that these will be seen in the same spirit as they are offered, that is to say as objective and fair, and intended solely as a useful contribution to the more general process in which attempts are being made at the political level to seek solutions to the overall problems affecting the region.

148. In the first place, it can only be repeated that a state of military occupation renders impossible the free exercise of those civil and political liberties that are essential if certain fundamental standards and principles that have been developed by the International Labour Organization are to be fully respected. The massive military presence in the occupied Arab territories and the huge array of military rules, regulations and security measures that govern practically every aspect of the daily lives of the population of these territories, all place very severe restrictions on the workers of those territories, especially as regards freedom of employment choice,
freedom of expression, freedom of movement and freedom of association. It is within the competence of the ILO and its duty to identify situations which bring into question the rights of workers and the protection to which they should be entitled, and take appropriate steps to ensure that these rights and protection are fully restored and respected. It is, therefore, to be strongly recommended that, for as long as the state of occupation remains in existence, steps will be taken, and strict orders given by the relevant authorities, to alleviate the constraints upon the working population and facilitate their particularly onerous working and living conditions.

149. The recent upsurge of violent and often deadly acts perpetrated by Arabs against Israelis, both civil and military, and the deaths and injuries caused to Palestinians through retaliation by the Israeli Defence Forces and even by settlers, can only be deplored. Once again, the causes of these acts are deeply rooted in the political issues affecting the region and are not, therefore, in themselves, matters for examination by the ILO. The consequences of this violence, however — curfews, arrests and detention, roadblocks, deportations, the closing of the territories, etc. — can be devastating for the Palestinian population as a whole, and more particularly for Palestinians with jobs in Israel who, because of increased harassment and restrictions, find access to their workplace rendered more difficult or even impossible. At the time of this report, both the Gaza Strip and the West Bank had been completely closed for more than one month, with disastrous economic consequences for the population of these territories. The closure of the territories means that over 100,000 Palestinians currently having jobs in Israel no longer have access to them, resulting in an estimated daily loss of income of some US$2.5 million. It may be recalled that, since the Gulf War ended in early 1991, the main source of external revenue of the territories has been limited to income earned by Palestinians working in Israel. Since remittances from workers in the Gulf and subsidies from Arab countries are no longer forthcoming, it is all the more important that Palestinians who have jobs in Israel also have unrestricted access to them.

150. Closing off the territories has severe repercussions on what is already an extremely precarious economic situation in the territories, and more particularly in the Gaza Strip. Moreover, it is inconsistent with what have been described as positive — although inadequate — measures taken by the Civil Administration to promote endogenous development in the territories. It is equally clear that the indefinite closure of the West Bank and the Gaza Strip will have more than economic consequences and will inevitably provoke greater tensions not only within the territories but also between the Arab and Israeli populations. For these reasons, it is to be hoped that the closure of the territories will soon be lifted, and that in future other ways
will be found to deal with criminal acts perpetrated by Arabs against Israelis.

151. A number of interesting and laudable examples were given by the Civil Administration of the concrete efforts that are being made to increase investment and create employment in the territories. It can only be recommended that those efforts be encouraged and that they be increased in such a way as to create an environment which will be more conducive to local as well as foreign investment in the occupied Arab territories. But, until such time as employment possibilities in the territories themselves have improved substantially, the Israeli Government should avoid taking any steps that might limit or exclude the possibility for Palestinians to work in Israel.

152. As regards the working conditions of Palestinian workers who have jobs in Israel, it is encouraging to observe that practical steps have been taken further to modernize the facilities available at labour exchanges. This has resulted in closer monitoring of registered workers and ensuring that they receive the wages and other benefits to which they are entitled. It is also noted with interest that the number of labour inspectors has been increased and that a special unit of the employment services department has been operating successfully in tracing unregistered workers and employers illegally employing them. The fact remains, however, that many thousands of Palestinian workers continue to work in Israel without work permits. This indicates that the measures in place are inadequate to deter Israeli employers from engaging such workers on a basis that leaves them without any social benefits and subject to the worst forms of exploitation. It may be hoped that more energetic measures will be applied to put an end to this practice both by the Israeli authorities and by the Histadrut, whose condemnation of such practices should be accompanied by coordinated action with the authorities to eliminate it.

153. The attention of the Government has already been drawn to the negative effects on wages and the calculation of benefits of the daily contract basis on which the great majority of Palestinian workers who have jobs in Israel are employed. Another aspect which must again be emphasized is the harsh conditions to which workers from the Gaza Strip are subjected on their way to work in Israel. Some shelters have been provided at Eretz, but much remains to be done to expedite procedures at the checkpoint and to put an end to the degrading treatment and abuse which the workers have often to endure there. The authorities have indicated that improvements are envisaged. Whatever these may be, it is to be recommended that they be introduced as a matter of urgency and that, more importantly, the military at Eretz be ordered to treat these workers with respect. It would also appear that there has been no improvement in the situation of the workers of the territories, many of whom continue to be
arrested and fined on arrival in Israel on their way to work because their transport has not deposited them precisely at their place of work.

154. On all these questions it would seem that a concerted effort by the Government, the Civil Administration and the Histadrut could lead to effective action being taken to make improvements in the situation of workers of the occupied territories. To maintain existing arrangements and practices on these issues will only aggravate the tensions to which they have for so long given rise.

155. The ILO believes that democracy in society can be greatly strengthened by the existence of strong and independent social institutions, in particular workers' and employers' organizations, which participate actively in the formulation of economic and social policy. Israel itself is a country where this principle has been totally accepted, and over the years, the workers' and employers' organizations of Israel have contributed greatly to the economic and social development of the country. It is because of that principle that the ILO has consistently recommended the encouragement by the authorities of genuine trade unionism in the territories, and that an end be put to the general attitude whereby all trade unions in the territories are considered to be fronts for terrorist activity. In any normal situation, trade unions would have the right, and the means, freely to express their political opinions, particularly on social and economic issues affecting the workers. In the West Bank and in the Gaza Strip they are unable freely to exercise these rights, and any action they take is seen by the Civil Administration as a political act that must inevitably be linked with terrorism. Such sentiments are in total contradiction with the genuine efforts that are made by the unions of the West Bank and the Gaza Strip to carry out activities that are designed solely to improve the difficult working and living conditions of their members. If, in certain cases, trade union activity is confounded with political activity, this is precisely because the situation of occupation is an abnormal one, as a direct result of which the trade unions in the occupied Arab territories see their role more as a political one rather than one in which they can effectively pursue solely the economic and social interests of Palestinian workers.

156. The issue of national insurance remains one of significant importance. On the one hand, very substantial amounts of money are involved (especially the contributions paid by Israeli employers) and, on the other hand, the Palestinian workers only obtain a fraction of the social security benefits to which other Israeli workers, who pay identical contributions, are entitled. The Government's explanation has always been based on the equalization of labour costs, but while this argument explains the equal costs of labour as between Palestinian and
Israeli workers, it does not explain the difference in the social security benefits received by Israeli and Palestinian workers. The contention of the Government, therefore, is supplemented by the further argument that, exceptionally, Palestinian workers who have jobs in Israel, contrary to other non-resident workers in Israel, benefit from a tax credit points system as a result of which the amount of tax they save far outweighs the value of the security benefits they do not receive, but for which - like Israeli workers - they have paid. This complicated interlinking of social security payments and benefits with income tax obligations and credits, has made it virtually impossible to judge whether or not a Palestinian worker actually benefits from the system as it is presently practised. The main issue, however, is that, whatever the income tax arrangements may be, a Palestinian worker does not receive all the benefits that should accrue individually and directly from the social insurance contributions that are automatically deducted from his wage.

157. In view of the total lack of transparency in the system as currently practised and the controversy to which it has given rise, it is strongly recommended that the parliamentary procedure, which has been initiated in order to give legislative effect to practice in this field - a practice introduced by government order in 1970 - will provide an appropriate opportunity to review the entire national insurance system, as it presently applies to Palestinian workers from the territories, so that these workers may receive all the benefits for which - like Israeli workers - they and their employers have paid.

158. A dialogue between the trade unions of the West Bank and the Gaza Strip and the Israeli General Federation of Trade Unions, the Histadrut, has often been recommended. The reasons for these recommendations relate not only to the concern to deal with the problem of effective and full trade union representation for all Palestinian workers employed in Israel but also to all the other problems concerning Palestinian workers in the solution of which the Histadrut could play an important role. The initiation of such a dialogue would also be an expression of mutual recognition of these unions, as well as the demonstration of a desire to contribute jointly, as important social partners, to the process of seeking solutions to the problems that confront their respective societies. The ILO can only repeat its encouragement to the parties to engage in such a dialogue, and to assure them that the ILO remains at their disposal to facilitate any discussions they may consider desirable and useful.

159. The establishment and continuous extension of Israeli settlements in the occupied Arab territories have constantly been denounced by the international community, mainly because of the dual legal and social systems that the settlements involve and the inequalities and tension they have created. The policy announced by the new Government in July 1992 to put an end to the
establishment of new settlements was thus welcomed by all. The credibility of this policy was, however, soon lost when it became apparent that existing settlements were rapidly being extended, and even new settlements, especially in the Golan, were being created. The establishment and extension of settlements in the occupied Arab territories have profound and detrimental effects on the population of the territories. For this and all the other reasons that have been amply described in this report, it is to be hoped that action will be taken by the Government to put an end to this practice.

160. With regard to the occupied Golan Heights it can only be concluded that there has been no improvement in the situation of the population of this territory, who continue to be subjected to restrictions on access to water, confiscation of land, the expansion of settlements and restrictions on the export of local products. In addition, they continue to be subjected to Israeli imposition of educational and cultural norms which they find unacceptable. The Government should immediately review its policy in such a way as to allow the population more freely to develop its economic activity and pursue its cultural and educational activities without interference.

161. Through its action and its programme of technical cooperation, the ILO will endeavour to contribute to the improvement of the working and living conditions of Palestinian workers of the occupied Arab territories. The ILO would recall that its areas of competence, expertise and experience make it particularly apt to play an important role in creating an environment in which peace, social justice and economic development, based on democratic principles and the rule of law, can become realities for the entire population of the region. In the 1992 report, the ILO suggested that it was timely to consider additional ways in which a more direct dialogue might be established between the parties, and invited overtures, in particular from the Israeli Government, which might result in the establishment of a mechanism whose mandate would be to seek solutions to the social and labour problems evoked in the report. Unfortunately, there has been no response to that suggestion from any side. Accordingly, the ILO would repeat the offer of its good offices to all the parties involved, and hopes that full advantage will be taken of the facilities available in the ILO to discuss the social, labour and economic problems that have been described in this report and for which solutions must be found if peace in the region is to be achieved and maintained.

COMMUNICATIONS RECEIVED FROM ARAB COUNTRIES AND ORGANIZATIONS

The following has been compiled from reports and documentation received in connection with the consultations mentioned in paragraph 4 of this Report.\textsuperscript{1}

INTRODUCTION

In one of its reports, the PLO writes that each time representatives of the ILO take part in missions to the occupied territories, they note that the situation in these territories is getting worse year by year. The violation of employers' and workers' rights, and of human rights in general continues, with Israel feeling in no way bound to respect the resolutions adopted by the United Nations.

The population and the labour force: Some figures

According to the PLO, in 1992 the Arab population of the occupied territories totalled 1,849,000 persons, with 1,149,000 of them living in the West Bank (including Jerusalem) and 700,000 in the Gaza Strip. The Arab labour force in these territories totalled 330,000 Palestinians, with 218,000 of these in the West Bank, only 189,004 of whom are employed, as follows: 127,005 in the West Bank, and 61,009 in Israel. Their distribution in the various economic sectors is shown in tables 1 and 2 below.

Table 1. Palestinian workers employed in the West Bank

<table>
<thead>
<tr>
<th>Economic sector</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>10.3</td>
</tr>
<tr>
<td>Industry</td>
<td>13.8</td>
</tr>
<tr>
<td>Construction</td>
<td>68.9</td>
</tr>
<tr>
<td>Other</td>
<td>14.0</td>
</tr>
</tbody>
</table>

\textsuperscript{1} Due to lack of space, the voluminous documentation received this year has not been reproduced in its entirety, but is available for consultation at the International Labour Office. The information already contained in previous reports has generally not been repeated here.
Table 2. Palestinian workers employed in Israel

<table>
<thead>
<tr>
<th>Economic sector</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>8.8</td>
</tr>
<tr>
<td>Industry</td>
<td>11.8</td>
</tr>
<tr>
<td>Construction</td>
<td>59.5</td>
</tr>
<tr>
<td>Other</td>
<td>20.0</td>
</tr>
</tbody>
</table>

There are 112,000 workers in the Gaza Strip. Out of the 81,008 Palestinians employed, 40,005 work there and 41,008 in Israel. Tables 3 and 4 below show their distribution in the different economic sectors.

Table 3. Palestinian workers employed in the Gaza Strip

<table>
<thead>
<tr>
<th>Economic sector</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>16.0</td>
</tr>
<tr>
<td>Industry</td>
<td>9.1</td>
</tr>
<tr>
<td>Construction</td>
<td>62.7</td>
</tr>
<tr>
<td>Other</td>
<td>12.2</td>
</tr>
</tbody>
</table>

Table 4. Palestinian workers employed in Israel

<table>
<thead>
<tr>
<th>Economic sector</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>16.0</td>
</tr>
<tr>
<td>Industry</td>
<td>9.0</td>
</tr>
<tr>
<td>Construction</td>
<td>62.0</td>
</tr>
<tr>
<td>Other</td>
<td>12.0</td>
</tr>
</tbody>
</table>

I. ISRAELI SETTLEMENT POLICY IN THE OCCUPIED ARAB TERRITORIES

(1) Land confiscation

In one of its reports, the PLO notes that the aim of the Israeli authorities who appropriate land belonging to Palestinians
under the usual pretext of national security, is to bring about an effective demographic shift and eliminate any Palestinian presence in the occupied territories. This contention is supported by the Royal Jordanian Committee on Jerusalem which notes in turn that, although the methods used to confiscate land have changed since the Labour Government came to power, the end result is the same: every year hundreds of dunams of land are extorted from Palestinians and handed over to Jewish immigrants. They are used to expand or build roads for settlements. Occasionally, confiscated land is allocated to settlers outright, as happened in the case of Alfey Menacheh where six dunams were handed over to a settler so that he could open a service station. Military interests are also served by confiscation according to the Government of Jordan. Some of the land confiscated during the past year has been used to build, for example, a barracks at Beit Furik and a military training centre in Toubass.

In 1992, 14,219 dunams were confiscated (most of which was agricultural land), bringing the area of land confiscated between 1967 and 1992 to 3,059,874 dunams.

(2) The establishment of settlements and immigration

The PLO states that the United States has guaranteed Israeli authorities 10 billion dollars to build new settlements and extend those already established. The Jordanian Ministry of Labour, for its part, explains that despite the Israeli Government's decision to put a freeze on new settlements, the occupation authorities are flouting this decision through further development and construction, for the benefit of the increasing number of Jewish immigrants in the occupied territories. Quoting Bob Lang, Chairman of the Israeli Settlements Council, the International Confederation of Arab Trade Unions (ICATU) points out that 121,500 Jewish settlers are living in the West Bank, 4,900 in the Gaza Strip and 125,000 in Jerusalem. According to the Jordanian Ministry of Labour, 77,000 Jewish immigrants arrived in Palestine in 1992.

In the same year, a number of new settlements were built; the most important of these, mentioned in the report of the Jordanian Ministry of Labour, are:

- Neve Menahim, established in the north of the West Bank in memory of Menahim Begin;
- Netszrim-b and Bad Mechicheh, both in the Gaza Strip,
- Novi Nov and Novi Frat, both in the Jerusalem area.

The aforementioned report gives information on the construction of several other settlements in the occupied
territories, but does not give their names. Work on a new settlement called Keryat Sefr in the Ramallah district has already begun.

(3) The increase in the number of settlements

The extension of existing settlements, the enlargement of the roads which serve them, the increasing number of housing units (caravans, prefabricated houses, detached houses, flats, etc.) and improvements in social services for settlers are evidence, once again, of the Israelis' expansionist designs, according to the Jordanian Ministry of Labour. Houses are being built on a massive scale in almost all settlements in the occupied territories. The Jordanian press, quoting an Israeli daily newspaper, mentions a plan providing for the establishment of 40,000 housing units in a settlement in Jerusalem.

II. ISRAELI PRACTICES AGAINST THE PALESTINIAN LABOUR FORCE

(1) Unemployment and the deteriorating economic situation

Again this year, all communications refer to the indelible marks left on the lives of the Palestinians as a result of the unemployment\(^1\) brought about by the Gulf war, the curfew, Jewish immigration and the issuance of green cards, magnetic identity cards and temporary work permits. According to the PLO, unemployment reached 45 per cent in the occupied territories in 1992. This increase, says ICATU, was accompanied by drops of 50 per cent in GNP and 55 per cent in individual income. The Palestinian Human Rights Information Centre (PHRIC) and the Jordanian Government note that unemployment is largely due to the growing number of sanctions and restrictive measures taken by the Israeli authorities to make it practically impossible for the Palestinian labour force to enter Israel. New sanctions imposed after an Israeli was killed on 25 May 1992 in Bat Yam (near Tel Aviv) by an unemployed Palestinian youth from the El-Nassirat camp (in the Gaza Strip) are representative of this problem. The sanctions cut off the Gaza Strip, paralysing economic activity there and preventing 30,000 Palestinians\(^2\) from reaching their

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\(^1\) See on this subject the 1991 and 1992 Reports of the Director-General, respectively pp. 51-56 and pp. 67-68.

\(^2\) This figure was given by the Jerusalem Post, quoting the Palestinian Human Rights Information Centre. The Palestine Trade Unions Federation, for its part, mentions a figure of 60,000 people.
jobs in Israel. After several days the siege was lifted, but the Israeli authorities adopted repressive measures aimed at:

- prohibiting any worker under the age of 28 (i.e. 50 per cent of the labour force in Gaza) from requesting a work permit;
- requiring all employers to hire at least ten people at a given workplace;
- prohibiting inhabitants of the El-Nassirat camp from entering Israel.

These measures were subsequently relaxed, but according to the Palestinian Human Rights Information Centre they were responsible for 25 million shekels ($25 million according to the Palestine Trade Unions Federation) in lost wages for the Palestinian labour force employed in Israel.

In December 1992 the Gaza Strip was again cut off and a curfew imposed. All workers under 25 were prohibited from entering Israel. The Jordanian Government states in its reports that 40,000 Palestinians were affected by these sanctions.

Because of their frequent absence due mainly to the curfew, some Palestinians are dismissed by their Israeli employers, who replace them with Jewish immigrants. Others have serious difficulties obtaining new work permits after theirs are revoked, often without reason. The PLO notes that the issuance of any permit involves the payment of a $75 tax, an enormous amount compared with the average wage of a Palestinian. For its part, the ICATU points out that the Israeli authorities revoked the work permits of 2,120 workers, all over the age of 45. At the same time, it adds, the authorities are issuing a flood of green cards. It names many Palestinians who have been issued green cards, including schoolchildren. The PLO points out that in February 1992 alone, 41,000 Palestinians had green cards.

Obtaining magnetic identity cards is becoming increasingly difficult, particularly for workers in the Gaza Strip. According to the Jordanian Ministry of Labour, the Israeli Civil Administration for Gaza in July 1992 decided to cancel valid magnetic cards and replace them as of 1 August with new computerized cards, which can only be issued with the consent of an Israeli employer. The Ministry explains that this means thousands of Palestinian workers will be deprived of these cards, and thus of a job. It adds that the Israeli authorities in some cases confiscate magnetic cards for a period of six months from workers from the Gaza Strip.

The employees of the Israeli Civil Administration are those who benefit most from the difficulties in obtaining magnetic
cards. In exchange for issuing these cards, they take bribes of up to one-third of a worker's wages.

(2) Inequality of treatment and discrimination

The Palestine Trade Unions Federation and the Jordanian Ministry of Foreign Affairs deplore the establishment of "holding areas" for Palestinians employed in Israel, located at all passage points along the green line. In these "holding areas" the occupying authorities extensively search the workers each time they cross and check their identity cards and work permits. For its part, the ICATU states that the establishment of these "holding areas" evidences the racism of the Israelis, noting that the mayor of the town of Kfar Saba, where one such "holding area" is located, asked the Israeli police to expel all Palestinian workers from that town, which is a departure point for their workplaces.

The bloodiest confrontation took place at the Eretz checkpoint in the Gaza Strip on 25 October 1992. The confrontation between the Israeli military and Palestinian workers, which the Palestine Trade Unions Federation has called a spontaneous revolt, left 30 wounded (their names were sent by the Federation to the International Labour Office).

Apart from the checkpoints established by the occupying authorities, roadblocks are set up on main highways by settlers. Their aim is to disrupt travel for Palestinian workers and to prevent them from getting to work on time so their Israeli employers will dismiss them. The Jordanian Ministry of Labour explains that the roadblocks, as an indirect means of getting rid of Palestinian labour, are proof of an underhanded plot among various parts of Israeli society.

Various Arab governments and organizations continue to be concerned about undue deductions made on Palestinian workers' wages. We will not repeat what has already been said regarding direct and indirect deductions.\(^1\) Nevertheless, ICATU quotes the Israeli press which, in an article published in September 1992, raises the question of what happens to the 8 per cent deducted as trade union dues by the Histadrut from Palestinian workers' monthly wages. ICATU thereby demonstrates the illegal nature of some deductions.

Moreover, many reports emphasize that Palestinian workers are the victims of an increasingly unfair taxation system. For example, the Jordanian Government explains that in the Gaza Strip, Palestinian car owners who transport Arab workers are forced to

\(^1\) See the Report of the Director-General, 1992, p. 72.
pay extremely high taxes to obtain special licence plates permitting their vehicles to enter Israel. This notwithstanding, in June 1992 the occupation authorities adopted restrictive measures prohibiting cars in the Gaza Strip from entering Israel and forcing Israeli employers to provide transport for their Palestinian workers. It goes without saying that in these cases the employers prefer not to use Arab labour. The PLO points out that 10,000 Palestinian drivers consequently lost their jobs. IÇATU adds that exorbitant fines of up to 700 shekels are imposed on Palestinians when they are stopped and found to be without a work permit in Israel.

(3) **Arrests and detentions**

The measures taken by the occupation authorities prohibiting Palestinian workers employed in Israel from staying there led to numerous arrests throughout 1992. According to the PLO, 1,100 workers had been arrested as of 20 December 1992 because of their so-called illegal stays in Israel.

The Palestine Trade Unions Federation reports that unwarranted arrests at workplaces are a daily occurrence. Palestinian workers unjustly accused of not having a work permit are often imprisoned for periods of 24 to 48 hours. The Federation adds that on 5 November 1992, 91 workers from the West Bank and Gaza Strip who were present in Israel were arrested for no reason. These arrests, which are actually terrorist acts, take place within the occupied territories as well, according to the Federation. In a letter sent to the International Labour Office, it denounces the arrest of six workers on 1 November 1992, when the Federation's headquarters were broken into in Gaza. These workers are: Mou'in Hassan El-Madhoun, Moufid Issa Choukri, Iyad Kamel Hamdan, Aouad Hassan Chamel, Said Khaled Jad Elah and Kamel Kayed Abou Jiab.

Numerous other arrests are mentioned in the reports filed by IÇATU and the Jordanian Ministry of Labour. We shall mention here only the most significant ones, such as the arrest of a very large number of Palestinians in the village of Rentiss in April, and the mass arrest of workers in the Israeli towns of Kfar Saba and Tibah in March. These workers were accused of not having work permits.

(4) **Violence against workers**

Acts of violence occur at the hands of both settlers and the Israeli military forces.

In a letter sent to the International Labour Office on 2 February 1993, the Palestine Trade Unions Federation mentions that in Khan Yunis an Israeli military car travelling at breakneck speed to avoid stones hurled at it ran into a Palestinian vehicle carrying workers and injured eight of them.
The Government of Jordan and ICATU also mention in their reports numerous attacks against the Palestinian labour force. We shall mention here the following:

- in Kiryat Gat in November, the Israeli police attacked workers, beat them and forced them to pay fines because they were in a public place;

- near Tel Aviv, fundamentalist Jews held 16 Palestinians in a building which they besieged for two days. Also in Tel Aviv, two masked Israelis broke into a bakery employing Palestinians and attacked two workers.

III. ISRAELI PRACTICES AGAINST TRADE UNIONS AND TRADE UNIONISTS

It is through the constant appeals made by the Palestine Trade Unions Federation that the voice of trade unionists in the occupied territories can be heard. In numerous communications sent to the International Labour Office, the Federation denounces the terrorist practices of the occupation authorities, who prevent the International Labour Organization from promoting trade union activities in the occupied territories, tighten the yoke around trade unions and humiliate trade unionists. The Federation strongly deplores the following acts:

- the ransacking on 1 November 1992 of the headquarters of the Union of Palestinian Workers' Trade Unions in Gaza and the destruction of the property found on the premises;

- the prohibition of the participation of Rassem El-Bayari, the president of the Union of Palestinian Workers' Trade Unions, at the International Confederation of Free Trade Unions' Congress, held in Caracas on 17 March 1992. El-Bayari, a trade union activist, has painstakingly tried to get the Israeli Civil Administration to remove all obstacles to the normal operation of trade unions;

- the prohibition of the participation of Bayer Saïd Bayer, the president of the Jenin Union of Trade Unions, in the training session for workers of the occupied territories, held in Cairo from 20 to 31 December 1992. During this session officials of the Arab Labour Organization spoke on Palestinian trade unions, their means of operation, role and objectives, and advised trade unionists on guidelines for their work.

The Jordanian Government, for its part, reports the ransacking of the headquarters of the Trade Union of Hotel Staff in Jenin. It also reports that the Israeli army on 31 October 1992 broke into the premises of the Union of Palestinian Trade
Unions in Gaza, searched the premises and humiliated those present, without any motive. It adds that unknown elements set on fire the car of Imad El-Cherif, a member of the General Secretariat of the Federation of Trade Unions of Palestinian Workers of the West Bank.

As regards arrests, ICATU states that A'minah El-Rihawi, the deputy general secretary of the Federation of Trade Unions of Palestinian Workers of the West Bank, was detained for three months at the beginning of 1992. She is the mother of three children. Similarly, the vice-president of the Federation of Trade Unions of Workers of the Gaza Strip, Mr. Marwane El-Kafarna, was arrested on 7 July 1992. Furthermore, two inhabitants of the town of Nablus were placed under house arrest during the last week of 1992; they are Mrs. Maha Nassar, the spokesperson for the Union of Palestinian Women, and Mr. Sami Ayed, the executive director of the "Al-Damir", an association which assists prisoners.

IV. ISRAELI PRACTICES AGAINST ARAB EMPLOYERS AND PRODUCERS

In one of its communications the Palestine Trade Unions Federation quotes an alarming report on the occupied territories by a Belgian organization, the National Action Centre for Peace and Development (CNAPD). This report regretfully notes that the Israeli authorities are maintaining "unilateral economic relations" in the occupied territories, which the PLO, for its part, deplores when it states that these territories are "drowning" in Israeli products while Palestinian agricultural production, which is the main source of income for the Arabs, cannot penetrate the Israeli market. Agriculture is not adversely affected only by unfair marketing, but also by inhuman Israeli practices, such as the destruction of crops. In 1992, 7,565 trees were destroyed, among them olive, almond, orange and lemon trees, etc. This is often done in reprisal for instances of stone throwing or arson, or to build roads for settlements. The Jordanian Government explains that the curfew is another means of sabotage used with increasing frequency by the occupation authorities: when purposefully imposed during harvest periods, it prevents farmers from collecting their crops, which go bad and end up being thrown away. Over and above the Israeli authorities' acts, there are those of the settlers who do not hesitate, for instance, to burn crops to force Palestinian farmers to give up their profession and seek other means of making a living.

Farmers have also had sheep flocks confiscated, and sheep folds, cattle pens and poultry farms have been destroyed on the grounds that they had been built without prior authorization.

Concerning water resources, the CNAPD report states that in the Gaza Strip, home to 700,000 Palestinians, 4,500 Jewish
settlers use 30 per cent of the water. The report states that water pollution, which is due particularly to the suspension of refuse services, has led to a significant increase of infectious diseases, with serious consequences for the infant mortality rate (between 55 and 80 per thousand, versus ten per thousand in Israel).

As far as shops are concerned, the Jordanian Government, the PLO and the Damascus Chamber of Industry note that, as every year, many such establishments were closed in 1992 on the grounds of stone throwing or explosions. Some were ransacked, and others were completely destroyed. For example, in Bir Nbala, the military authorities used bulldozers to destroy a brick factory on the grounds that its owner did not have an operating licence, although one had been issued in 1989. Many employers complained to the Israeli Civil Administration of unfairness: goods or identity cards were confiscated, arrests made, exorbitant taxes paid, etc. Their complaints remained dead letters. One of the most affected groups was bakers on the West Bank, who complain that Palestinian bakeries are gradually disappearing. Too often closed because of the numerous curfews, and lacking any financial assistance, these bakeries have been deserted by Palestinian workers who, seeking a regular income, prefer to work for Israeli bakeries.

The economic and social problems facing the population of the occupied territories worsened in 1992 with the imposition of a particularly repressive taxation policy. The Palestine Trade Unions Federation, the PLO and the Jordanian Ministries of Labour and Foreign Affairs emphasize that the question of taxes, most of which are illegally collected with full impunity by the Israeli authorities, is very serious. The Civil Administration refuses, for instance, to make public the exact amount of taxes paid annually by the inhabitants of the occupied territories. It claims that in the West Bank - just to mention this territory - the amount is no more than $150 million, while in actual fact it varies between $600 and $650 million. Thus, in the West Bank alone, the Civil Administration received in taxes 80 million shekels more than the amount allocated in the budget for fiscal year 1991-92. The Jordanian Government explains that among these arbitrary taxes there is a 50 shekel tax on cars from the Gaza Strip which leave its territory, as well as a $45 tax for each buildable square metre, known as "Al-Arnounah", which is demanded of all inhabitants of Jerusalem. This tax will increase by 10 per cent beginning in 1993. The PLO adds that apart from these taxes, there is a tax for crossing bridges to Jordan, and a tax for the security of the Galilee. All imports to the occupied territories are subject to the latter, which finances the Israeli army's military operations in southern Lebanon.
We shall not go over the tax administration's acts against Palestinian shopkeepers; information on this topic confirms that included in the Director-General's 1992 Report.\(^1\)

V. VIOLATION OF FUNDAMENTAL RIGHTS

(1) **Arrests and deprivation of freedom**

Collective arrests, which may last from one to 18 days, are among the penalties inflicted on the Palestinian population. Such measures have been practised for years following ruthless round-ups and on various grounds, and periods of detention are often extended by means of administrative detention or legal proceedings. According to the Government of Jordan, thousands of Palestinians have fallen victim to collective arrests in 1992. Furthermore, 225 administrative detentions were decreed, lasting from one month to one year and subject to extension, depending on the case. Journalists and lawyers rank high among the detainees.

In 1992, 2,033 Palestinians were brought before Israeli courts in the occupied territories. Their sentences ranged from seven to 12 months' imprisonment and 14 to 24 months' suspended sentences. Forty-three Palestinians were sentenced to life imprisonment. Every person sentenced was also fined 1,000 shekels. For 1992, the total amount of these fines is estimated to have been about 481,900 shekels.

(2) **Restrictions on freedom of movement of Palestinians**

Curfew, house arrest, and a ban on travel or using the bridges leading to Jordan are just some of the restrictions on the movement of Palestinians; they have been discussed extensively in previous reports. However, we must draw attention to the expulsion in December 1992 of 413 Palestinians to south Lebanon, a measure which has met with indignation on the part of Arab bodies and governments. The PLO, for example, talks of a genuine "transfer" campaign aimed at moving Palestinian inhabitants off their land. ICATU condemns the Israeli authorities for their failure to comply with United Nations resolutions, in particular with resolution 799 adopted by the Security Council following the expulsion of the Palestinians.

The report of the Jordanian Ministry of Labour mentions other deportations and puts the total number of persons expelled in 1992 at 437.

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\(^1\) See p. 78 of the Report.
(3) **Attacks on individuals and private property**

Tyrannical Israeli practices in 1992 include not only the expulsion of 413 Palestinians, according to ICATU, but also the creation of special Israeli undercover units whose task is to infiltrate the occupied territories disguised as Arabs and assassinate Palestinians suspected of activism. These units fire arbitrarily on defenceless civilians without compunction. As a result, many people have died during various confrontations. The Jordanian Ministry of Labour points out that in 1992, 160 Palestinians were killed and 12,000 injured. Moreover, it adds that the crackdown against individuals has also led, during the summer of 1992, to fewer people entering Jordan by bridge. Thus, many Palestinians who were waiting in dreadful conditions for authorization to use the bridges have been blockaded in the Ghor area.

With regard to private goods and property, the Government of Jordan notes that even the UNRWA is not safe from Israeli attacks. The Deir Al-Balah refugee camp, one of the Agency's sites, was ransacked and 8 tons of supplies which had been stored there were destroyed. Similarly, in Gaza, in November the Israeli authorities closed the UNRWA Vocational Training Centre on the grounds that celebrations had been held there marking the anniversary of the creation of Palestine.

Furthermore, numerous Palestinian homes have, as happens every year, been ransacked, boarded up or destroyed. The Jordanian Ministry of Labour points out that 77 homes have been demolished by Israeli authorities on the grounds of national security or on the pretext that they were built without construction permits.

**VI. ISRAELI PRACTICES AGAINST TEACHING AND RELIGIOUS ESTABLISHMENTS AND HOSPITALS**

According to the Jordanian Ministry of Labour, throughout 1992 numerous schools have been ransacked by Israeli authorities. Some of them have been converted into barracks or closed on grounds of national security or because allegedly stones have been thrown from them. Even UNRWA schools set up in refugee camps have been closed. As a result of obstruction on the part of Israeli authorities which prevents schools from functioning normally, Arab students are dropping out. The Damascus Chamber of Industry points out that during the 1992-93 school year, the percentage of Arab school children to have abandoned their studies before

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1 The Jordanian Ministry of Labour furnished a list of the names of Palestinians killed in 1992.

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secondary school was seven times greater than the percentage recorded for Israeli children. Moreover, the Government of Jordan reports that many teachers have been made redundant, sometimes without any reasons being given and often on grounds of national security.

With regard to universities, the Government of Jordan notes that they too have been ransacked or closed and that students have been arrested and mistreated. It condemns above all the siege of the Al-Najah University, which lasted four days and involved 3,000 students whose supplies were cut off. The aim of the siege was to prevent elections to the students' council. It should also be noted that, in October, the Israeli authorities put up barriers in front of Bethlehem University buildings to prevent students from entering on the grounds that the latter had not been authorized to enter the West Bank.

The Palestinian Trade Unions Confederation, referring once again to the report drawn up by the CNAPD, notes that people's health is inevitably affected by injustices and social inequalities. Health problems are rife, mainly in the Gaza Strip where there is one doctor per 2,000 inhabitants. Hospitals are suffering badly from a lack of resources. In December, following a confrontation between Palestinians and Israeli soldiers, hospitals in Gaza were admitting one person every ten minutes and, then unable to cope, had to declare a state of emergency. The Jordanian Ministry of Labour was outraged by the pressure exerted by Israeli authorities on hospitals to prevent them from treating Arab casualties. Furthermore, the Israeli authorities burst into hospitals to photograph injured suspects in order to identify and arrest them when they left hospital.

The ban on the sale of Arab-made medicines in Palestinian pharmacies in Jerusalem is also a form of pressure exerted on Arab medical workers, and is aimed at promoting the sale of Israeli products.

Israeli practices against religious establishments mainly take the form of ransacking, searching, closing or demolishing places of worship - always on grounds of national security. The Jordanian Ministry of Labour points out, in addition, that mosques have had holy books and loudspeakers confiscated and that the Imam from the Ezzedine Al-Kassam mosque was arrested in a refugee camp.

VII. THE SITUATION IN THE GOLAN

The following information is based on communications received from the Damascus Chamber of Industry and the Ministry of Labour and Social Affairs of the Syrian Arab Republic. The information mainly deals with the issue of settlements.
The Israeli Government is making every effort to consolidate its presence in the Golan Heights; this area is of particular importance to Israel since it acts as a security zone and provides additional land on which settlements can be established. Consequently, when the sixth session of the peace negotiations in Washington was about to be resumed, the Israeli Government announced that the establishment of settlements would start up again in the Mitsar kibbutz where nine new Jewish families would be housed. The Israeli Ministry of Housing also stated that the establishment of settlements was one of the priorities drawn up by the Government and that it would therefore continue with this action in the Golan. Quoting the Israeli press, the Ministry of Labour of the Syrian Arab Republic states that, in the coming year, 650 homes will be built in the Golan settlements, including 138 at Beni Yehuda, 154 at Khassfine, approximately 50 in the moshavim and the remainder in the kibbutzim. The chairman of the Golan Settlements Council has pointed out that there are also plans to build many homes in the Hadniss Bshal settlement.

Within the Knesset, the establishment of settlements is also supported by the Golan Settlements Commission.

The Golan settlers are encouraging the continuation of Israeli sovereignty over the territory and in October they held a large demonstration against Israel's withdrawal from the Golan.

With regard to the violation of fundamental rights, the Damascus Chamber of Industry states that the Israeli authorities have arrested inhabitants of Majdal Shams on the grounds that they had engaged in activities hostile to the occupation, namely taking part in celebrations to commemorate Syria's independence. The Ministry of Labour of the Syrian Arab Republic has also reported a number of other arrests, referring in particular to the imprisonment of four inhabitants of Majdal Shams accused of militancy and the detention of two inhabitants of Baka'ata and Massada accused of having defused mines laid in a field.

It should also be pointed out that Arab citizens of the Golan organized a demonstration at Majdal Shams to show solidarity with Palestinians held in Israeli prisons, and to call for the release of 22 inhabitants of the Golan who are also in prison.

VIII. THE DEVELOPMENT OF INTERNATIONAL ACTION

The need to implement fully resolutions No. IX of 1974 and No. II of 1980, adopted by the International Labour Conference, as well as the IVth Geneva Convention relative to the protection of civilian persons in time of war, of 12 August 1949, and the relevant United Nations resolutions was reiterated. Positive references were made to the process of negotiations under way and to the genuine desire for peace of the Arab parties, contrary to
the duplicity of the Israeli Government, which is obstructing the peace process by pursuing a policy which involves increasing repression targeted against the Palestinian and Arab population and a policy of immigration and establishment of settlements in occupied territories.

The Israeli Government's deportation of more than 400 Palestinians in December 1992 has been unanimously condemned, as have the double standards applied by the international community which has failed to react to Israel's violation of Security Council resolution No. 799 calling upon Israel to revoke the deportations.

The importance of the ILO's actions to assist workers in occupied territories was stressed. It seems, however, that there was not an adequate follow-up to the Director-General's annual report on the situation of workers of the occupied Arab territories. Regrettably, the special sittings held since 1990 at the International Labour Conference to discuss this report had not led to more specific results, and a proposal has been made that a special commission be set up at the International Labour Conference to examine the Director-General's Report.

The intention of the Director-General of the ILO to increase technical assistance to help employers and workers in the occupied territories and their families has been favourably received. Hopes have been expressed that the ILO will maintain a more permanent presence in the occupied territories to guarantee greater protection for the inhabitants of the territories and to ensure a more efficient follow-up of technical cooperation activities.

Reference was also made to the resolutions and other recent actions of the United Nations including:

- General Assembly resolutions 47/70 A to G, adopted on 14 December 1992 concerning the report of the Special Committee to investigate Israeli practices affecting the human rights of the Palestinian people and other Arab inhabitants of the occupied territories.

- General Assembly resolutions 47/63 A and B concerning the situation in the Middle East, adopted 11 December 1992.

- General Assembly resolutions 47/64 A to E concerning the question of Palestine, adopted 11 December 1992.

Preface

The Government of Israel has approved this year once again, as in the preceding 15 successive years since 1978, the visit of three ILO officials for the purpose of assessing the situation of workers of Judea, Samaria and the Gaza District. The Government of Israel agreed to allow the visit upon the request of the Director-General of the ILO, despite grave reservations about various aspects of earlier reports and lack of justification for the annual singling out of Israel at the International Labour Conference.

In its repeated agreement to receive successive visits of ILO officials, the Government of Israel has shown that it has never had reason to shield its administration of these areas from the eyes of the outside world. On the contrary, it has striven since 1967 to advance the standards of labour and employment in Judea, Samaria and the Gaza District and had already made considerable progress in improving services in this field long before the first visit of representatives of the Director-General of the ILO 15 years ago. There has been a considerable advancement by any yardstick, but especially in comparison to the current situation of workers in neighbouring countries.

The Government of Israel has never used workers' rights and working conditions of the Arab residents of Judea, Samaria and the Gaza District as a political tool. Regrettably in recent years there has been a growing tendency to sabotage the fabric of economic relations between these areas and Israel, to the detriment of local workers, by hostile elements acting upon incitement of Palestinian terrorist organizations, and using obstruction and prevention of employment in Israel for advancing extremist and violent goals. Nevertheless, the Government of Israel has not been deterred from continuing to strive to improve the situation of workers in Judea, Samaria and the Gaza District.

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1 The statistical tables referred to in the text were delivered to the ILO mission during its visit. They are not reproduced here.
I. Comments on the 1992 report of the Director-General of the ILO on the situation of workers from Judea, Samaria and Gaza

The following are selected issues on which an erroneous impression may have been given due to misunderstanding, confusion or inaccurate information.

1. The economic environment (paragraphs 21-25)

Even though economic policy and budgetary priorities are determined by Israeli authorities, it is not true that it is Israeli economic interest that dictates the policy. Economic policy and priorities are determined according to the best interests of the areas and welfare of the Arab residents. This is apparent in everything connected with the approval of new factories, such as the recently approved flour mills, over which there was considerable Israeli opposition (Union of Industrialists, Ministry of Commerce and Industry) and other plants, which would compete with Israeli factories. In reply to the objections on the part of Israeli interests, it is explicitly emphasized that considerations such as competition with Israeli firms are absolutely not taken into account by the Civil Administration.

Economic phenomena characteristic of the relationship between a small and developing economy and a relatively large and developed economy (transfer of manpower and export surplus for the benefit of the larger economy) are presented in the report as representing a conscious Israeli policy to depress the economies of Judea, Samaria and the Gaza District. The State of Israel has not directed manpower from the areas to employment in Israel, but allows this phenomenon out of a sense of responsibility and desire to provide employment to persons who fail to find work locally. It should be noted that the residents of Judea, Samaria and the Gaza District in the past have always worked outside of the region (especially in the Persian Gulf States), even at the price of being separated from their families, in order to find work to support their families.

As for the Israeli export surplus in its commercial dealings with Judea, Samaria and the Gaza District, it should be noted that the amount of raw materials for the production of finished products in the areas coming from Israel (such as electricity, gasolene, chemicals, etc.) is very high. There are also dominant negative factors which upset the trade balance in the areas, such as the Arab boycott and Jordanian protectionism, which limit the transfer of products (industrial and agricultural) from the areas to markets in which the ability of the products is to compete very high. The State of Israel has and continues to encourage such
exports by reducing the tax on the passage of trucks across the Jordan River.

2. **Recent developments**

As mentioned above, considerations of Israeli commercial interests are not given weight by the Civil Administration in deciding to give approval to a new factory. Examining the profitability of any enterprise is not the responsibility of the Government, by definition, so that the claim that most of the projects approved are not potentially profitable is invalid. The Civil Administration assumes that the initiator of a project has studied the question of profitability (paragraph 28).

3. **Education and training (paragraphs 51–54)**

In the report there is considerable attention paid to the closing down of educational institutions in the areas. The value of education for economic and social development is emphasized. We must reiterate that our position in this regard is the same as that presented in the report, namely, that educational institutions in the areas are only closed down if they become centres of unrest and hostile activities.

4. **Taxation (paragraphs 55–59)**

The income tax authorities in the areas act according to law, and their goal is to collect taxes at the amount required of each and every resident.

When there is no report, or when books are improperly kept, an assessment is made according to the best judgement possible as is customary in Israel, based on information that reaches the income tax offices (such as employers' listings, company reports). The assessment is thus an estimate based on the best information available in the hands of the income tax authorities. In most cases the income tax authorities and the residents come to an agreement. The resident also has the right to apply to an appeals committee.

The receipt of the various kinds of permits is not dependent on the actual payment of obligations, but on the making of arrangements to pay off the debts, or rather the making of an assessment and the arranging of payments with the tax authorities.

To sum up, the tax authorities act in accordance with and within the framework of the law to collect income tax from every citizen who owes taxes. If a resident has a reservation over the assessment that was determined for him,
he can apply to the income tax authorities. In the event that the reply of the authorities is not to his satisfaction, he has recourse to an appeals committee.

5. Conditions of work (paragraphs 60-90)

The comment at the end of paragraph 60, according to which an employer can "impose his preference" on the worker, is not understood. The fact that work permits are granted for a specific workplace does not mean that the worker has to accept the job or remain at a specific job. A similar argument is raised in paragraph 64.

No directive cancelling driving licences has ever been issued (paragraph 68).

The contents of paragraph 69 relate to the procedures which were in effect immediately following the Gulf War. Today there is no limitation of areas in Israel in which the residents of Judea, Samaria or the Gaza District are allowed to stay, if their stay is for the purpose for which the permit was given (a work permit or special permit for other needs).

The statement at the end of paragraph 78 is completely untrue. Entry to Israel without a permit (a work permit or a special permit) is illegal, and any entrance of this kind is considered a transgression of the law. The authorities are doing everything in their power to prevent such entries, and it should not be interpreted that failure to completely enforce this arrangement is part of a "tacit agreement". There are several inaccuracies regarding the administrative fines imposed on workers and employers. In Judea and Samaria there is an administrative fine of NIS350 on the worker. In the Gaza District, there is no administrative tax. The resident is released upon depositing a guarantee of NIS500, which is returned to him after the court decision. The court determines the amount of the actual fine. Employers pay an administrative fine of NIS2,000 on the first day and another NIS900 for every additional day of employment.

Conditions at the Eretz junction (paragraphs 89-90)

The Civil Administration does everything in its power to facilitate the smooth passage of workers from the Gaza District to Israel. With respect to the physical conditions, improvements are being planned, which should take place in the near future. The fact that not all the employers arrive every day to collect their workers is not under our control. The words of the report: "... violation of the dignity of workers and respect of the individual ..."
are inaccurate. The opposite is true. We do everything in our power to prevent this kind of situation.

6. The trade union situation (paragraphs 91-107)

Our position in this regard is the same as we presented in the past:

(a) For years many examples were presented to the members of ILO delegation of labour unions dealing in hostile activities and not in union activities. (There are also unions which are used purely as a "front" for hostile activities.)

(b) It appears that the delegation has again chosen to ignore the information presented to them, or does not appreciate the scope of the phenomenon.

(c) We can only reiterate that we have absolutely no interest in preventing the activities of true labour unions. Such unions would contribute a great deal to the welfare of the population by preventing the exploitation of workers by employers, bringing about a better distribution of income, and more.

Paragraph 99 mentions "arbitrary taxes" and limitations on exports to every destination except Israel. Unfortunately, this comment is not based on any examples or any other information. It should be noted that, as a rule, we encourage the export of regional products (industrial and agricultural) and, as stated above, actual steps have been taken to realize this goal.

7. Israeli settlements in the areas (paragraphs 115-127)

In our opinion, there is confusion and misunderstanding on everything related to the exercise of authority on the subject of land ownership in the areas, so that it would be desirable to clarify a number of concepts:

(a) Expropriation

   (i) Land is expropriated only on very infrequent occasions, and only for the purpose of carrying out public projects for the welfare of all the residents of the areas (e.g. highways, etc.). Land is not expropriated for security purposes or for the establishment of Israeli settlements.

   (ii) In any case of expropriation of land, compensation is paid in an amount which reflects the real value of the land. If the owner of the land believes
that insufficient compensation is being paid, he is entitled to apply to an appeals committee.

(iii) This kind of land expropriation is carried out in any country, and it is the obligation of the military government to supply a suitable infrastructure for the local population.

(b) Seizure of land

(i) In the event that land is needed for security purposes, and it is not possible to find other ways to meet these purposes (such as using state lands), land seizure for military purposes is carried out, as recognized in article 52 of The Hague regulations of 1907.

(ii) Land seizure is only temporary use of land, and compensation is paid for the use of the land.

(iii) In principle, we are not speaking of the seizure of farmed land or inhabited houses.

(iv) When the military need has been filled, the land is returned to its owner.

(c) Public lands

(i) Public lands are those that are not registered under a private name, or over which no private individual has any rights of ownership. We are not speaking of lands under individual ownership which have become public lands, but lands that were always public, over which the private individual had never acquired any rights. (According to local law in Judea and Samaria, a private individual can acquire ownership rights of many kinds of land if he has held on to and farmed the lands for an extensive period of time.)

(ii) The military government is obliged, according to international law, to faithfully maintain the property entrusted to it (meaning property permanently abandoned by its former owners). The director of abandoned property must maintain the property, so that it can be returned to the owner when he returns to the area.

Water consumption (paragraph 125)

In our comments on previous ILO reports, we have presented specific data on water consumption in the Arab and Israeli
sectors, so it is difficult to understand certain statements on this subject in the report, which have no basis in fact. We review and update our position as follows:

(a) **Gaza District**

(i) The Arab population in the Gaza District consumed approximately 98 per cent of the total water consumed in the area in 1988-89. The remaining 2 per cent was used by the Israeli settlements in the area.

(ii) The water used by the Israeli settlements is drawn from specially drilled wells which "capture" water which would otherwise have flown into the sea. Without this special drilling, this water would not have been exploited; indeed, it had never been exploited as a source of water by the local population.

(iii) At this stage, water is not yet being transferred to the Gaza District from the Israeli sources. Nevertheless, a regional water plant aimed at supplying water from Israeli sources to the Israeli settlements in Gaza has been completed. All the water pumped from the above wells will be returned to the local Arab population for its use.

(b) **Judea and Samaria**

(i) The local Arab population of Judea and Samaria consumed approximately 90 per cent of the total water consumption for household use in the region in 1988-89. The remaining 10 per cent was consumed by the Israeli sector.

(ii) In 1988-89, 5.3 million cubic metres of water were transferred from water sources in Israel to Judea and Samaria, with about 75 per cent (4 million cubic meters) of it used by the Arab sector and the rest by the Israeli sector.

II. **Economic conditions and employment**

Due to events in Judea, Samaria and the Gaza District since the end of 1987, the collection of statistical data in these areas has become more difficult and the information which is available is more limited and problematic than in previous years. A summary of economic developments over the past year, 1992, is included. In addition, information is provided on recent measures taken to encourage economic activity and development in the areas.
Economic activity and employment, 1967-87

Steps taken in 1992 for economic advancement and job creation

The Civil Administration invested considerable resources in the economic development of the areas, encouraged local and international initiatives, sought to improve the atmosphere and oversaw legislation aimed at expanding local investment. In developing industrial parks and infrastructures in Judea, Samaria and the Gaza District special emphasis was also laid on the creation of sources of employment.

The Law for the encouragement of capital investment began to bear fruit with the approval of about 30 applications for local investments in industrial enterprises in the areas in 1992, aimed at employing some 300 workers. We encouraged the investors, provided them with the maximum amount of assistance, instruction and information, and referred any investor interested in receiving help to the investment centre. Each factory will employ about 20 workers, with the range of investment being from about $100,000 to $500,000. Factories will operate in the areas of construction, furniture, metal, electric goods and more. In order to implement our policies of investment and industrial development in the areas, procedures were published to encourage foreign investors. In the wake of these procedures, over 50 requests to establish factories were submitted to the Civil Administration in Judea and Samaria. The amount of investment in industrial enterprises ranges from $100,000 to $1,000,000 and the number of employees needed to establish and expand the factories stands at about 800 workers. The factories are planned in the areas of construction, food, textiles and more.

In addition to the factories that were established according to the procedures to encourage outside investors and the Law for the encouragement of capital investment, many others were also established in the areas. In the Gaza District about 90 factories and workshops were approved in 1992, mainly in the textile field, and most have begun operating. In Judea and Samaria approximately 200 licenses were issued from April 1991 to the end of 1992. These enterprises should bring some 2,000 additional workers into the work cycle.

Income tax reform went into effect on 1 January 1992, whereby the burden on the wage-earner decreased. As a result,

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1 In this section of the communication the Government supplies the same information it provided in 1991. See the Report of the Director-General, Appendices (Vol. 2), International Labour Conference, 78th Session, Geneva, 1991, pp. 92-98.
the income of the Civil Administration fell by tens of millions of shekels. The reform benefited the individual at the expense of the budget for development in the areas.

Refugee rehabilitation is being carried out on a regular basis, and more and more families are joining the cycle of rehabilitation.

We encourage the establishment of additional financial institutions in Judea and Samaria and welcome any bank which opens branches in the areas. In 1992 two additional branches of the Cairo-Amman Bank were opened, and the openings of another branch of the Palestine Bank was also approved. At the same time we encouraged local investors to form insurance companies, and in February 1993 two new insurance companies were indeed established in the areas.

The transfer of industrial goods for display in exhibits in Damascus and Jeddah was approved in order to encourage marketing and exports outside the areas.

Farms in the Gaza district were encouraged to shift from raising citrus fruit, which gives low output, to raising flowers, which brings a high income, by investing in hothouses. In 1992, about 54 dunams in Gaza were used for the production of flowers, whose harvest of about 9 million flowers was earmarked for export. Farmers were also encouraged to turn over large areas to growing strawberries, and in 1992 strawberries were raised on some 660 dunams. As a result, about 500 tons of strawberries were exported in 1992.

International agencies were encouraged to invest in the infrastructure of the areas, an example of which is the willingness of the German Government to invest in the setting up of a sewage network in El-Birah.

The Civil Administration has maintained the level of organized workers, which in 1992 stood at approximately 70,000.

In order to encourage exports eastward, the tax on agricultural export was further reduced. The same step was taken with regards to the industrial exports, in which the levies were reduced by about 50 per cent.

In the Gaza District, work has begun on the infrastructure of several industrial areas, which has required a considerable investment of resources:

1. At the Eretz industrial park groundwork has already begun in order to expand the area by some 70 dunams. In addition, plans are being made to further expand the industrial park by about 230 additional dunams.
2. At the Beit Hanun industrial park considerable resources have been invested, and its electrical, water and communications infrastructure is in advanced stages.

3. Groundwork has begun on the Gaza Sheikh Aglin industrial park, and a tender has been awarded to pave an access road to the area.

4. The Dir El-Balah and Rafah industrial parks are in the beginning stages and expected to take more advanced form in the coming months.

At the Eretz junction some NIS1 million were invested in widening the approach road and constructing shelters to accommodate the commuting workers. At present, consideration is being given to a NIS10 million plan to ease the passage of the workers through the junction.

Special grants were given to rehabilitate 240 buildings in the refugee camps which were damaged during the last winter. The amount of the grant is likely to reach NIS2,000 per building, depending on the extent of damage.

General developments in Judea and Samaria in 1992

The Central Bureau of Statistics publishes data on the year 1992 at the end of 1993. Therefore, the following assessments are based on the Bureau's already published statistics and estimates received from the field.

The year 1992 was characterized by a process which began in the middle of 1991. The atmosphere in the areas had improved and interest in economic development was revived. Potential investors turned up at the offices of the Civil Administration in order to obtain licences to set up factories. Nineteen ninety-two was considered a year in which there was a significant increase in economic activity in the region.

Economic activity in Judea and Samaria in 1992 (estimates)

The following are the main components of economic development in Judea and Samaria in 1992:

1. The total number of working hours, the main component in the assessment, rose in 1992 by 19 per cent in Judea and Samaria and by 50 per cent in Israel.

2. The reduction of working days in Israel and in the areas increased about 10 per cent in relation to 1991.

3. Agricultural production rose by about 40 per cent and more, mainly due to the productive olive yield.
4. As for industry, approval was given to set up more than 100 factories; business turnover has increased and growth has apparently taken place in this area.

5. The number of tourists to visit Judea and Samaria was estimated at about 800,000, as opposed to about 500,000 tourists in 1991.

In 1992 positive changes have taken place in all sectors of the economy of Judea and Samaria; in our assessment, real meaningful growth has taken place in the gross local product, in the gross national product and in income from Israel, and with it in the individual welfare of the inhabitants.

Economic activity in the Gaza District (estimates)

The following are the main components of economic development in the Gaza District:

1. The number of working hours rose by about 20 per cent or more, while the number of working hours in Israel rose by about 10 per cent.

2. Working days in Israel rose by about 5 per cent or more.

3. The value of agricultural produce rose by about 6 per cent, mainly due to the increase in vegetable and poultry production and the turnover in citrus fruit sales.

4. In 1992 more than 100 factories and workshops were established which created hundreds of new jobs.

Positive changes have taken place in 1992 in the economy of the Gaza District. The gross local product, the gross national product and income from Israel have risen and grown to a meaningful extent, with the resulting rise in individual welfare.

Survey of economic developments in 1990-91

Gross domestic product in Judea, Samaria and the Gaza District, at constant prices, grew by an average rate of 8-9 per cent in 1990-91, after having remained stable in 1988-89 as compared to 1986-87. Domestic product includes the product of all the domestic branches of the economy - agriculture, manufacturing, construction, commerce and other services. Disposable national income, which, in addition to income from the domestic product, also includes income from work in Israel and abroad and from current transfers, increased in 1990-91 by 7 per cent, after an annual average decrease of 1-2 per cent in the previous two years.
Domestic product in Judea and Samaria, at constant prices, grew in 1990-91 according to rough estimates by 9 per cent per year, on average, following no change in 1988-89 compared to 1986-87. Taking into account the relatively high population growth - 4 per cent per annum - the product per capita grew by 5-6 per cent in 1990-91, following a 2-5 per cent decrease in the previous two years. Disposable national income grew by 4 per cent per capita in 1990-91, following an average annual decrease of 3-4 per cent in the previous two years. Per capita income in Judea and Samaria in 1990-91 was about $2,300, or 20 per cent of per capita income in Israel.

In the Gaza District domestic product grew in 1990-91 by an annual average of 7-8 per cent, or 2-3 per cent per capita. This follows average annual per capita decreases of 4 per cent in 1988-89 compared to 1986-87. Disposable national income per capita grew in 1990-91 by 1-2 per cent, following average decreases of 8 per cent in the previous two years. Per capita income in the Gaza District - about $1,400 in 1990-91 - was about 12 per cent of per capita income in Israel.

In both areas, economic development in 1990-91 was affected by the Gulf crisis: during the war most residents of these areas did not go to work and there were almost no transfers from workers in Arab countries.

On the other hand, there was a significant growth in agricultural produce, and following the Gulf crisis more persons were working in Israel, due to an increasing demand for workers in Israel, especially in construction.

Preliminary data for 1992 indicate a significant increase in labour input, as regards both those who work in their area of residence and those working in Israel: labour input of residents of Judea and Samaria in 1992 was about 28 per cent higher than in 1991 and 5 per cent higher than in 1987; in the Gaza District labour input grew by 20 per cent compared to 1991, returning to its 1987 level. In addition, the olive crops, whose effect on the economy of Judea and Samaria is significant, were high in 1992, at a level similar to the peak level of 1988.

Due to the abnormal situation in 1988-91, there were difficulties in collecting the data on the economic activity in these areas and especially on trade with Israel. Consequently, it was not possible to compute the changes in consumption, in capital formation, in exports and in imports of Judea and Samaria for the years 1988-91 and of the Gaza District for 1988. Due to the low reliability of the estimate of the accounts, use of two-year averages was chosen and for some of the variables the range of the changes was stated.
The main findings are specified below:

1. Judea and Samaria

The gross domestic product of Judea and Samaria, excluding the product of olive growing and olive presses (constituting on average about 10 per cent of the domestic product), which is subject to sharp changes both in quantity and in price, grew in 1990-91 according to rough estimates by 9 per cent, following average annual decreases of 2-4 per cent in 1988-89 compared to 1986-87.

Labour input (work-hours of employed persons) within the area of Judea and Samaria increased by 10 per cent per annum on average in 1990-91, following a similar rate of decrease in 1988-89.

In the product of the agricultural branch, which is the main production branch of Judea and Samaria, an average growth of 8 per cent per annum was recorded in 1990-91, following a 16 per cent growth in the previous two years. The product of the agricultural branch, excluding olives, grew in 1990-91 by 5 per cent following an average annual growth of 9 per cent in 1988-89. The increase in 1990-91 was mostly in livestock and their produce (9 per cent), and in the vegetable and potatoes output (4 per cent). On the other hand, output of fruit and melons and pumpkins, declined.

The industrial branch product grew in 1990-91 by 6 per cent per annum on average, following an average annual decline of 5 per cent in 1988-89. The industrial production in Judea and Samaria includes the production of olive oil, which is affected by the fluctuations in olive output. The industrial product, other than oil presses, grew in 1990-91 by an annual average of 7 per cent, following a decline of 8 per cent in 1988-89.

In the product of public and community services, which is derived from wage payments, at constant prices, in the civil administration, in local authorities, and in non-profit institutions (mainly UNRWA), a significant growth of 21 per cent per annum, on average, was recorded in 1990-91, following an average decrease of 21 per cent in 1988-89 compared to 1986-87.

Income from work outside Judea and Samaria, at constant prices (about one-fifth of total national income), most of which is income from work in Israel, remained unchanged in 1990-91, following an annual average rise of 4 per cent in the previous two years. The development in this income reflects the decrease in income from work in Arab countries, which became even more acute as a result of the Gulf
crisis. The effect of this crisis on income from work in Israel was less: this income grew in 1990-91 by 1 per cent per year, following an annual average growth by 10 per cent in the previous two years.

According to a rough estimate based on partial data on imports, the private consumption expenditure per capita in Judea and Samaria grew by an annual average of 1 per cent between the years 1986-87 and 1990-91.

Fixed capital formation in 1990-91 was 10 per cent lower than in 1986-87, an average decrease of 2-3 per cent per year.

General government consumption (expenditure of the civil administration and local authorities on education, health services, etc.) grew by an annual rate of 6 per cent in this period - or 3 per cent per capita.

2. The Gaza District

Labour input in domestic branches in the Gaza District grew in 1990-91 by 6 per cent, following an average decline of 8 per cent in 1988-89 compared to 1986-87.

The agricultural branch product grew in 1990-91 by 11 per cent, following an 8 per cent rise on average in 1988-89. In 1990-91 an increase was recorded in the output of all the branches: the output of citrus fruit grew by 17 per cent per year on average, that of vegetables and potatoes grew by 4 per cent, that of livestock by 9 per cent, and that of fruit other than citrus by 6 per cent. The industrial branch product grew in 1990-91 by 8-11 per cent per annum, following an annual average decrease of 6 per cent in 1988-89.

The product of public and community services grew in 1990-91 in the Gaza District by 6 per cent per annum on average, following a 3 per cent decrease in 1988-89.

Income from work outside the Gaza District, constituting about one-third of total national income, mostly income from work in Israel, grew in 1990-91 by 5 per cent following a significant decrease of 12 per cent in 1988-89 compared to 1986-87; still, in 1990-91 the level of this income was 16 per cent lower than the level of income from work outside the area in 1986-87.

Private consumption per capita declined between 1986-87 and 1990-91 by 2 per cent per annum on average - less than the decrease in national disposable income per capita (which decreased by 3 per cent). Most of the decline was in private consumption of industrial commodities.
Fixed capital formation in 1990-91 declined in the Gaza District by an annual average of 4 per cent compared to 1986-87. The decline mainly reflects a decrease in capital formation in machinery and equipment; capital formation in construction remained at a similar level to that of 1986-87.

General government consumption increased in 1990-91 at an annual rate of 3 per cent compared to 1986-87—a decrease of 1 per cent per capita.

III. Employment in Israel

Three major goals guide the policy of the Government of Israel with regard to the employment of workers in Judea, Samaria and the Gaza District. The first is full employment of all jobseekers—with employment opportunities in Israel being regarded as supplementary to those in Judea, Samaria and Gaza. Second, is freedom of choice and of movement in obtaining work; and the third, equality of wages, social benefits and working conditions for those working in Israel.

The opening of job opportunities in Israel has contributed to a high level of employment and low unemployment among the residents of Judea, Samaria and the Gaza District. The low unemployment figures, as noted earlier, are based on continuing labour force surveys conducted by the Central Bureau of Statistics that include all workers who are residents of Judea, Samaria and Gaza, including irregular labourers.

Today, more than 110,000 workers from Judea, Samaria and the Gaza District are employed in Israel. Residents of these areas began looking for work in Israel soon after they came under Israeli administration in 1967, and by 1968 about 5,000 were employed in Israel. The number reached almost 70,000 in 1974, and has increased only gradually since then. Over 80 per cent of these workers are commuters who return home daily. Thus, employment in Israel, unlike work migration elsewhere, does not entail the uprooting of workers from their homes and cultural environment. The number of permits held for shift work in Israel had reached about 5,600 at the end of the year, based on new criteria set together with the Coordinator of Government Operations in Judea, Samaria and the Gaza District, as follows:

- to 10.00 p.m. construction, garages, commerce
- to 02.00 a.m. restaurants and wedding halls
- to 05.00 a.m. industry, bakeries and hotels

To the areas for which overnight permits are granted—from Mitzpe Ramon southward—will be added Sodom, Arad (hotels) and
Ein Hatizba area. The total number of workers with valid overnight permits is about 450.

Finally, it bears emphasizing once again that employment in Israel, though beneficial to the Israeli economy, constitutes only 6 per cent of Israel's total employed labour force (and trade with the areas accounts for an even smaller percentage of Israeli domestic product).

Those working in Israel account for about one-third of the total labour force of Judea, Samaria and Gaza, which now numbers 328,000 workers, and these in turn are somewhat more than one-third of the working-age population. The low participation rate is largely due to the following factors: the outflow of workers to take jobs in neighbouring countries (albeit at a slower rate than in the 1960s), the continued non-participation by the majority of Arab women, as is traditional in many countries in this part of the world; and the increase in the number of persons of working age whose attendance at educational establishments directly affects labour force participation ratios. Table 10 indicates the branches of the economy in which workers from Judea, Samaria and Gaza are employed. The availability of work in the Israeli labour market to these workers, as well as the economic development of these areas themselves, has created a more highly skilled labour force. There has been a significant increase in the number of workers in skilled industrial and construction jobs and a significant decrease in the number of unskilled agricultural workers. In 1970, 24 per cent of those employed in Israel were employed in agriculture. By 1991 this had dropped to 12 per cent. The percentage of those employed in industry and construction rose from 66 per cent to 76 per cent during the same period.

While the number of workers employed in Israel rose from 20,000 in 1970 to 95,000 in 1986 and 109,000 in 1987, the number of employed persons during the same period, in the administered territories themselves, remained virtually unchanged despite the marked outflow from agricultural employment, as noted earlier. In this context, it should be noted that the major outflow of workers from agriculture and the consequent decrease of employment of area residents within the areas took place between 1970 and 1975. Since 1975-76 the outflow from agriculture has very appreciably slowed, whereas the total employment of area residents within the administered areas themselves has increased. The total number of workers employed in Israeli settlements throughout Judea and Samaria was approximately 7,000 in 1992; in 1991 it was about 4,500.

The safety and health of workers in Israel are provided for as part of their social benefits. A worker injured on the job is insured by the National Insurance Institute and within this framework he is entitled to the advanced medical care available.
in Israel. Furthermore, every worker has comprehensive medical insurance coverage through which he can receive special health services in clinics in Judea, Samaria and Gaza in the area of his home. These clinics provide examinations, medicines, and hospitalization for the workers and their families. It is financed in part by a small additional deduction from the workers' pay cheques. The Government provides the remainder of the budget needed for this purpose. In order to keep track of all wages and social benefit payments in a very fluid labour market, the Payments Division of the Employment Service has developed an advanced computerized system that makes it possible to locate the file of any worker quickly and examine his complete work history, including the wages he has earned and payments made into the social benefit funds for him. In case of a misunderstanding, mistake or dispute, the employment office in the worker's home district can locate the relevant facts on a microfiche read-out and solve the problem almost immediately.

This system covers the worker wherever he is employed in Israel. When a worker changes jobs and begins working in an area served by a different branch of the Payments Division, his records are transferred and kept up to date. In this way, social benefit contributions from his new job can accrue to those paid in his former jobs.

To ensure that the worker understands what rights he is entitled to and what deductions are being made from his cheque, he receives along with his pay cheque every month a detailed pay slip indicating the amounts paid that month for social benefits and taxes. The pay slip includes a small stamp certifying that he has paid into the medical insurance fund and is entitled to medical care at the clinics in Judea, Samaria and Gaza. Each item on the pay slip is in both Arabic and Hebrew.

In December 1990 the number of workers from Judea, Samaria and the Gaza District registered with the Payments Unit was 38,500. In December 1992, their number reached 74,000 workers. This means a rise of about 100 per cent in the number of certified workers. Thus, the proportion between the organized and unorganized workers is increasing. Today, some 70 per cent are organized and 30 per cent are unorganized.

A work permit is given the first time for a period of two months, after which every worker who receives his wages for the first time through the Payments Unit receives an ongoing work permit which is valid for one year. The extension is carried out by means of stamps which are attached to the salary slip. With an ongoing work permit, a worker can be employed in any place in Israel. He is not limited to a special workplace. The temporary permit form has been changed in order to make forgery more difficult. On his licence is entered the name and address of the employer.
In 1991 renovations were carried out in all the buildings of the labour exchanges. Reception counters and outside awnings have been added in order to improve the procedures for receiving the public, whose numbers have increased considerably.

In 1991 a service was initiated to provide workers and residents of Judea, Samaria and the Gaza District with free legal counselling from lawyers specially hired for this purpose, who provide service during the usual reception hours.

**In-service training**

During the year two seminars were held for staff of the employment units:

1. A seminar on wages and social benefits for the areas' residents employed in Israel, with the participation of the directors of payment units.

2. A seminar on updating and improving working procedures at the labour exchanges in Judea and Samaria.

**IV. Irregular employment**

In this section of the communication the Government supplies the same information it provided in 1991.\(^1\) It adds the following:

During the past two years, all workers from Judea, Samaria or the Gaza District are not allowed to work in Israel without a valid work permit. This includes temporary workers who might subsequently find "irregular" employment, not being registered and receiving their salary through the Payments Section of the Employment Service. However, if at the end of two months their employment is not regularized, their work permit is not renewed.

**V. Standard of living\(^2\)**

**VI. Social services**

The quality of life in Judea, Samaria and Gaza has also been improved through social and community development. The Government of Israel, through its Ministry of Labour and Social Affairs, has introduced a comprehensive social services system

\(^1\) See the 1991 Report of the Director-General, pp. 110-112.

\(^2\) In this section of the communication the Government supplies the same information that it provided in 1991 (pp. 100-102 of the Report of the Director-General).
including a wide range of new social services over the past 25 years, including the provision of a minimum income to those in need of public assistance, and has encouraged the expansion of rural development projects, neighbourhood development projects, and the activities of public charitable organizations.

The Government has from 1967 actively sought and encouraged the active cooperation and participation of international voluntary organizations and United Nations agencies in projects designed to enhance economic and social development in Judea, Samaria and Gaza. The United States Agency for International Development is currently funding projects carried out by American voluntary agencies in Judea, Samaria and the Gaza District in the fields of community development, economic development, health, education, expansion of cooperatives, improvement of marketing potentials and the development of local infrastructure such as electricity and water supplies, access roads and sewage systems.

During the period 1975-92 some $230 million has been spent by international voluntary agencies on projects approved by the Ministry of Labour and Social Affairs and the Civil Administrations in Judea, Samaria and the Gaza District. In addition, the Civil Administrations invested more than an additional $300 million over the same period in projects similar to those carried out by the international voluntary agencies. This, of course, does not take into account additional development budgets expended by the Civil Administration in fields in which the international voluntary agencies are not active.

The UNDP has approved funding for projects totalling $16.6 million including manpower development in the field of medical services, development of educational and vocational training services, and assistance in the development of social and community services.

UNICEF allocated $1.7 million during 1986-89 for the establishment of Child Development Centres in Judea, Samaria and Gaza, designed to identify and treat disabilities in children 0-6 years, as well as to undertake prevention, public education, professional instruction, and outreach programmes in this field. Four Child Development Centres, three in Judea and Samaria and one in Gaza, have already been established. In addition almost 50 villages in the Hebron District have been covered by a programme for the training of community health workers in the area of primary health care. Additional programmes carried out under the UNICEF funding include upgrading and in-service training of "dayas" (traditional birth attendants), kindergarten teacher training and upgrading of the physical conditions of the kindergarten.
It should be noted that the Government of Israel has during the years 1967-92 contributed directly to the education, health, social services and rehabilitation of refugees with a budget of $240 million over and above the allocation of UNRWA for providing aid to the refugee population.

More than 27 foreign and international agencies contribute to a wide range of economically and socially oriented projects together with the Government. These projects have the additional goal of encouraging residents to take the initiative in identifying their community's needs, in playing an active role in developing projects to answer these needs, and in providing financial participation for their implementation. The element of encouraging self-help and community solidarity is stressed as an important objective in itself, over and above the obvious economic benefits derived from such projects.

Local public charitable organizations were in existence in Judea and Samaria before 1967, but their activities have been encouraged and expanded through the initiative of the Government. They are active in such areas as the operation of nutrition and child development centres, mother and child care centres, kindergartens, day centres for the retarded and services for the handicapped. The Ministry of Labour and Social Affairs coordinates the activities of these organizations and offers professional guidance, while channelling their activities into new areas of need and encouraging the establishment of new organizations. Some 265 such organizations are now active in Judea, Samaria and Gaza, 191 of them established since 1967.

Neighbourhood development projects result from a government initiative to establish new residential neighbourhoods to accommodate families who have been enabled to leave refugee camps in the Gaza District. The Ministry of Labour and Social Affairs is involved in community work in these and other neighbourhoods in the Gaza District, and carries out projects together with newly organized neighbourhood committees, such as the establishment of community centres and the provision of other necessary services for the community. About 15,000 families numbering more than 120,000 persons have already been relocated in modern housing projects initiated by the Government and have been able to move out of the refugee camps maintained by UNRWA.

Many new social services have been introduced by the Government to deal with problems that had no solutions prior to 1967. For instance the Ministry of Labour and Social Affairs has established 30 classes in youth vocational rehabilitation centres (Mifitanim) for 650 boys and girls who have dropped out of the general school system and who are considered to be in danger of becoming delinquents. Likewise, the treatment of the retarded, the aged, epileptic and disabled persons has acquired new dimensions during the past 25 years. The first residential
homes for the retarded were established, one in Gaza and one in Judea and Samaria, and modern vocational rehabilitation centres were opened in 1980, one in Judea and Samaria and one in Gaza. The network of kindergartens in Judea, Samaria and Gaza has been reinforced by the provision of new furniture, teaching aids, play equipment, and teacher training, the latter through courses funded by UNICEF and the UNDP together with the Government. Educational, recreational summer camps were initiated by the Ministry of Labour and Social Affairs in 1969 to offer holidays by the sea to disadvantaged children from Judea, Samaria and Gaza. Some had never seen the sea before nor had had a vacation of this kind. Since then, every year some 2,000 children are able to enjoy a vacation which they could not otherwise afford. The Government, together with the municipality of Ashkelon has established a camp-site by the seaside with permanent structures and facilities for just this purpose.

A well-established network of professional social services has been developed through the initiative of the Ministry of Labour and Social Affairs since 1967. Social assistance through social welfare offices has been effective in providing incomes maintenance for needy families and treatment and rehabilitative services for other disadvantaged individuals and families. The effectiveness and professional dedication of the social services personnel has proved itself particularly during the disturbances of the past four years as well as during the Gulf crisis.

VII. The employment service

VIII. Social insurance

In this section of the communication the Government supplies the same information it provided in 1991. It adds the following:

To illustrate the advantage gained by workers from Judea, Samaria and the Gaza District in benefiting from the income tax credits, it should be noted that while the income from equalization payments during 1992 was around $90 million, the benefit to workers from income tax credits amounted to some $250 million.

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1 In this section of the communication the Government supplies the same information it provided in 1991 (pp. 105-107 of the Report of the Director-General).

IX. Vocational training

Since 1968, some 83,000 workers from Judea, Samaria and the Gaza District have learned trades in graduated vocational training courses and upgrading programmes sponsored by the Government of Israel. Moreover, the demand for such training and for additional subjects has been growing steadily throughout this period.

Before 1967, only three government-sponsored institutions for vocational training existed, two in Judea and Samaria and one in Gaza, but these had a limited effect on the labour force. One of the institutions in Judea and Samaria accepted only refugees. The school in Gaza offered only a lengthy four-year programme that had not yet graduated its first class by 1967. One UNRWA centre for vocational education served each area, but these were also very limited in the number of students they could serve.

The Ministry of Labour and Social Affairs has established and operates 25 vocational training centres, 19 in Judea and Samaria and six in the Gaza District. A centre in Rafah was closed with the return of a part of the city to Egypt, and its activities transferred to another location in a newly built centre in Rafah. The role of the centres has changed over the years, from retraining adults to providing teenagers with the skills they will need to find work. The emphasis is now on teaching industrial and manufacturing skills. Courses in the construction trades continue, but make up only about 10 per cent of the curriculum since about 70 per cent of workers in this branch from Judea, Samaria and Gaza are already skilled workers. Courses offered vary from centre to centre according to local needs. The centre in Beit Jalla, for instance, offers a course in olive-wood carving, a traditional local craft, in addition to standard skills such as carpentry, dressmaking, hairdressing, typing and bookkeeping.

In 1992 there was a significant increase in the Civil Administration budget allocated for vocational training. As a result, during 1992 some 2,500 trainees graduated from vocational training courses. These vary in their duration and in the type of instruction provided. Most combine practical training with classroom studies, and all comply with the same standards met by vocational education institutions in Israel. Centres are also open to requests from students. In some courses, for instance, pupils asked that a Hebrew lesson be included as a regular part of their studies and the centres have complied with the request. New courses in additional fields of vocational training are being added in accordance with the needs of workers for new or additional skills.

In their practical work, students produce items which are marketed to private or public buyers, or used in the centres.
themselves. Additions to the curriculum are driving courses for adults, offered in the evenings, for drivers of private or public vehicles and for those who wish to work as driving instructors or managers of driving schools. Evening courses for adults are also offered in auto-mechanics and garage management. A course in Hebrew for office-workers employed by the Government has been offered for the past several years.

In recent years, vocational upgrading and extension study programmes for transportation-related occupations were expanded. In the Gaza District a centre for training safety representatives in manufacturing plants has been established.

In August 1991 the head of the Civil Administration approved a programme to increase vocational training by investing an additional NIS1.5 million. This programme allowed for an addition of 500 trainees, as well as the introduction of new fields of study, such as aluminium work, computers, car mechanics and electricity, building trades and hairdressing.

Pocket money for the trainees was doubled in preferred trades.

The Civil Administration introduced improvement in the law as follows:

- compensation for sick days;
- a raise in the minimum age for working boys; and
- payment of compensation to victims of work accidents.

Within the framework of the campaign against work accidents, special courses are held for workers and business owners in order to strengthen their awareness of work safety. During 1991, 200 workers in the region participated in courses and symposiums, including the participation of labour unions.

Cooperation with the UNDP has led to a proposal for the establishment of four new courses in Gaza, one in radio and television repair, one in home appliance repair, and two in women's hairstyling. These new courses have begun to operate during recent years. Special programmes for younger students have also been established. Until recently, youths aged 14 and 15 who did not want to study, or whose families were in need of the income they could provide, were deprived of anything beyond an elementary education. Under a new programme, 260 youths in this age group in Judea and Samaria are granted one day a week to attend classes in theoretical and vocational studies at a vocational training centre. Another new programme started in 1981, providing young people in Judea and Samaria with courses in
which they learned vocational skills during their vacation from school.

In addition, efforts have been made in Gaza to productively employ blind and handicapped adults. As part of a Labour and Social Affairs Ministry-sponsored programme, a day club for blind and disabled men offers them a chance to learn a craft and work at it in the centre. Work such as bookbinding or weaving wicker items, for example, provides these people with an independent income and a sense of dignity. Two vocational rehabilitation centres, one in Gaza and one in Bethlehem, provide a new opportunity for handicapped or chronically unemployed individuals to acquire work habits, skills, resocialization, and eventual placement in the open work market.

The vocational training centres have been instrumental in providing women with greater opportunities to work. As mentioned above, the participation rate of women in the labour force of Judea, Samaria and Gaza is traditionally low. Social and religious pressures have prevented many women who wanted or needed to work from finding jobs. The vocational training centres, by accepting women into their courses, have been helping to pave the way for their entry into the labour force. In spite of the importance of providing women with equal training opportunities, the Government works towards these goals with local sensitivities in mind. Many courses created specifically for women train them in skills they can use to earn money at home rather than go out to work, such as dressmaking, knitting and weaving. There are also courses in office work, however, and women are free to study in any of the other courses offered by the centres if they wish to do so.

It is through the vocational training centres that coeducation has been introduced for the first time into some parts of Judea, Samaria and Gaza. In 1980 the vocational training centre in Hebron opened the first class in which men and women studied together in this city. The experiment was successful and was continued. Students who prefer not to study in mixed classes, however, are not required to do so.

The vocational training centres are well-known and places in them are in demand. The institutions are publicized through advertisements in local newspapers and on radio and television. In addition, letters are sent to each graduating high school student and visits by the centres' staffs are made to high schools every year in order to publicize the programme. Students accepted into the course receive their education free of charge and are provided with work clothes and pocket money for the duration of their studies. The graduation certificates are printed in Arabic, with either a Hebrew or English translation, as the student requests. The vocational training programmes are constantly being evaluated and ways are always being sought to
better provide for the needs of the students. Seminars are held regularly for the teachers in the centres in order to help them maintain and improve the standard of instruction.

One more rather general, but quite revealing point should be noted in regard to the vocational training programmes offered in Judea, Samaria and Gaza. An ILO regional study states that the field of education and training is at the heart of policies aiming at employment promotion and human resources development. The study then goes on to recommend a marked expansion of the education and training systems in Arab countries. This is basically what has occurred in Judea, Samaria and Gaza under Israeli administration. For it is in these areas that the promotion of vocational training has been geared to local conditions; a concentration on industrial and transport occupations rather than on construction work, and the provision of women with equal opportunities and the handicapped with chances for vocational rehabilitation.

X. **Cooperatives**

The cooperative movement in Judea and Samaria is very active, with new associations being formed every year. There are now 929 registered cooperative societies in Judea, Samaria and Gaza with a total membership of over 125,000.

Cooperatives may serve a variety of purposes. Farmers in a village may desire to establish a communal olive press, to buy expensive equipment as a collective, or to market their produce together. A village may decide to provide itself with electricity or young couples may join together to build an apartment building. In each case, the group is able to help its members by providing services that the individuals could not provide for themselves.

The present membership of 125,000 people must be compared to the 14,000 members who were affiliated with the cooperatives before 1967. At that time there were about 400 cooperatives operating in Judea and Samaria. Many of these ceased to be active after 1967, but efforts were made by the Israeli administration to persuade them to renew their activities. The cooperatives which began to function again tended to be those which provided essential services to their members - production cooperatives and health insurance schemes, for instance. Since the services were vital, the members of these cooperatives worked and sacrificed to pull them through the difficult period after the war. This effort paid off, and these cooperatives are thriving today.

Of 929 cooperative societies now registered in the region, 381 were registered before 1967. It should be noted that in order to assist the area's residents economically and socially,
the Civil Administration in the past year approved the registration of 111 new cooperative societies.

Those societies' founders hope to receive financial assistance from the European Community to finance their enterprises, especially in the areas of housing and agriculture. In the last year, our Ministry has provided training for members of the collective societies in the area of management and in deepening their knowledge of the cooperative movement.

The cooperative societies are distributed as follows:

1. Agriculture 387  
2. Schools 234  
3. Housing 164  
4. Electricity 32  
5. Cooperative stores 21  
6. Industry and trades 14  
7. Transportation 9  
8. Water 9  
9. Miscellaneous 59  

Total 929

The Ministry of Labour and Social Affairs actively encourages the cooperative movement. Thirteen Ministry employees, all residents of Judea, Samaria and Gaza, work in processing applications for new cooperatives and advising established ones. According to the existing local law, any group with at least seven members may apply for cooperative status. Each member pays an agreed-upon fee to buy a share in the cooperative, with all members holding an equal interest in the enterprise. As the project progresses members may invest more money. Even in cases like a housing project, where the original goal is achieved with the completion of the apartment building, the cooperative continues to operate — running perhaps, a neighbourhood kindergarten or a neighbourhood store, as well as looking after the upkeep of the building. Groups applying for registration are handled according to local laws. In addition, applicants may receive guidance on how to proceed with their project. Cooperatives elect their own officers and the members jointly decide how the group is to be run.

The Ministry of Labour and Social Affairs maintains an Institute for Labour and Cooperative Studies in Hebron with members of cooperatives in Judea and Samaria participating in courses offered by the Institute.
XI. Trade unions

In discussing the exercise of trade union rights in Judea, Samaria and Gaza, it is important to reiterate the following points: workers from these areas have the same right as Israeli workers to affiliate with trade unions or to set up their own trade unions; trade unions operate freely, negotiate collective agreements and protect their members' rights in labour matters; and existing laws and regulations in Judea, Samaria and Gaza concerning trade union rights are strictly observed by the Israeli authorities.

Advice and assistance to workers who work in Israel who have questions about or problems with their rights, is provided by the employment offices and by the relevant Israeli trade unions at the Histadrut, Israel's General Federation of Labour. All of these endeavour to ensure that workers receive the social benefits to which they are entitled.

Histadrut policy is open to the participation of workers from Judea, Samaria and Gaza on work committees in Israel, and moves to bring this about are continuing. Indeed, according to the Histadrut's constitution, every worker in a plant has the right to vote and to be elected to the workers' committees, although increasing the actual participation of workers from Judea, Samaria and Gaza is a slow process. This right, moreover, is not conditional on membership in the Histadrut itself.

Finally, all collective agreements negotiated by the Histadrut are extended to cover all workers, including those from Judea, Samaria and the Gaza District who work in Israel, regardless of whether or not they are actually union members.

In the past years cooperation between the Government and the Histadrut with regard to workers from Judea, Samaria and the Gaza District has increased. This has involved holding joint seminars, dissemination of information and holding study visits to these areas.

Workers who are employed within these areas themselves may be represented by their own trade unions. Local law guarantees their right to organize, to negotiate collective agreements with their employers and to offer protection to their members in labour matters.

There are seven registered unions in the Gaza District and 31 in Judea and Samaria. The latter tend to be more active. According to local law any group of 21 workers may register as a trade union. The scope of union activity must be determined by the workers themselves and the Government does not interfere in the organization of activities. Fifteen new unions have registered in Judea and Samaria since 1967. There are at present
39 trade unions existing in these areas, 33 in Judea and Samaria and six in Gaza. In 1991 a new union of driving instructors from schools in the Hebron area was registered.

Though law forbids trade unions to engage in political activity, in many cases union structures are exploited as a front for just this purpose.

Unfortunately the trade unions devote relatively little time to labour and workers' affairs and are deeply involved in terrorist activities.

XII. Labour legislation

XIII. Information, occupational safety and hygiene

In order to ensure that workers are properly aware of their rights and social benefits and of proper safety and hygiene precautions at the workplace, an intensive information campaign has become a regular part of the activities of the Ministry of Labour and Social Affairs in Judea, Samaria and Gaza. This campaign, now in its 12th year, is sponsored by the Ministry with the cooperation of the Institute for Occupational Safety and Hygiene and the National Insurance Institute. The campaign is conducted in Arabic and is directed at factories employing workers from Judea, Samaria and Gaza, especially those factories with a high potential for work accidents and a high risk rating.

In every factory employing workers from Judea, Samaria and Gaza, one of these workers is chosen to be the factory's safety representative. These people receive special training so that they may serve as a source of information on safety matters for their fellow workers and monitor the employer's compliance with safety regulations.

Regular seminars for these safety representatives are provided to train and update them on safety precautions. In these seminars the participants are provided with copies of booklets that explain the relevant laws and regulations, as well as the rights and duties of the safety delegate in the workplace. They also receive instructions on the proper use of tools and safety equipment, permitted noise levels at workplaces, causes of work accidents, fire prevention and first aid. All this information is in Arabic.

1 In this section of the communication the Government supplies the same information it provided in 1991 (pp. 126-128 of the Report of the Director-General).
Pamphlets, leaflets, booklets and posters in Arabic are regularly published and distributed to workers at workplaces and on their way to and from work. They include updated information on safety and also explain social benefits - what they are and how to receive them - to the workers, explain the benefits of finding work through the employment offices, and encourage workers to register.

The following information activities in the field of occupational safety and hygiene have been undertaken over the years: lectures given to workers at their place of work; courses for new safety representatives; upgrading courses for people already appointed as safety representatives; public service programmes in Arabic on the radio and television; and periodicals, newsletters and pamphlets distributed to workers throughout the territories.

Visits are carried out by Histadrut Labour Federation representatives to the workplaces in Israel of Judea and Samaria residents, in order to provide information.